

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
MAY 17, 2017**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, May 17, 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
Tony Grabow, Director

Director Errol Mackzum was absent

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
George Corley, Fire Chief
Isaiah Hall, Wastewater Collection Division Supervisor

Visitors Present:

Ananda Foerch, Mountain News Reporter

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

Ananda Foerch introduced herself for the record with no public comment made.

3. Approval of Consent Items

A. Approve Meeting Minutes

B. Ratify March 2017 Expenditures

Administration staff will research industrial supply costs for the District.

Upon motion by Director Bennett, second by Director Terry and carried by a 4 to 0 vote, the Consent Items were approved.

4. Action Items

A. Public Hearing and Consideration of Adopting Ordinance No. 48, Establishing Fees for Ambulance Services

i. Open Public Hearing: President Ayers opened the Public Hearing at 9:09 A.M.

ii. Staff Presentation: Manager Gross reported on the Public Hearing stating the Inland Counties Emergency Medical Agency (ICEMA) has submitted the new annual rates and fees for ambulance services and the procedural requirement is to post notice in the newspaper and adopt Ordinance No. 48.

iii. Written Public Comment: None received

iv. Oral Public Comment: None received

v. Board Discussion/Comments: Discussion continued regarding the proposed ICEMA rates and fees.

vi. Close Public Hearing: President Ayers closed the Public Hearing at 9:11 A.M.

vii. Consider Adoption of Proposed Ordinance No. 48:

Upon motion by Director Grabow, second by Director Bennett and carried by a 4 to 0 vote, Ordinance No. 48, Establishing Fees for Ambulance Services, was adopted. (Ordinance No. 48 on file in the District office)

B. Consider Resolution No. 09-17, Adopting Updated Sewer System Management Plan (SSMP)

Manager Gross reported on the five (5) year regulatory requirement to adopt an updated SSMP. The draft SSMP with minor revisions was presented to the Board for review and discussion continued regarding District facilities and the sewer system. Manager Gross said the SSMP is a working document and will be revised and submitted to the state every five (5) years as facilities are updated. Supervisor Hall was then excused from the meeting.

Upon motion by President Ayers, second by Director Terry and carried by a 4 to 0 vote, Resolution No. 09-17, the Updated Sewer System Management Plan, was adopted. (Resolution No. 09-17 on file in the District office)

C. Consider Accepting Proposal for Fiscal Year 2016/2017 Financial Audit Services

Supervisor Eaton reported on the Financial Audit Services Engagement Letter from Van Lant & Fankhanel, LLP (VLF) for year ending June 30, 2017 and stated the proposed fee of \$22,500 has remained the same since 2013. Discussion continued regarding a single audit that is required if the District were to expend more than \$500,000 in Federal Awards. Manager Gross will confirm that there were no federal funds received from the State Water Board regarding the Sewer Lift Station Project.

Upon motion by Director Bennett, second by Director Grabow and carried by a 4 to 0 vote, the Proposal for Fiscal Year 2016/2017 Financial Audit Services from VLF in the amount of \$22,500, was accepted.

5. Information Items

A. Draft Fiscal Year 2017/2018 Water & Administration Division Budget

Manager Gross reported on the draft 2017/2018 Fiscal Year Water and Administration Division Budget stating the Finance Committee met on April 25, 2017 to review the draft budget and he said there is an overall increase of approximately 4% in expenses and 6% in revenues based on the rate adjustments that are in place. Manager Gross noted the Cash Flow Projection and said the Operating Reserve Fund will soon be fully funded allowing the Water Division to complete deferred projects in the future. Discussion continued regarding District facilities and the draft Water and Administration Budget, specifically the Fuel and Oil, Repair and Maintenance and the Water Quality Testing accounts. Manager Gross said minor corrections will be made to the drafts and the final budgets for all Divisions will be presented at the June 21, 2017 Board Meeting.

B. Consider Draft Board Policy Manual

Manager Gross said the draft Board Policy Manual is the District Board Bylaws that were adopted in 2011 and have been incorporated into a new manual. Manager Gross will insert wording in the policy regarding delegation of authority in an emergency. The draft Board Policy was further reviewed and discussed with suggested revisions noted. The final Board Policy Manual will be returned to the June Board Meeting for consideration and approval.

C. Consider Draft Purchasing Policy

The Draft Purchasing Policy was reviewed and discussed with suggested revisions noted. Manager Gross will also consult with Scott Manno, CPA, Rogers, Anderson, Malody

and Scott, regarding procurement guidelines involving federal awards and/or funds. The final Purchasing Policy will be returned to the June Board Meeting for consideration and approval.

D. Water Production & Precipitation Report

Manager Gross reported on water production and noted the Precipitation Report is a comparison to the prior four (4) years. Regarding the new Ayers Acres Well, Manager Gross said the well did not produce as expected due to sediment which indicates the well has not fully developed in the fracture system. Only two (2) water wells are currently supplying the entire District.

6. General Manager's Report

Manager Gross said the District is waiting to hear from Lewis Murray, Representative for Janice Rutherford, regarding scheduling a meeting to discuss possible consolidation with CSA-79. Manager Gross also stated Arrowbear Park County Water District will conduct a meeting to discuss possible annexation to the San Bernardino County Fire Department. In closing, Manager Gross reported the District received a request from the Local Agency Formation Commission (LAFCO) to utilize the District Board Room to conduct the five (5) year Municipal Service Review meeting for water agencies on the mountain.

7. Report from Legal Counsel

None

8. Board Member Comments

None

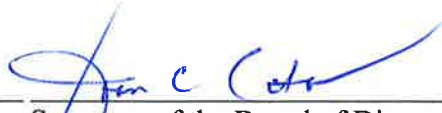
9. Meeting Adjournment

The meeting was adjourned at 10:31 A.M.

Respectfully Submitted,



President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District