

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
AUGUST 21, 2013**

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The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, August 21, 2013 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:

Kenneth Ayers, President  
Mike Terry, Vice-President  
Everett “Ed” Brittain, Director  
Pamella Bennett, Director  
Paul Shouse, Director

Also present were the following:

Ryan Gross, General Manager  
Joan Eaton, Secretary/Treasurer/Administration Supervisor  
George Corley, Battalion Chief  
Mike Riddell, Attorney, Best, Best & Krieger

Visitors present were:

Gerhard Hilgenfeldt, Running Springs Resident  
Ronald Carroll, The Ronald Carroll Recycling Company

**MEETING MINUTES**

**AGENDA ITEMS**

**1. Call Meeting to Order and Pledge of Allegiance**

The meeting was called to order at 6:04 P.M. by President Ayers who also led the Assembly in the Pledge of Allegiance.

**2. Recognize and Hear From Visitors/Public Comment**

Mr. Hilgenfeld and Mr. Carroll introduced themselves for the record.

**The meeting moved to Action Item 6.D. Request from Mr. Ronald Carroll to Utilize a Portion of the District’s Downtown Property for a Community Recycling Center**

Mr. Carroll stated he has been a member of the community for twenty years and is presently active with the Mt. Communities Recycle Center located at the Village Market. The Village Market has recently changed ownership and Mr. Carroll stated that he has been asked to

relocate the recycling center and was hoping to find a permanent home, asking the Board for permission to relocate to the Water District property on Hunsaker Road. President Ayers expressed his concerns with the request that included noise from the recycling center and renting government land to a private individual and stated the grant for the property was intended for community enhancement. Director Brittain expressed concern with increased traffic and the proximity of the adjacent preschool and Director Bennett stated that she observed an abundance of trash and debris at Mr. Carroll's facility. After further discussion that included the California Environmental Quality Act (CEQA) the Board suggested that Mr. Carroll contact Joe Harich regarding the possible use of his downtown property. Upon **motion** by Director Shouse, **second** by President Ayers and **carried by a 5 to 0 vote**, the Board denied the request from Mr. Ronald Carroll to utilize a portion of the District's Downtown property for a community recycling center.

**3. Public Hearing and Consideration of Adopting Ordinance No. 41 Establishing Fees for Ambulance Services**

**A. Open Public Hearing:** The Public Hearing was opened at 6:33 P.M. by President Ayers.

**B. Staff Presentation:** Manager Gross stated fees were inadvertently missed from Ordinance No. 40 and are captured in Ordinance No. 41. Discussion ensued regarding the \$15.00 processing fee charged by the Fire Department and whether it is consistent with the District's photocopying fees or the Public Records Act requirements. It was determined that Ordinance No. 41 would be amended by removing the \$15.00 processing fee and this item will be returned to the Board when more information is obtained.

**C. Written Public Comment:** No written public comments to report.

**D. Oral Public Comment:** No oral public comments.

**E. Board Discussion/Comments:** There was no further discussion or comments.

**F. Close Public Hearing:** Upon **motion** by President Ayers, **second** by Vice-President Terry and **carried by 5 to 0 vote**, the Public Hearing was closed at 6:53 P.M.

**G. Consider Adoption of Proposed Ordinance No. 41, Establishing Fees for Ambulance Services**

Upon **motion** by Vice-President Terry, **second** by President Ayers and **carried by a 5 to 0 vote**, ORDINANCE NO. 41, ESTABLISHING FEES FOR AMBULANCE SERVICES, was adopted. (Ordinance No. 41 on file in the District Office)

**4. Approval of Consent Items**

The following consent items were listed for approval:

- A. Approval of Minutes for June 19, 2013 Regular Board Meeting and Protest Hearing**
- B. Ratify June 2013 Expenditures**
- C. Ratify July 2013 Expenditures**
- D. Project Acceptance and Filing Notice of Completion for Harich Enterprises Groundwater Drilling Contract**
- E. Project Acceptance and Filing Notice of Completion for Bacon Wagner Outfall Pipeline Replacement Contract**

Upon motion by Director Brittain, second by Director Terry and carried by a 5 to 0 vote, the consent items were approved.

**5. Information Items**

**A. Quarterly Investment Report**

Manager Gross noted the Local Agency Investment Fund Remittance Advice for quarter ending June 30, 2013 Interest Rate was 0.24%.

**B. Review Revised Cash Summary Format**

Manager Gross stated he has revised the Cash Summary in accordance with the Cash Reserve Policy that was adopted by the Board in April 2013. The Cash Summary is an internal document utilized by staff and provided monthly to the Board for review.

**6. Action Items**

**A. Consider Awarding Contract to Tesco for SCADA Improvements**

Manager Gross reported on the proposed professional services contract to Tesco Controls, Inc for Supervisory Control and Data Acquisition (SCADA) system improvements in the amount of \$93,000 that is the next phase in a multi-year upgrade to the District's system. Manager Gross stated the front end processor (FEP) is out of date and on the verge of failure and the existing hardware and software are severely outdated. Discussion continued regarding the system and President Ayers asked about the warranty noting it was not addressed in the contract. Manager Gross acknowledged Tesco stating they are a worldwide company and confirmed the FEP upgrade would take a few months to complete and electrical is already installed. Manager Gross closed by stating the upgrade costs would be split between the Water and Collections Department and the costs are included in the 2013/2014 budget.

Upon motion by Director Shouse, second by Vice-President Terry and carried by a 5 to 0 vote, Awarding Contract to Tesco for SCADA Improvements was approved as amended to include warranty information.

**B. Consider Adopting Resolution No. 11-13 for the Election of Directors to the Special District Risk Management Authority**

The District has received documentation related to the election of the Special District Risk Management Authority (SDRMA) Board of Directors for 2013 who provide risk management for California Special Districts and are governed by a seven member Board. The Board reviewed the candidate statements and agreed to vote for the incumbents only. Upon motion by Director Bennett, second by President Ayers and carried by a 5 to 0 vote RESOLUTION NO. 11-13 FOR THE ELECTION OF DIRECTORS TO THE SPECIAL DISTRICT RICK MANAGEMENT AUTHORITY was adopted (Resolution No. 11-13 on file in the District office)

The Board voted for Muril Clift, Jean Bracy and David Aranda, Incumbents with the following roll call vote:

- Ken Ayers, President – Aye
- Mike Terry, Vice-President – Aye
- Pamella Bennett, Director – Aye
- Paul Shouse, Director – Aye
- Ed Brittain, Director - Aye

**C. Consider Adopting Resolution No. 12-13 Finding That Certain Properties Located in the District Constitute a Public Nuisance and Ordering Notification to Property Owners and Setting a Public Hearing**

Manager Gross reported on the Hazard Abatement Program and stated the Fire Department has inspected the properties listed in Exhibit A of Resolution No. 12-13 that states those properties at the time of inspection materially hamper or interfere with the prevention or suppression of fire upon the property or adjacent properties or endanger the public safety by creating a fire hazard and constitute a public nuisance. A public hearing will be scheduled for 9:00 A.M. September 18, 2013 at the Regular Board Meeting to consider objections at that time and Battalion Chief Corley said the response to the Hazard Abatement Program has been positive. Upon motion by Director Shouse, second by Director Bennett and carried by a 5 to 0 vote, RESOLUTION NO. 12-13, FINDING THAT CERTAIN PROPERTIES LOCATED IN THE DISTRICT CONSTITUTE A PUBLIC NUISANCE AND ORDERING NOTIFICATION TO PROPERTY OWNERS AND SETTING A PUBLIC HEARING, was adopted. (Resolution No. 12-13 on file in the District office)

## **7. Monthly Management Reports**

Manager Gross stated it is now optional for the Supervisors to attend the evening Board meetings and he would report for the Water and Wastewater Divisions if applicable.

### **A. Water/Wastewater Department Report**

Manager Gross reported on the recent lightning strikes that hit a transformer and affected one of the audio dialers and the radio base station in the District vault.

### **B. Administration Report**

Supervisor Eaton stated that Nancy O’Rafferty, Financial Consultant arrived on July 1, 2013 in preparation of the audit for Fiscal Year ending June 30, 2013. Van Lant & Fankhanel, LLP will begin the audit on September 9, 2013.

Administration participated in the annual Mountain Top Day event that was held on August 3, 2013 with information and conservation materials distributed to the community. Administration is also completing the 2012 Government Compensation report that is due by October 18, 2013.

Supervisor Eaton reported on the November 5, 2013 Consolidated General Election and congratulated Kenneth Ayers and Pamella Bennett, Incumbents and Henry Heredia, Retired RSWD Collections Division Field Supervisor who will be appointed to the Running Springs Water District Board of Directors by the San Bernardino County Board of Supervisors, in lieu of election.

### **C. General Manager’s Report**

Manager Gross said he attended the Local Agency Formation Commission (LAFCO) hearing and stated the Pali Mountain Outside Service Agreement agenda item was continued to September 18, 2013. Manager Gross confirmed that the Pali Mountain service connection charge will be approximately \$123,000 and the connection to the District system will generate approximately \$18,000 to \$22,000 a year in revenue. Manager Gross stated once LAFCO receives the revised Environmental Review and approves the Outside Sewer Service Agreement, Pali Mountain will be ready to begin construction.

Manager Gross mentioned that he attended a free workshop regarding grant funding and low interest loans and stated the process is tedious. Manager Gross will bring more information when received. Manager Gross also met with Amy Olsen, Southern California Edison account manager in June regarding the utilities rate structure and was able to adjust several of our accounts rates schedules to help offset expected increases in electricity costs.

Manager Gross stated the Houston and Harris annual sewer line cleaning in Enchanted Forest should be complete by September, 2013 with a bid of \$28,980. Manager Gross confirmed with the Board that a separate Board action is not required for approval of the work because the expense was already included and approved in the 2012/2013 Fiscal Year Wastewater Budget.

Manager Gross reported on the Huber Screw Press saying the final shipment should be here on or before September 25, 2013. There are four local contractors interested in the installation project and the bid opening will be on September 10, 2013. Manager Gross will bring the recommendation for an installation contract award to the Board on September 18, 2013.

Manager Gross then reported on Board correspondence that included a letter addressed to the Board from auditors Van Lant & Fankhanel, LLP, the Running Springs Area Chamber of Commerce Official Ballot for Board of Directors and a billing insert request from Rebuilding Mountain Communities. Manager Gross also mentioned that he is working on proposed revisions to the District Bylaws, Rules and Regulations for Water and Wastewater Service, standard specifications and drawings and Purchasing Policy.

**8. Engineer's Report**

No Engineer present

**9. Report from Legal Counsel**

Attorney Riddell briefly mentioned that the State of California is preparing to issue water standards for both ground and tap water regarding Chromium 6. The concerns were generated from nuclear issues.

**10. Committee Reports**

Director Brittain reported on the Personnel Committee and stated discussion includes concerns with employee insurance and retirement benefits. The Personnel Committee meetings will be placed on hold until the new Board member takes office and future meetings may be held in closed session.

**11. Board Member Comments**

There were no Board Member comments.

**12. Closed Session**

The meeting moved to closed session at 7:55 P.M.

- A. Conference with Real Property Negotiators, Property: APNs: 0296-221-16, 17, 18, 24 Running Springs, CA 92382. Agency Negotiators: Ryan Gross, General Manager and Mike Riddell of Best, Best & Krieger, LLP. Negotiating Parties: San Bernardino County Sheriff. Under Negotiation: Price and terms of payment.

**13. Open Session**

- A. The Board and/or Legal Counsel will report and any action taken.

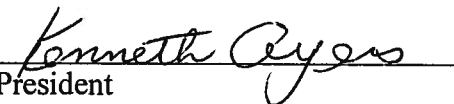
The Board of Directors came out of closed session at 8:17 P.M. With respect to the items of closed session, there was no reportable action.

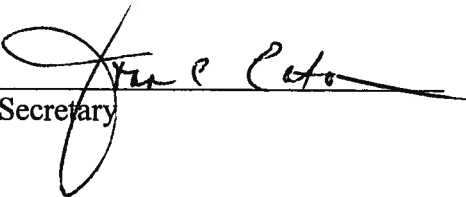
Director Shouse asked about the previous proposal to install veterans photos on District property and it was noted that some photos are installed on existing poles in the community.

**14. Meeting Adjournment**

The meeting was adjourned at 8:18 P.M.

Respectfully Submitted,

  
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President

  
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Secretary