

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
AUGUST 15, 2018**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, August 15, 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
Errol Mackzum, Vice-President
Mike Terry, Director
Mike Milliorn, Director
Bill Conrad, Director

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
Ward Simmons, Legal Counsel, Best, Best & Krieger
George Corley, Fire Department Chief
Trevor Miller, Wastewater Treatment Division Supervisor

Visitors Present:

Gerhard Hilgenfeldt, Running Springs 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 Grabow who also led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear From Visitors/Public Comment

Mr. Hilgenfeldt introduced himself for the record.

3. Approval of Consent Items

A. Approve July 18, 2018 Board Meeting Minutes

B. Ratify July 2018 Expenditures

C. Consider Declaring 2000 Dodge Durango (C3600) Command Vehicle Surplus Property and Dispose at Auction

Upon motion by Director Conrad, second by Director Milliorn and carried by a 5 to 0 vote, the Consent Items were approved.

4. Action Items

A. Consider Awarding Contract for Wastewater Treatment Plant Wash Water Piping Replacement Project

Manager Gross asked the Board to consider awarding a construction contract for the Wastewater Treatment Plant Wash Water Piping Replacement Project to Trinity Construction Company for their low bid of \$63,135.52, authorize the General Manager to execute the contract and approve any necessary change orders not to exceed 15% of the original construction contract amount. The District received three (3) bids for the project and Manager Gross said he does not expect any change orders. The District budgeted \$65,000 for the project that will be funded by the Capital Improvement Reserve Fund with a balance of \$265,750 as of July 31, 2018.

Upon motion by Director Mackzum, second by Director Terry and carried by a 5 to 0 vote, Awarding the Contract for the Wastewater Treatment Plant Wash Water Piping Replacement Project to Trinity Construction Company, as recommended in the staff report, was approved.

B. Consider Authorizing Expenditure for Wastewater Treatment Plant Headworks Improvement

Supervisor Miller requested authorization for \$20,000 to purchase a surplus RotoShear Drum Screen from the San Bernardino County Special Districts for installation at the Treatment Plant. The purchase price will be approximately \$1,000 and the additional \$19,000 is for trucking, installation materials and outside labor and Supervisor Miller confirmed the stainless steel drum has an approximate twenty (20) year life span. Discussion continued and if approved, the project will be funded from the Wastewater Capital Improvement Project Reserve Fund with a balance of \$265,750 as of July 31, 2018 and the expense will be shared cost with the upstream users.

Upon motion by Director Conrad, second by Director Terry and carried by a 5 to 0 vote, the Expenditure for Wastewater Treatment Plant Headworks Improvement, as recommended in the staff report, was approved.

C. Consider Approving CSA79 Wastewater Transportation, Treatment and Disposal Agreement

Manager Gross reported on the proposed Wastewater Transportation, Treatment and Disposal Agreement for CSA79 Green Valley Lake that is similar to the Arrowbear Park County Water District (Arrowbear) agreement. The CSA79 draft agreement will be presented to the County for review. Manager Gross confirmed the agreement will be retroactive to July 1, 2018.

Upon motion by Director Mackzum, second by Director Conrad and carried by a 5 to 0 vote, the CSA79 Wastewater Transportation, Treatment and Disposal Agreement, was approved.

D. Consider Awarding a Professional Services Agreement for the Design of the Nob Hill Water Facilities Improvements Project

Manager Gross requested authorization to award a Professional Services Agreement for the design of the Nob Hill Water Facilities Improvement Project to Albert A. Webb Associates and authorize the General Manager to execute the agreement. The project includes replacement of the existing forty (40) year old facilities and a new pumping system on the interconnecting pipeline between the Crestline-Lake Arrowhead Water Agency (CLAWA) and Running Springs Water District water storage tanks. Manager Gross said the \$84,000 proposal that may be negotiable, is from Webb Engineering Firm for the preliminary design. Manager Gross also said the \$290,000 estimate of the construction cost will be part of the design work and the project will be funded from the Water Capital Improvement Reserve Fund with a balance of \$316,556 as of July 31, 2018.

Upon motion by Director Mackzum, second by Director Terry and carried by a 5 to 0 vote, Awarding a Professional Services Agreement with Webb Associates for the Design of the Nob Hill Water Facilities Improvement Project, as recommended in the staff report, was approved.

E. Consider Awarding a Construction Contract for the Main Office Roof Improvements Project

Manager Gross requested authorization to award a construction contract for the Main Office Roof Improvements to Kurt Norlander Roofing for the low bid price of \$13,210. Three (3) bids were received for the project that includes partial demolition and repair of the entrance roof. Discussion continued and if approved, the funding source would be from the Water Capital Improvement Reserve Fund with a balance of \$316,556 as of July 31, 2018.

Upon motion by Director Conrad, second by Director Terry and carried by a 5 to 0 vote, Awarding a Construction Contract to Kurt Norlander Roofing for the Main Office Roof Improvements Project, as recommended in the staff report, was approved.

F. Consider Adopting Resolution No. 17-18, Approving the Department of Forestry and Fire Protection Agreement #7FG118093

Chief Corley reported on the California Department of Forestry and Fire Protection for funding the Cooperative Forestry Assistance Act of 1978 Volunteer Fire Assistance Program Agreement #7FG18093. The Running Springs Fire Department has been awarded \$679.70 toward the purchase of wild land firefighting gear with a 50/50 matching fund basis for the grant.

Upon motion by Director Mackzum, second by Director Terry and carried by a 5 to 0 vote, Resolution No. 17-18, Approving the Department of Forestry and Fire Protection Agreement #7FG118093, was adopted. (Resolution No. 17-18 on file in the District Office)

G. Consider Authorizing Staff to Issue a Request for Proposals (RFP) for a Comprehensive Rate Study

Manager Gross requested authorization for staff to issue a Request for Proposals (RFP) for a Comprehensive Rate Study that will provide an independent consultants report to justify future rates and he mentioned that Fiscal Year ending 2019 is the final year of the District five (5) year rate adjustment. Director Mackzum commented on the Board guiding the rate study with Manager Gross saying the process will be an interactive workshop setting. Discussion continued and Manager Gross stated the Fiscal Year 2018/2019 District budget includes \$80,000 for the study and he researched proposals for similar size agencies that ranged from \$45,000 to \$60,000. If approved, the proposals will include an analysis of the Fire Department's revenue alternatives and will be brought for consideration to the Board of Directors on October 17, 2018.

Upon motion by Director Grabow, second by Director Milliorn and carried by a 5 to 0 vote, Authorizing Staff to Issue a Request for Proposals (RFP) for a Comprehensive Rate Study, as recommended in the staff report, was approved.

5. General Manager's Report

Manager Gross reported on the Automatic Meter Reading (AMR) Project saying the new meters are being installed in the Nordic track beginning August 13th. The District received correspondence from one concerned customer regarding exposure to electromagnetic radiation and a report was provided to the District for review. Discussion continued and Director Mackzum commented on the water conservation benefits of the AMR project.

The Pali Mountain Property Tax Transfer Resolution is expected to be on the San Bernardino County Board of Supervisors agenda on August 21, 2018 and the next step is a Local Agency Formation Commission (LAFCO) hearing to approve the final annexation. Discussion turned to the County Fire proposed annual parcel tax of \$157 that would include some unincorporated communities in San Bernardino County.

6. Report From Legal Counsel

No comments at this time.

7. Board Member Comments/Meetings

No comments at this time.

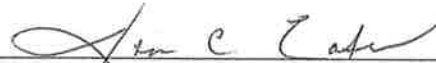
8. Meeting Adjournment

The meeting was adjourned at 10:14 A.M.

Respectfully Submitted,



President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District