

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
MARCH 19, 2014**

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The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, March 19, 2014 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:

Kenneth Ayers, President  
Everett "Ed" Brittain, Vice-President  
Mike Terry, Director  
Pamella Bennett, Director

The following Directors were absent:

Henry Heredia, Director

Also present were the following:

Ryan Gross, General Manager  
Tony Grabow, Fire Chief  
Randy Bobroff, Water Division Supervisor  
Trevor Miller, Wastewater Treatment Division Supervisor  
Isaiah Hall, Wastewater Collections Division Supervisor  
Ward Simmons, Attorney, Best, Best & Krieger  
Brian Thomas, Engineer, Engineering Resources

Visitors Present:

Gerhard Hilgenfeldt, Running Springs Resident  
Joe Harich, Running Springs Resident  
Mike Milliorn, Rim of the World Recreation and Park District  
Joan Moseley, Running Springs Resident, Reporter  
Roger Hulett, Green Valley Lake Resident

**MEETING MINUTES**

**AGENDA ITEMS**

**1. Call Meeting to Order and Pledge of Allegiance**

The meeting was called to order at 9:00 A.M. by President Ayers and the assembly pledged allegiance to the flag.

**2. Recognize and Hear From Visitors/Public Comment**

The visitors listed above introduced themselves for the record.

**A. Presentation by Mr. Joe Harich on Downtown Groundwater Wells**

Mr. Harich made a presentation on his groundwater wells located in the downtown Running Springs area and suggested that the Running Springs Water District revisit the feasibility of acquiring these wells. Discussion continued and additional background information was provided by Manager Gross. If the Board decided to revisit these wells it was suggested that a feasibility study be conducted including examining the environmental concerns, pump testing, water quality analysis and an economic analysis. Staff will obtain a proposal to conduct this analysis from a hydro geologist and return to the Board. The estimated cost to conduct the appropriate environmental analysis would be \$18,000 to \$50,000. The Board requested that Mr. Harich determine what a fair value of the water rights and infrastructure would be and provide that to the General Manager.

**3. Approval of Consent Items**

The following consent items were listed for approval:

**A. Approval of Minutes for February 19, 2014 Regular Board Meeting**

**B. Ratify January 2014 Expenditures**

**C. Consider Adopting Resolution No. 04-14, Fixing and Levying Fire Suppression Availability Charges for Fiscal Year 2014-2015**

**D. Consider Adopting Resolution No. 05-14, Fixing Sewer Standby or Availability Charges for Fiscal Year 2014-2015**

**E. Consider Adopting Resolution No. 06-14, Fixing Water Standby or Availability Charges for Fiscal Year 2014-2015**

**F. Consider Adopting Resolution No. 07-14, Clean Water State Revolving Fund Reimbursement Resolution**

**G. Consider Adopting Resolution No. 08-14, Appointing the General Manager to also Serve as Assistant Secretary**

Upon motion by Director Terry, second by Director Brittain and carried by a 4 to 0 vote, the items on the consent calendar were approved.

**4. Action Items**

**A. Consider Authorizing Staff to Purchase 2015 Ford F-550 to Replace 1997 Squad 51 Light Rescue Vehicle**

Chief Grabow reported on the budgeted replacement of Squad 51, the three bids received and the plan for modifying and refurbishing the existing body to place on the new chassis. The purchase will be funded from the Fire Department Equipment Replacement Reserve Fund.

Upon motion by Director Brittain, second by Director Terry and carried by a 4 to 0 vote, staff was authorized to purchase a 2015 Ford F-550 from Fairview Ford in the amount of \$47,850.18.

**B. Consider Adoption of Resolution Nos. 09-14 and 10-14 for the Elimination of Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System (CalPERS) for Newly Hired Classic CalPERS Members**

Manager Gross informed the Board that the Personnel Committee had considered a change in policy regarding the District's payment of normal member contribution to CalPERS as EPMC for newly hired "Classic" CalPERS Members. The Committee discussed the possibility of a second tier for newly hired employees that are considered "Classic" CalPERS members (both Miscellaneous and Safety) in which the District would pay 0% of the normal member contribution as EPMC for all new hires that would fall into the category of "Classic" CalPERS members. The average Employer Paid Member Contribution (EPMC) for each newly hired "Classic" CalPERS employee is approximately \$7,000 per year with a range of \$3,000 to \$14,000 per year.

Upon motion by Director Bennett, second by President Ayers and carried by a 4 to 0 vote, RESOLUTION NOS. 09-14 AND 10-14 ELIMINATING EPMC FOR MISCELLANEOUS AND SAFETY NEW HIRES CLASSIC CALPERS MEMBERS, WERE ADOPTED. (Resolution Nos. 09-14 and 10-14 are on file in the District office).

**5. Information Items**

**A. Draft Fiscal Year 2014/2015 Wastewater Department Budget**

The draft Wastewater Department Budget was provided for review and discussion. A Special Board Meeting is scheduled for April 2, 2014 for the Board to discuss rates and address questions regarding the Water, Wastewater and Fire Division Budgets. Director Brittain commended staff for doing a good job regarding the draft budgets.

**B. Review of Draft Ordinance No. 42, Declaring a Water Shortage Emergency and Imposing Measures to Deal with the Emergency**

On April 3, 1991 the District Board of Directors adopted Ordinance No. 17, Declaring a Water Shortage Emergency and Establishing a Water Conservation Program with provision for the declaration of various stages of water shortage. On November 17, 2010 the District Board of Directors adopted Ordinance No. 34, Amending Ordinance No. 17 to provide that when the Board has declared a Phase II Shortage, or greater, water service provided through water meters for irrigation purposes shall be terminated until such time as the Phase II Shortage, or greater, has ended. Best, Best & Krieger has reviewed the policies and provided a red line version for the Board to review. The Board raised several questions and concerns with the proposed draft ordinance. The consensus was to revise the ordinance to simplify it and make it a better fit for the Running Springs community. Staff will return to the Board in April with a revised version for further review and discussion.

**6. Reports from Management**

Division Supervisors reported on various activities.

Manager Gross confirmed that a Special Board Meeting will be scheduled for Wednesday, April 2, 2014 at 9am to discuss rates and the draft budgets.

Manager Gross also reported on the second attempt at the sale of the delinquent Assessment District No. 10 properties on February 26<sup>th</sup> and that no one showed up to bid. If anyone expresses interest the District will require a good faith deposit to cover additional costs of approximately \$2,500 to proceed with a third attempt at a sale. The minimum bid is currently around \$65,000 plus there are back taxes (2008-2014) due of approximately \$60,000.

Manager Gross reported on the District's contract accountant that has retired from RAMS. We offered for her to continue on as a consultant but she will only be available until November 1<sup>st</sup> and we have not heard back from RAMS if they are interested in continuing as our consultant. Last month a financial consultant called Platinum Consulting Group did a brief assessment of our financial and accounting practices and provided a proposal for assisting the District in this area. The consultant provided three options. Option 1 would be a contract Finance Manager at \$100K-\$150K for the first year assuming a new accounting/billing system is implemented and then approximately \$40K to \$75K per year after the first year which is equivalent to what the District is currently paying RAMS. Option 2 involves assistance with finding someone who could adequately and competently help the District with financial management which would cost approximately \$5,000. The Finance Committee will be looking at the assessment and proposal this afternoon and returning to the Board with a recommendation at the Special Board meeting in April.

**7. Finance Committee Report**

Director Brittain reported that the Administration and Water Division Budgets were going to be reviewed in the afternoon following this meeting and commended staff for the efforts in generating the draft budgets.

**8. Report from Engineer**

Engineer Thomas reported on the delta smelt protected species issue. Engineering Resources is still investigating the feasibility of water reuse and gray water in the Running Springs Water District service area.

**9. Report from Legal Counsel**

Attorney Simmons provided the Board of Directors with the latest California State Major Water Reservoirs chart that outlines water conditions indicating that the situation continues to get worse. Approximately 85% of carry over water and 75% of exchange water may be made available to CLAWA.

**10. Board Member Meetings**

A Special Board Meeting will be scheduled April 2, 2014 at 9am to discuss rates and the draft budgets.

**11. Board Member Comments**

Additional discussion ensued regarding the drought. Director Brittain expressed thanks to the staff for their work and mentioned that a customer was appreciative for the exceptional customer service he received when he contacted the District.

Roger Hulett addressed the Board representing Green Valley Lake. Mr. Hulett's comments were related to the potential independent sewer district the Green Valley Lake community is investigating. Mr. Hulett commented on the status of the CCTV inspection and various projects on-going in the CSA-79 service area and asked the Board what their feeling is in re-visiting consolidation. The Board commented on the past consolidation efforts and that it appeared the County was increasing their efforts to make improvements in CSA-79. Mr. Hulett indicated that the recent video inspection of the CSA-79 sewer system could be made available for review by Running Springs Water District staff.

Joan Moseley addressed the Board and commented on an upcoming community breakfast meeting Supervisor Rutherford is having in Crestline.

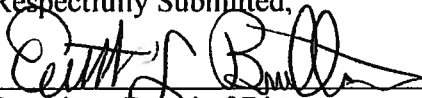
Manager Gross reported on a recent meeting with Supervisor Rutherford.

**12. Meeting Adjournment**

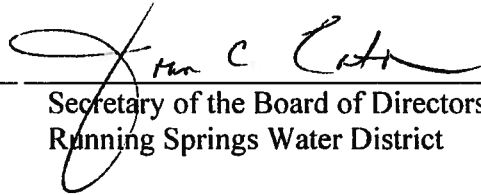
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The meeting was adjourned at 11:18 A.M.

Respectfully Submitted,



VICE-  
President, Board of Directors  
Running Springs Water District



Secretary of the Board of Directors  
Running Springs Water District