

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
NOVEMBER 13, 2019**

A Special Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, November 13, 2019 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:

Errol Mackzum, Vice-President
Mike Terry, Director
Bill Conrad, Director (Arrived at 9:01 A.M.)
Mark Acciani, Director

President Tony Grabow was absent

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
Amie R. Crowder, Board Secretary/Treasurer/Administration Supervisor
Randy Bobroff, Water Operations Manager
Trevor Miller, Wastewater Operations Manager
Mike Vasquez, Fire Chief
Mike Riddell, Best Best & Krieger, Legal Counsel
Brett Van Lant, Van Lant & Frankhanel, L.L.P.
Scott Manno, Rogers, Anderson, Malody & Scott, L.L.P.
Sunny Kim, Rogers, Anderson, Malody & Scott, L.L.P.

Visitors Present:

Dave Walters, Trinity Construction
Chris Crowder, Running Springs Resident
Kenny Eaton, Running Springs Resident
Kevin Eaton, Running Springs Resident
Kelly Eaton, Running Springs Resident

MEETING MINUTES

AGENDA ITEMS

1. Call Meeting to Order and Pledge of Allegiance

The Running Springs Water District Special Board Meeting was called to order at 8:58 A.M. by Vice-President Errol Mackzum and Joan C. Eaton led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear from Visitors/Public Comment

The visitors introduced themselves for the record.

3. Approval of Consent Items

A. Approve Meeting Minutes

B. Ratify Expenditures and Cash Summary

C. Consider Adopting Resolution No. 16-19, Commending George Corley for District Service

D. Consider Adopting Resolution No. 17-19, Setting the Schedule for Regular Board Meetings

E. Consider Adopting Resolution No. 18-19, Appointing the Board Secretary and Treasurer

F. Consider Adopting Resolution No. 19-19, Resolution of Lodge, Association or Other Similar Organization Regarding New Bank Signature Cards for First Foundation Bank

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

4. Action Items

Please notate the order of Action Items. Action Item D was agreed to be the first Action Item reviewed.

D. Consider Approving Lease Agreement for Use of Harris Property for Equipment Storage

Manager Gross requested to have this Action Item moved to the first Action Item of the meeting. Trinity Construction is requesting to lease the Harris Property for equipment storage in the amount of \$800 per month. Dave Walters of Trinity Construction confirmed the equipment to be stored on the Harris Property would not be serviced on the property without prior approval from the District. The Harris Property is fenced in and shielded from public view. Further discussion continued.

Upon **motion** by Director Acciani, **second** by Director Conrad and **carried by a 4 to 0 vote**, Authorizing Lease Agreement in the amount of \$800 per month, was approved.

A. Consider Receiving, Filing and Authorizing Distribution of the District’s Fiscal Year 2018-2019 Annual Financial Report and Audit Results

Brett Van Lant, with Van Lant & Fankhanel presented the financial audit. Presentation continued with Brett sharing that the District’s financial statements are clean and no internal control issues were identified. Nor were there any compliance inefficiencies found. Further discussion continued.

Upon **motion** by Director Terry, **second** by Director Conrad and **carried by a 4 to 0 vote**, Receiving, Filing and Authorizing Distribution of the District’s Fiscal Year 2018-2019 Annual Financial Report and Audit Results was approved.

B. Financial Presentation

Scott Manno of Rogers, Anderson, Malody and Scott (RAMS) presented the Financial Statements of the District. Discussion regarding the Unfunded Accrued Liability (UAL) occurred between Scott Manno and Director Mackzum, in which Scott was able to provide clarification on the details of paying down the UAL and the various factors, on a larger scale, that cause the UAL to fluctuate. Director Conrad requested clarification from Fire Chief Vasquez, regarding the variance of salaries and benefits. Fire Chief Vasquez, Sunny Kim, and Manager Gross explained that this variance is due to the timing of State reimbursements. Further discussion continued.

Upon **motion** by Director Acciani, **second** by Director Terry and **carried by a 4 to 0 vote**, Authorizing Approval of District’s Financial Statements was approved.

C. Consider Awarding Contract for District Complex Groundwater Well Pump and Motor Replacement

Randy Bobroff, Water Operations Manager, presented this Action Item for consideration. Randy shared that the current pump failed at 6-years of service. Due to the pump being located deep underground, it is more beneficial to the District to replace the pump in its entirety. Further discussion continued.

Upon **motion** by Director Acciani, **second** by Director Conrad and **carried by a 4 to 0 vote**, the Contract for Replacing the District Complex Groundwater Well Pump and Motor Replacement was awarded to Harich Enterprises, Inc. for their low bid of \$8,995 and per the staff report was approved.

E. Consider Awarding Contract for Sewer Pipeline Point Repairs

Trevor Miller, Wastewater Operations Manager, presented repairs that need to be made to the wastewater collections system piping. Details of the repairs, UV liners, and the difference between materials being used were discussed in further detail. Cause of the issues were identified as root intrusion. Further discussion continued.

Upon motion by Director Conrad, second by Director Acciani and carried by a 4 to 0 vote, the Contract for Sewer Pipeline Point Repairs was awarded to Pipeguard Engineering, Corp. for their bid of \$14,950 and per the staff report, was approved.

F. Consider Authorizing Expenditure for Spray Irrigation Site Improvements at Disposal Ponds

Trevor Miller, Wastewater Operations Manager, presented the needed repairs to the spray irrigation system at the District's wastewater disposal site as requested by the United States Forest Service as part of the Special Use Permit renewal. The improvements would also include remote monitoring and control of the irrigation system. These improvements would also assist in relieving pressure from the ponds. Further discussion continued.

Upon motion by Director Conrad, second by Director Acciani and carried by a 4 to 0 vote, the Expenditures for the Spray Irrigation Site Improvements at the Disposal Site in an amount not to exceed \$17,500 were approved.

G. Consider Approving Ordinance No. 54, Adopting Amended Rules and Regulations for Water and Wastewater Service (SB 998)

Manager Gross presented that SB 998 goes into effect in April 2020; and, this is going to create additional challenges for the District. Further discussion continued regarding the impact of SB 998 to the District's Rules and Regulations for Water and wastewater Service.

Upon motion by Director Conrad, second by Director Acciani and carried by a 4 to 0 vote, Ordinance No. 54, Adopting Amended Rules and Regulations for Water and Wastewater Service (SB 998) was approved.

H. Consider Authorizing Expenditure for the Replacement of the District's Security Camera System

Manager Gross presented two security camera replacement options and the differences between the two. Director Mackzum asked for Manager Gross's recommendation. Manager Gross recommends replacing the system. The current security system is 15-years old; the cabling needs to be updated and there are areas the current security system is not capturing. Further discussion continued.

Upon motion by Director Conrad, second by Director Terry and carried by a 4 to 0 vote, the Expenditure for the Replacement of the District's Security Camera System in the amount of \$12,519.21 was approved.

I. Consider Authorizing Expenditure for the Replacement of the District's Phone System

Manager Gross presented the phone system replacement options for the District and shared that the District's current phone system is more than 10-years old. The current technical difficulties the District is experiencing with the current phone system was also discussed. Manager Gross shared how the new options are more viable for the needs of the District.

Upon **motion** by Director Acciani, **second** by Director Terry and **carried by a 4 to 0 vote**, the Expenditure for the Replacement of the District's phone system for an amount not to exceed \$18,000 was approved.

J. Consider Approving Fire Department Chaplain Volunteer Position

Fire Chief Mike Vasquez discussed the details of a volunteer Chaplain position with the Fire Department. The position would primarily be used in emergency situations. There are currently two certified Chaplains within the community that are interested in the position. Further discussion continued.

Upon **motion** by Director Terry, **second** by Director Conrad and **carried by a 4 to 0 vote**, the Fire Department Chaplain Volunteer Position was approved.

K. Consider Authorizing Staff to Purchase New Self-Contained Breathing Apparatus Equipment

Fire Chief Mike Vasquez presented both the importance and need for the Fire Department to purchase self-contained breathing apparatus equipment. The Fire Department has received a Homeland Security grant in the amount of \$12,416 to help offset the total cost of \$16,476.51. Further discussion continued.

Upon **motion** by Director Terry, **second** by Director Conrad and **carried by a 4 to 0 vote**, Staff was authorized to Purchase New Self-Contained Breathing Apparatus Equipment in the amount of \$4,060.51 per the staff report.

L. Consider Adopting Resolution No. 20-19, Commending Joan Eaton for 15-Years of District Service

Director Mackzum presented Joan's retirement from the District and Manager Gross read Resolution 20-19, commending Joan for her professionalism and dedication to the District.

Upon **motion** by Director Terry, **second** by Director Acciani and **carried by a 4 to 0 vote**, Resolution No. 20-19, Commending Joan Eaton for 15-Years of District Service was adopted.

5. Information Items

A. Quarterly Investment Report

Manager Gross reported on the Quarterly Investment Report and discussion continued. The LAIF interest rate for the quarter ending September 30, 2019 was 2.45% and the District earned \$25,585.17 for the quarter.

6. General Manager's Report

Manager Gross reported the reason that the November Board Meeting was rescheduled to November 13, 2019 was due to a conflict with the Local Agency Formation Commission (LAFCO) Hearing scheduled on November 20, 2019. Manager Gross will be attending the LAFCO meeting.

7. Report from Legal Counsel

Mike Riddell of Best, Best & Krieger reported that we should have plenty of imported State Water Project water available this year, although a dry winter is being predicted by some. The initial State Water Project allocation is going to be around a 20%.


8. Board Member Comments/Meetings

Director Acciani commented that the District is operating optimally. Director Acciani also commended Trevor Miller, Wastewater Operations Manager for the tour he provided to Director Acciani and the hard work that his team is doing at the Wastewater Division.


9. Meeting Adjourned

The meeting was adjourned at 11:10 A.M.

Respectfully Submitted,



Vice-President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District