

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
SEPTEMBER 19, 2018**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, September 19, 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
Mike Vasquez, Fire Department Battalion Chief
Dixi Willemse, Fire Department Administrative Assistant

Visitors Present:

Gerhard Hilgenfeldt, Running Springs Resident
Robert Birdwell, Running Springs Resident

MEETING MINUTES

AGENDA ITEMS

1. Call Meeting to Order and Pledge of Allegiance

The meeting was called to order at 8:59 A.M. by President Grabow and Director Mackzum 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. Public Hearing and Consideration to Allow or Overrule any or all Objections or Protests to the Proposed Removal of Weeds and/or Wastes that have been Declared as a Public Nuisance

A. Open Public Hearing – President Grabow opened the Public Hearing at 9:00 A.M.

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- B. Fire Chief's Report – None
- C. Written Objections or Protests – None
- D. Oral Objections or Protests – None

Visitor Birdwell stated that he received an abatement notice with a \$95.00 fine and Administrative Assistant Willemse said the Department will re-inspect his property and if in compliance, the fine will be waived on a one-time basis.

- E. Board Discussion – Director Mackzum said the intent of the Hazard Abatement Program is fire safety and he thanked the Fire Department. Discussion continued regarding the program and a list of the properties that are going to warrant will be provided to Director Conrad.
- F. Close Public Hearing – President Grabow closed the Public Hearing at 9:17 A.M.
- G. Consider Allowing or overruling any or all objections or protests to the proposed removal of weeds and/or wastes that have been declared a public nuisance, whereupon the Board of Directors shall acquire jurisdiction to proceed and perform the work of removing the public nuisance. (Motion Required)

No motion was made with no objections or protests received.

4. Approval of Consent Items

- A. Approve August 15, 2018 Regular and Special Board Meeting Minutes**
- B. Ratify August 2018 Expenditures**

Manager Gross confirmed the annual \$10,000 Local Agency Formation Commission (LAFCO) expense and said annexation fees are in addition to the annual fee.

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

5. Action Items

- A. Consider Approving Resolution No. 18-18, Amending the District's Medical Expense Reimbursement Plan**

Manager Gross reported on amending the District Medical Expense Reimbursement Plan to be consistent with the Personnel Manual. The amendment will allow employees enrolled in the District's primary group health plan to also participate in the District's Medical Expense Reimbursement Plan and discussion continued. The only fiscal impact

would be a potential slight reduction in health benefit cost to the District if employees enrolled in the District's primary group health plan did not use their full amount of the allocated monthly allowance paid by the District.

Upon **motion** by Director Conrad, **second** by Director Terry and **carried by a 5 to 0 vote**, Resolution No. 18-18, Amending the District's Medical Expense Reimbursement Plan, was adopted. (Resolution No. 18-18 on file in the District office)

6. Information Items

A. Update on Proposals, Scope of Work and Fee Estimates Received for Rate Study

Manager Gross reported on the Request for Proposals (RFP) received from four (4) consulting firms to conduct a Water and Wastewater Rate and Connection Fee Study and Fire Department Revenue Alternative Analysis. Director Mackzum suggested that the District move forward by selecting a firm with Attorney Simmons confirming that the Board could proceed and take action at this time. Discussion continued and Manager Gross said all firms were willing to work with the District on the final fees and the first step is to award the Professional Services contract.

Upon **motion** by Director Mackzum, **second** by Director Conrad and **carried by a 5 to 0 vote**, Authorizing the General Manager to select Raftelis Financial Consultants, Inc. contingent upon coming to an agreement on the final fee, not to exceed the amount listed in their proposal, and to authorize the General Manager to enter into a Professional Services contract with Raftelis Financial Consultants, Inc. that will be reviewed by Best, Best & Krieger, was approved.

B. Update on LAFCO 3228 Pali Mountain Camp Annexation

Manager Gross reported on the LAFCO status update regarding the Pali Mountain Camp Annexation saying the San Bernardino County Board of Supervisors approved the Property Tax Transfer Resolution on August 21, 2018 and the next step is a Local Agency Formation Commission hearing. Manager Gross will attend the LAFCO hearing on October 17, 2018 at 9:00 A.M. so the October Board Meeting will be rescheduled to October 18, 2018.

The November Board Meeting will be rescheduled from November 21, 2018 to November 14, 2018.

C. Water Production and Precipitation Report

Manager Gross provided a water production and precipitation report and stated the Ayers Acres water well production is still lower than expected and may recharge with wet weather.

7. General Manager's Report

Manager Gross reported on the Automated Meter Reading (AMR) system that was an \$800,000 project with 50% principal loan forgiveness and he said the project should be complete by Thanksgiving. The AMR system provides efficient leak detection and consumption reports and the District is expecting the first \$460,258 disbursement from the State Water Board. Manager Gross said the District is currently evaluating Water Division staffing requirements with implementation of the new AMR system.

The Administration Roof Repair Project is complete and Trinity Construction is finalizing the Wastewater Treatment Plant Wash Water Piping Repair Project.

The Getaway House has closed escrow on the Helendade property and Manager Gross will meet with representatives on September 20, 2018 to begin the annexation process. Discussion continued that included deeding the groundwater rights to the District.

Manager Gross reported on the San Bernardino County Fire Protection District proposed expansion to the boundaries of Service Zone FP-5 that will include a majority of the unincorporated land of San Bernardino County, but will not apply to the Running Springs Water District. Manager Gross will review the list of tax exempt parcels owned by the District.

8. Report From Legal Counsel

Attorney Simmons reported on activity in Sacramento to possibly revive the water tax bill.

Attorney Simmons also provided the Board and staff with a written analysis regarding Senate Bill 998 that is on the Governor's desk until September 30, 2018, concerning new regulations on discontinuing water service. Additional information will be provided if the bill passes.

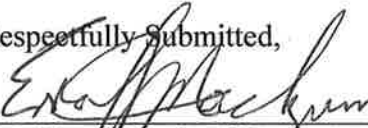
9. Board Member Comments/Meetings

The Special Board Meeting scheduled for September 19, 2018 at 10:00 A.M. was cancelled.

10. Meeting Adjournment

Upon motion by Director Conrad, second by Director Mackzum and carried by a 5 to 0 vote, the meeting was adjourned at 10:16 A.M.

Respectfully Submitted,



President/Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District

Vice-