

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
JULY 18, 2018**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, July 18, 2018 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:

Tony Grabow, President
Mike Milliorn, Director
Bill Conrad, Director

The following Directors were absent:

Errol Mackzum, Vice President
Mike Terry, Director

Also present were the following:

Ryan Gross, General Manager
George Corley, Fire Department Chief
Randy Bobroff, Water Division Supervisor

Visitors Present:

None

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 Grabow who also led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear From Visitors/Public Comment

No visitors were present.

3. Approval of Consent Items

A. Approve June 20, 2018 Meeting Minutes

B. Ratify June 2018 Expenditures

- C. Receive and File the Fiscal Year 2017/2018 Annual Board and Employee Expense Report**
- D. Consider Declaring Certain Equipment as Surplus and Authorize Staff to Dispose of Property**

Manager Gross clarified consent items C and D that are annual routine requirements.

Upon motion by Director Milliorn, second by Director Conrad and carried by a 3 to 0 vote, the Consent Items were approved.

4. Action Items

- A. Consider Adopting Resolution No. 15-18, Certifying Delinquent Charges to be Placed on the Tax Roll for Fiscal Year 2018/2019**

Upon motion by Director Conrad, second by Director Milliorn and carried by a 3 to 0 vote, Resolution No. 15-18 was adopted. (Resolution No. 15-18 on file in the District office)

- B. Consider Adopting Resolution No. 16-18, finding that certain properties located in the District constitute a public nuisance and ordering notification to property owners and setting a public hearing**

Chief Corley reported on the Hazard Abatement program and he said adoption of Resolution No. 16-18 is the beginning of the annual process. Manager Gross said the resolution declares the public nuisance and sets the public hearing on September 19, 2018. The Board will review the list of remaining non-compliant properties at the public hearing and consider approving warrant notification for those properties. Manager Gross confirmed the initial \$90 non-compliant hazard abatement fee that will increase if the property goes to warrant and is required to be abated by a contractor.

Upon motion by Director Conrad, second by Director Milliorn and carried by a 3 to 0 vote, Resolution No. 16-18 was adopted. (Resolution No. 16-18 on file in the District office)

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

The Board discussed the candidates for the CSDA Board of Directors and no action was taken.

- D. Consider Authorizing Staff to Payoff Ambulance Loan**

Manager Gross requested Board consideration to pay off the Municipal Finance Corporation loan regarding the Ambulance that was purchased in 2015, resulting in approximately \$970 savings in interest expense.

Upon motion by President Grabow, second by Director Conrad and carried by a 3 to 0 vote, the motion was approved.

E. Consider Authorizing Expenditure for Replacement of Sidewinder Groundwater Well Lower Booster Pump & Motor

Supervisor Bobroff reported on the Sidewinder Groundwater Well lower booster pump and motor failure. Three (3) bids were received from reputable contractors and if approved, the funds will be utilized from the Water Capital Improvement Reserve Fund with a balance of \$435,756 as of June 30, 2018. With the system down, the District is required to purchase expensive imported water from the Crestline-Lake Arrowhead Water Agency (CLAWA) and Manager Gross asked for authorization to spend up to \$6,200 for the emergency repair.

Upon motion by Director Conrad, second by Director Milliorn and carried by a 3 to 0 vote, the motion authorizing the expenditure not to exceed \$6,200, was approved.

F. Consider a Customer Opt-Out Policy for Automatic Meter Reading (AMR) Technology Upgrade Program

Manager Gross stated the District has begun deployment of the AMR project and he reported on a concerned customer regarding the AMR technology. The customer submitted a letter to the District and local newspapers stating health concerns and discussion continued regarding the option of an Opt-Out Program. Manager Gross said his recommendation is not to implement an Opt-Out option but rather continue to educate the customers and he added that there are no Opt-Out mandates in place regarding a special district. The staff report also contains several attachments with information on smart meters from the American Cancer Society, Water Online, Black & Veatch and Zenner that will be used as public outreach materials related to the District's AMR program.

Upon motion by Director Milliorn, second by Director Conrad and carried by a 3 to 0 vote, to not move forward with a Customer Opt-Out program at this time, was approved.

5. Information Items

A. Quarterly Budget and Financial Report

The Fiscal Year 2017/2018 quarterly budget, financial report and preliminary yearend figures were reviewed and discussed. A comprehensive rate study will be conducted in Fiscal Year 2018/19.

B. Quarterly Investment Report

Manager Gross reported on the Local Agency Investment Fund Remittance Advice for quarter ending June 30, 2018 earning \$17,196 interest at 1.9%. The interest is divided among the departments based on their proportionate share of the pooled cash balance.

C. Water Production & Precipitation Report

Manager Gross said regarding Fiscal Year 2017/18, the District produced over 50% of the local groundwater needs and purchased the remaining water from CLAWA and Arrowbear Park County Water District. The total water reduction from 2013 to 2017 was 14% indicating customers are continuing to do their part for water conservation.

6. General Manager's Report

Manager Gross reported on the Pali Mountain Camp annexation and the County Fire Department opposition. Reference was made to the 2006 memo from the County Administrative Office to the Local Agency Formation Commission (LAFCO) and LAFCO Resolution 2986, both which took the official position that it is not the intent of the County Fire Department to object to the primary agency annexing areas within its sphere of influence in the future, with the normal property tax transfers taking place.

7. Report From Legal Counsel

No report.

8. Board Member Comments/Meetings

No comments or meetings.

9. Meeting Adjournment

The meeting was adjourned at 9:57 A.M.

Respectfully Submitted,



President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District