

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
APRIL 21, 2010

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, April 21, 2010, at the hour of 6:00 P.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

The following Directors were present:
Kevin Kellems, Vice-President
Mike Terry, Director
Pamella Bennett, Director
Paul Shouse, Director

The following Director was absent:
Ken Ayers, President

Also present were the following:
Sam Massey, Interim General Manager
Joan Eaton, Secretary/Treasurer/Administration Supervisor
Tony Grabow, Fire Chief
Randy Bobroff, Water Division Supervisor
Trevor Miller, Wastewater Treatment Division Supervisor
Isaiah Hall, Collections Division Supervisor
Mike Riddell, Attorney, Best, Best and Krieger, LLP
Brian Thomas, Engineer, Engineering Resources
Ed Brittain, Consultant

Visitors present were:
Gerhard Hilgenfeldt, 31679 Luring Pines Drive

The meeting was called to order at 6:02 P.M. by Vice-President Kellems. Called to Order

Director Bennett led the Assembly in the Pledge of Allegiance. Pledge of Allegiance

Upon motion by Director Bennett, second by Director Shouse and carried by a 4 to 0 vote, with President Ayers absent, the minutes of the March 17, 2010 Regular Board Meeting were approved. Regular Board Meeting Minutes
March 17, 2010

Upon motion by Vice-President Kellems, second by Director Terry and carried by a 4 to 0 vote, with President Ayers absent, the expenditures through March 31, 2010 were approved. March 2010 Expenditures

OPERATIONAL REPORTS (Water) Supervisor Bobroff opened by reporting on a pressure regulator failure on Spring Oak Drive that produced a substantial leak in the system. Supervisor Bobroff continued by stating the failure had an effect on approximately four customer water heaters where the customer plumbing was not equipped with pressure regulators. Supervisor Bobroff noted that the District was not at fault for damage to the water heaters. Additional Water Department staff were utilized for flag control and repair to the system.

Supervisor Bobroff closed by reporting on customer service within the Water Department.

(Treatment) Supervisor Miller stated the Wastewater Treatment Department received approximately 1.25 million gallons of leachate last month that would generate additional revenue for the District. Supervisor Miller continued by reporting on the performance of the reactors and the cleaning schedule. Discussion continued regarding the Outfall Line and Supervisor Miller stated the Outfall Line would be addressed again later in the meeting.

(Collections) Supervisor Hall noted there have been no major reportable issues in the Collections department. Supervisor Hall stated the District billed approximately \$32,000 for leachate last month.

(Fire Department) Chief Grabow provided a listing of meetings attended this past month and stated the prediction from the United States Forest Service (USFS) for the fire season is “average”. Chief Grabow mentioned that Highway 330 is scheduled to open prior to May 21, 2010. Chief Grabow reported on the Ambulance Billing Comparison report for March 31, 2010. Discussion continued regarding the Preston area road assessment and the County’s reluctance to maintain the road without an increase in a property owner assessment that is located outside the District.

(Administration) Supervisor Eaton stated the Special District Risk Management Authority (SDRMA) Board of Directors has announced the Fiscal Year 2010/11 Property/Liability premium rates will not increase and the 15% rate discount will remain in effect through next fiscal year. In April 2010, SDRMA also changed the experience modification calculations for their members resulting in a reduced quote in Worker’s Compensation premiums for the 2010/2011 Fiscal Year.

Supervisor Eaton mentioned the Mountain Top Earth Day Event scheduled for April 24, 2010 from 10:00am to 4:00pm at Rim of the World High School and invited everyone to attend.

The 2010/2011 Fiscal Year Availability bills will be mailed beginning in May with a due date of July 1, 2010.

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Interim General Manager Massey reported on the Boy Scout Eagle Project Downtown Basketball Court and stated the tentative start date of construction would be October or November of 2010.

(Interim General Manager)

Manager Massey mentioned the District has received a check in the amount of \$50,668.88 from Southern California Edison as an incentive to cover a portion of the project cost for the K-Turbo installation project at the Wastewater Treatment Plant.

Manager Massey closed by providing a listing of the key meeting and events he attended since reporting at the last Board meeting.

Manager Massey reported on the Ayers Acres project and stated an appraisal has been completed on the 2.7 acre parcel to determine its present value. Appraisals are currently being conducted to determine the value of easements on lots 56 and 57. Discussion continued regarding the parcels and easements and Manager Massey stated that negotiations are proceeding with the property owner of the 2.7 acre parcel.

Ayers Acres
Groundwater
Development Project

The Board moved to closed session at 6:40 P.M. to consider the following items:

Closed Session

- A. Conference with Legal Counsel
Workers Compensation Claim
Pursuant to Government Code Section 54956.9
Workers Compensation EAMS Case No. ADJ3909542
- B. Conference with Legal Counsel
Existing Litigation
Pursuant to Subdivision (a) of Government Code Section 54956.9
Allstate Insurance Company vs. Running Springs Water District et al
Case No. CIVDS 914988
- C. Conference with Real Property Negotiator
Property: APN 0328-081-21
Property Negotiator: Sam Massey
Negotiating Parties: District and Duane Martin
Under Negotiation: Price and Terms of Payment for Property

The meeting moved into open session at 7:00 P.M.

Open Session

Attorney Riddell stated there was nothing to report from closed session.

Attorney Riddell was dismissed from the meeting due to the inclement weather.

Attorney Riddell
Dismissed

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Yucaipa Valley Water District Alternative Formula to Fund LAFCO Manager Massey reported on the Yucaipa Valley Water District (YVWD) alternative formula to fund the Local Agency Formation Commission (LAFCO) as discussed in the March 2010 Board Meeting. Manager Massey stated that he spoke with Joe Zoba, YVWD General Manager and Mr. Zoba is optimistic that LAFCO will bring the issue up for a Special District election early next year.

Water and Wastewater Master Plan Manager Massey reported on the Water and Wastewater Master Plan and provided the Board with a revised list of water and wastewater projects for review. Discussion continued regarding projects that need to be completed over the first five year period (2011/2015) and their respective years of completion.

Financial Master Plan Manager Massey stated the District continues to collaborate with Bartle Wells Associates in preparation of the Financial Master Plan and discussion continued regarding the plan. Bartle Wells Associates will schedule a presentation of the preliminary Financial Master Plan at the May, 2010 Board Meeting.

Fiscal Year 2010/11 Water Budget Manager Massey opened by reporting on the Water/Administration Department 2010/2011 Fiscal Year Budget and stated the budget was reviewed by the Finance Committee on April 7, 2010. Manager Massey stated the budget was prepared for the second year, without rate increases. Discussion continued and specific items were addressed regarding the budget. Vice-President Kellems and Director Shouse stated the Finance Committee was pleased with the Water/Administration Department budget. The final Water, Wastewater and Fire Department budgets will be presented to the Board at the June, 2010 Board meeting for consideration and approval.

Outfall Line Repairs Supervisor Miller updated the Board regarding the recent Outfall Line failure and repairs and stated the District is currently working with Engineering Resources to develop a permanent repair to the system. Discussion continued and Engineer Thomas reported on options for structural repair to the line. Supervisor Miller stated that a report detailing the failure of the outfall line has been submitted to the California Regional Water Quality Control Board, Santa Ana Region. Supervisor Miller then reported on the required permits and recommended that the District hire an outside consultant at an approximate cost of \$6,500.00 to \$7,500.00 to assist the District with the permit requirements. A Special Board meeting will be scheduled as soon as possible to review the outfall line repair proposals.

Manager Massey reported on the Sewer System Management Plan (SSMP) requirement, adoption of the Fats, Oil and Grease Control Program (FOG) and deadline for submittal to the state. Upon motion by Director Shouse, second by Director Terry and carried by a 4 to 0 vote, with President Ayers absent, RESOLUTION NO. 14-10, ADOPTING FATS, OIL AND GREASE CONTROL PROGRAM AND APPROVING THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) AND AUTHORIZATION FOR STATE SUBMITTAL, was adopted. (Resolution No. 14-10 on file in the District office).

Resolution No. 14-10
Adopting Fats, Oil
and Grease Program,
Approving SSMP
and Authorization
for State Submittal

Manager Massey stated that included in the SSMP, Resolution No. 15-10 establishes a mechanism to collect a grease cleaning fee for food service establishments who have been granted a conditional waiver of interceptor requirement by the District and also establishes a method for collecting a general noncompliance fee for food service establishments who are in violation of the District's FOG rules and regulations. Upon motion by Director Terry, second by Director Shouse and carried by a 4 to 0 vote with President Ayers absent, RESOLUTION NO. 15-10, ESTABLISHING FATS, OIL AND GREASE (FOG) CONTROL PROGRAM FEES, was adopted. (Resolution No.15-10 on file in the District office)

Resolution No. 15-10
Establishing Fats, Oil
and Grease (FOG)
Control Program Fees

Manager Massey stated that for several months, Board members have expressed an interest in changing the time of monthly Board meetings to daytime hours and it was suggested that Board meeting times could be alternated every other month between evening and daytime hours. A resolution has been drafted to alternate the time of odd numbered monthly Board meetings from 6:00 P.M. to 10:00 A.M. beginning with the May, 2010 Board meeting. The meeting date of every third Wednesday of each month will remain in effect for all regularly scheduled Board meetings. Meeting times of all even numbered months will remain the same at 6:00 P.M. Upon motion by Vice-President Kellems, second by Director Bennett and carried by a 4 to 0 vote, with President Ayers absent, RESOLUTION NO 12-10, ADJUSTING THE TIME OF ODD NUMBERED MONTHLY BOARD MEETINGS FROM 6:00 P.M. TO 10:00 A.M., was adopted. (Resolution No. 12-10 on file in the District office)

Resolution No. 12-10
Adjusting the Time of
Odd Numbered Monthly
Board Meetings

Manager Massey reported on the Safe, Clean and Reliable Drinking Water Supply Act of 2010 that is a bond proposal that will be on the November, 2010 ballot. If passed, the bond will provide \$11.14 billion dollars in bond funding to improve California's aging infrastructure, invest in watershed planning and new water supply projects and protect the fragile Sacramento San Joaquin Bay Delta environment. Manager Massey stated that without this funding source, the cost of state project water may soar. Upon motion by Director Bennett, second by Vice-President Kellems and carried by a 4 to 0 vote, with President Ayers absent, RESOLUTION NO. 13-10, SUPPORTING THE SAFE, CLEAN AND RELIABLE DRINKING WATER SUPPLY ACT OF 2010, with spelling correction was adopted. (Resolution No. 13-10 on file in the District office)

Resolution No. 13-10
Supporting the Safe,
Clean and Reliable
Drinking Water Supply
Act of 2010

Adjusting the Single Employee Medical Insurance Benefit Cap Manager Massey stated that at the March 22, 2010 Finance Committee Meeting, it was determined that a single employee currently has a higher out-of-pocket medical expense compared to other employee classifications. A study was conducted by District staff and provided to the Board for their review proposing raising the single employee cap from \$287.21 to \$319.50 a month. If approved the District liability would be \$2,324.88 per year. Upon motion by Director Bennett, second by Director Shouse and carried by a 4 to 0 vote, with President Ayers absent, Adjusting the Single Employee Medical Insurance Cap, was approved.

LAFCO Election Manager Massey reported on the Election of the Local Agency Formation Commission (LAFCO) Regular Special District Board Member. The Board of Directors unanimously passed on this item.

Homeland Security Grant Acceptance Chief Grabow reported on the Fire Department’s application for the San Bernardino County Office of Emergency Services Homeland Security Grant that has been accepted. Chief Grabow requested that the Board of Directors consider acceptance of the grant in the amount of \$9,990.45 for new digital VHF handheld radios. Chief Grabow stated the VHF radios will be required in the near future for all communications with the United States Forest Service. Upon motion by Director Shouse, second by Director Bennett and carried by a 4 to 0 vote, with President Ayers absent, the 2008 Homeland Security Grant #2 for Fire Department VHF Radios, was accepted.

Engineer’s Report Engineer Thomas had no additional information to report.

Director’s Business Director Bennett stated that she would be absent from the May, 2010 Board Meeting.

Adjournment The meeting was adjourned at 8:32 P.M.

Respectfully Submitted,

President

Secretary