

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS AND PUBLIC HEARING  
RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
SEPTEMBER 18, 2013**

---

The Regular Meeting of the Board of Directors and Public Hearing of the Running Springs Water District was held on Wednesday, September 18, 2013 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:

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

Director Paul Shouse was absent

Also present were the following:

Ryan Gross, General Manager  
Joan Eaton, Secretary/Treasurer/Administration Supervisor  
Tony Grabow, Fire Chief  
George Corley, Battalion Chief  
Randy Bobroff, Water Division Supervisor  
Trevor Miller, Wastewater Treatment Division Supervisor  
Isaiah Hall, Wastewater Collections Division Supervisor  
Ward Simmons, Attorney, Best, Best & Krieger  
Dixi Willemse, Fire Department Administration Assistant

Visitors present were:

Hiram Evans, Running Springs Resident  
Wayne Astin and Karri Bates, Running Springs Residents  
Diane Huffman, Running Springs Resident  
Christina Norwood, 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 Ayers and Director Bennett led the Assembly in the Pledge of Allegiance.

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

For the record, the visitors stated their names as listed above.

**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**

The Public Hearing was opened at 9:01 A.M. by President Ayers.

**B. Fire Chief's Report**

Chief Grabow stated there were a total of one hundred eighty-four (184) fourteen (14) day Hazard Abatement notices mailed and after further inspections, there were a total of one hundred sixty-three (163) ninety-five dollar (\$95.00) fines distributed to property owners found to 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 therefore constitute a public nuisance.

**C. Written Objections or Protests**

The District did not receive any written objections or protests prior to the meeting.

**D. Oral Public Comment**

Resident Diane Huffman stated she was protesting the Hazard Abatement notice and fine she received this year in regards to juniper shrubs that line her driveway. Ms. Huffman said she also received a prior notice and still has the junipers because her understanding was that she could leave them due to her appeal in 2011. Ms. Huffman noted that her shrubs were neat and clean and protect her vehicles from snow plowing and she would rather not remove the shrubs. Chief Grabow reminded the property owners that the Hazard Abatement Program is a County requirement with Fire Department enforcement to protect the community in the event of a fire. He suggested that property owners contact the Fire Department if they have questions and stated the department will be happy to assist them regarding the program and provide information regarding the removal and replacement of juniper shrubs. Chief Grabow also noted that property owners will receive a notice each year that they are not in compliance.

Resident Wayne Astin expressed concerns regarding the Hazard Abatement Program and stated he did not receive proper notification because he does not open his monthly water bills due to electronic payment. Mr. Astin said he found the Hazard Abatement notice

confusing while mentioning changes in the requirements from prior years and said that Battalion Chief Corley helped explain the process.

Chief Corley stated the County Ordinance law went into effect in 2008 to protect homes from wildfires and make properties accessible for firefighters. Discussion continued and Mr. Astin stated he has made changes to comply and requested that the District provide an extension of one week to complete the cleanup of his property and waive his fine. Karri Bates added that they want to comply, they just need direction and more time and discussion continued regarding juniper plants.

Resident Christine Norwood reported on her property and notification stating she is in compliance and requested that the department waive her fine with Chief Grabow responding they will inspect her property today.

Resident Hiram Evans stated he has already paid the fine and he reported on the amount of debris removed from his property saying he has made a reasonable effort to comply with the program and he requested a month's extension to complete the abatement. For clarification, Mr. Evans stated his property is located on Stonewall Lane.

**E. Board Discussion**

Director Brittain addressed the property owners explaining the reason for the Hazard Abatement Program is to protect the community from fires and loss of property. Chief Corley explained defensible space and reiterated the program is also for the protection of the firefighters while they are saving homes. Director Bennett encouraged property owners to open and read their water bills because the District inserts valuable information in the bills. Fire Department staff will review the Hazard Abatement Notices and add clarification regarding plant identification and President Ayers suggested residents contact the District with any questions concerning the program.

**F. Close Public Hearing**

The Public Hearing was closed at 9:52 A.M. by President Ayers.

**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.**

Upon motion by President Ayers, second by Vice-President Terry and carried by a 4 to 0 vote, the Hazard Abatement Program fines were waived for Residents Diane Huffman, Wayne Astin and Christine Norwood and a reimbursement for the \$95.00 fine was approved for Hiram Evans with an extension of time to October 3, 2013 given to Wayne Astin, an extension of time to October 20, 2013 given to Hiram Evans and an extension

of time to October 2, 2013 given to Diane Huffman, at which time all property owners are required to be in compliance.

Chief Grabow reported there are a total of one hundred sixty-three (163) properties out of compliance and a listing of properties were provided to the Board. Chief Grabow stated they have collected approximately \$1,952 in Hazard Abatement fees and discussion continued regarding the property owners in attendance and re-inspections.

Upon **motion** by Director Bennett, **second** by Director Brittain and **carried by a 4 to 0 vote**, to Declare the Remaining One Hundred Fifty-Nine (159) Properties Public Nuisance and Acquire Jurisdiction to Proceed and Perform the Work of Removing the Public Nuisance, Except for the Four (4) Properties Named Above, was approved.

#### 4. Approval of Consent Items

The following consent items were listed for approval:

##### A. Approval of Minutes for August 21, 2013 Regular Board Meeting

##### B. Ratify August 2013 Expenditures

Upon **motion** by President Ayers, **second** by Vice-President Terry and **carried by a 4 to 0 vote**, the consent items were approved.

#### 5. Action Items

##### A. Consider Authorizing General Manager to Execute Amendment No. 1 to San Bernardino County Lease Agreement for the Running Springs County Library

Manager Gross reported on the San Bernardino County Library Lease Agreement that was adopted on November 5, 2008 for a period of five (5) years with three (3) two (2) year options to extend, stating the County has requested the District eliminate the annual rent adjustment based on the Consumer Price Index (CPI) that was included in the original agreement for the two year extension. Legal Counsel has reviewed the proposed amendment and has no suggested changes. For the record, the County Library parking lot is located in front of the facility.

Upon **motion** by Director Bennett, **second** by President Ayers and **carried by a 4 to 0 vote**, Authorizing the General Manager to Execute Amendment No. 1 to San Bernardino County Lease Agreement for the Running Springs County Library, leaving in the annual CPI increase, was approved.

**B. Consider Authorizing the General Manager to Execute an Agreement for Mutual Aid Fire Protection with the California Department of Forestry and Fire Protection (Cal Fire)**

Chief Grabow reported on the Cooperative Agreement with Cal Fire and the Running Springs Fire Department with an additional agreement that includes an “Assistance by Hire” provision which will allow the Running Springs Fire Department to be compensated by Cal Fire in the event resources are needed and available. Chief Grabow said the agreement will keep additional staffing in Running Springs and stated the department will be compensated at the rates established by the California Fire Assistance Agreement (CFAA) and will include Administration costs of 10%.

Upon **motion** by Director Brittain, **second** by Vice-President Terry and **carried by a 4 to 0 vote**, Authorizing the General Manager to Execute an Agreement for Mutual Aid Fire Protection with the California Department of Forestry and Fire Protection (Cal Fire) was approved.

**C. Consider Awarding a Construction Contract for Little Mill Creek Canyon Sewer Easement Repair and Maintenance**

Manager Gross reported on the District’s Little Mill Creek Canyon sewer easement that is currently not passable and requires proper access to the facilities located in the easement for the purpose of maintaining in case of an emergency. The District received bids from three contractors with the lowest bid from GM Excavating, Inc. in the amount of \$7,300. Manager Gross stated the District budgeted \$12,000 for the project and costs will be split with the upstream users because it is part of the main interceptor where the Arrowbear Park County Water District and CSA 79 flows travel through the pipeline, considering it a Joint Use Facility. Manager Gross confirmed that GM Excavating, Inc. is a local contractor who is familiar with the District and capable of the project and who will not incur the expense of transporting equipment to the site. Manager Gross stated the project will start on September 19, 2013 and is expected to be complete within four (4) days.

Upon **motion** by Director Brittain, **second** by Director Bennett and **carried by a 4 to 0 vote**, Awarding a Construction Contract for Little Mill Creek Canyon Sewer Easement Repair and Maintenance, to GM Excavating, Inc. at the cost of \$7,300, to Authorize the General Manager to execute the contract and to Authorize the General Manager to Approve Change Orders for the Project During the Course of Construction as Required Not to Exceed 15% of the Original Construction Contract Amount, was approved.

**D. Consider Authorizing Staff to Purchase Replacement Blower Equipment for the Wastewater Treatment Plant Headworks**

Supervisor Miller reported on the request to replace the Headworks Aeration Blower at the Treatment Plant by American Compressor Company including all appurtenances at a cost not to exceed \$21,768 and stated the current blower was installed in 1980 and is too large and no longer efficient for the current operations. The estimated annual savings on the Southern California Edison (SCE) electricity bill is expected to be \$6,631 per year. The District will receive approximately \$7,900 in rebate incentive from SCE and the funding source for the project would be a combination of Wastewater Capital Improvement Funds, SCE incentive money and reimbursement from the upstream users with a project completion date of October, 2013. Director Brittain thanked District staff for their work on this project.

Upon motion by Vice-President Terry, second by President Ayers and carried by a 4 to 0 vote, Authorizing Staff to Purchase Replacement Blower Equipment and associated appurtenances for the Wastewater Treatment Plant Headworks, at an approximate cost of \$21,768 was approved.

**E. Consider Awarding a Construction Contract for Installation of Huber Screw Press Dewatering Equipment**

Manager Gross reported on the Huber Screw Press Dewatering Equipment that is expected to be delivered in early October with staff recommending contracting the installation due to current workload at the Wastewater Treatment Plant. The District received two (2) bids from local contractors with the lowest bid from GM Excavating, Inc. at a cost of \$14,300. The Wastewater Department budgeted \$16,400 for the project that will be funded out of the Wastewater Capital Improvement Fund and Arrowbear Park County Water District and CSA 79 will be billed their proportionate share for the work with Manager Gross confirming that the upstream users are aware of the project costs. Discussion continued regarding installation of the screw press and Manager Gross said a Huber representative will oversee the project. Director Brittain expressed enthusiasm regarding the project and Supervisor Miller reported on the anticipated reduction in water content of the sludge with the new equipment and said the District will see savings in the hauling and disposal costs. Supervisor Miller closed by stating the District meets all state requirements and the sludge content will be submitted for analysis every six months.

Upon motion by Director Bennett, second by Vice-President Terry and carried by a 4 to 0 vote, Awarding a Construction Contract for Installation of the Huber Screw Press Dewatering Equipment to GM Excavating, Inc. at the not to exceed cost of \$14,300, authorize the General Manager to execute the contract and authorize the General Manager to approve change orders for the project during the course of construction as required not to exceed 15% of the original construction contract amount, was approved.

**F. Consider Customer Request for Billing Adjustment**

Manager Gross reported on customer Khadjenouri's request to reduce their water/sewer bill due to unexplained water loss of approximately 13,622 cubic feet. The customer is contesting the \$71.92 sewer usage charge and the \$17.50 leak service charge because they claim it cannot be determined if the leak occurred indoors or may have been a case of stolen water from their outdoor hose. Supervisor Bobroff stated he investigated the report and found no indication of an exterior leak on the property and said it was possible that guests did not shut off the valve to the home. Upon motion by President Ayers, second by Director Brittain and carried by a 4 to 0 vote, the Customer Request for Billing Adjustment was denied based on information provided by District staff.

**6. Information Items**

**A. Fiscal Year 2012/2013 Preliminary Budget/Financial Analysis**

Manager Gross provided a summary of the preliminary budget/financial analysis for the Fiscal Year ending June 30, 2013 and stated more detailed information will be included in the final audited Annual Financial Statements that are expected to be presented on November 20, 2013. Manager Gross made reference to the preliminary net operating loss in Fiscal Year 2012/2013 for the Water Division of approximately (\$231,286), Wastewater Division of (\$385,702) and Ambulance of (\$160,506) stating he would like to see positive numbers and added that the July 1, 2013 rate adjustments are the first step toward getting closer to our operating revenues covering our operating expenses. Manager Gross said goals were set forth in the Cash Reserve Policy to fund our Operating Reserves and Capital Improvement Funds and the District may need to cut expenses, increase future rates or move away from pay as we go and consider issuing debt. Manager Gross stated the Auditors, Van Lant & Fankhanel, will present the Financial Statements in November and our Financial Consultant may offer some suggestions but he also asked the Board and staff to keep in mind that the District needs to find ways to significantly improve its financial position. President Ayers expressed his concerns with the economic situation and the amount of vacant homes in the community that are not utilizing our services and said it is not pleasant to raise rates and referenced comparison to other Districts who may have lower rates and higher debt. Vice-President Terry and Director Brittain also expressed concern with the Inland Counties Emergency Medical Agency (ICEMA) Medical Transport Plan and Chief Grabow and Manager Gross will be working closely regarding the plan. Director Brittain stated it is difficult to estimate expenditures and noted that all District departments do a good job of estimating costs.

**B. Wastewater User Charge Survey**

Manager Gross provided the State Water Resources Control Board Fiscal Year 2012/2013 Wastewater User Charge Survey indicating the Running Springs Water District (RSWD) wastewater rates were 30% below the statewide average, as an information item only. The Fiscal Year 2012/2013 statewide average wastewater rate was \$40.30 and the RSWD Fiscal Year 2012/2013 fixed month wastewater rate was \$28.05.

**7. Monthly Reports from Management**

**A. Water Division Report**

Supervisor Bobroff stated everything is going smoothly in the Water Division and reported on the increase in purchased water in Fiscal Year 2012/2013 noting we are moving into a drought season and the result is a decrease of approximately 15% to 28% in local groundwater production. Supervisor Bobroff commented on the upgrades to the Complex and Rimwood Wells and stated some of the costs were reimbursed by Southern California Edison due to new pump installation savings. In comparison, Supervisor Bobroff stated that in April 2012 the Complex Well produced 1.43 acre feet of groundwater at a cost of \$846 and in August, 2013, the well produced the same at a cost of \$324 with the new pump installation. President Ayers asked for clarification regarding the Gasboy Fuel Management System and Supervisor Bobroff explained that it is the upgrade to the District fuel tank system for District vehicles and compliance with the South Coast Air Quality Management District (AQMD) regulations.

**B. Wastewater Treatment Division Report**

Supervisor Miller stated he met with the Santa Ana Regional Water Quality Control Board representative regarding an unauthorized discharge from the EQ Basin wall penetration failure due to rotted pipe at the Wastewater Treatment Plant. Supervisor Miller estimated the release began on Sunday, September 1, 2013 and was discovered on Tuesday, September 3, 2013 when he notified all required agencies. Corrective action has been taken to seal the wall and the EQ Basin No. 1 is off line due to the failure. President Ayers said it would be interesting to conduct a five year comparison analysis of the average daily flows at the Treatment Plant to determine the contributing factors for the decrease in the Wastewater revenue and Manager Gross said the results may be the result of multiple factors that could include conservation and vacant homes.

Director Bennett was excused at 11:00 A.M.



**C. Wastewater Collections Division Report**

Supervisor Hall opened by stating everything is good in the Collections Division and reported on the annual video line cleaning. Other than a couple of small significant findings, Supervisor Hall had not reviewed the entire video footage. Supervisor Hall stated compliance with the Fats, Oil and Grease (FOG) program has improved.

**D. Fire Department Report**

Chief Grabow stated that as mentioned previously, he is concerned with the ICEMA Medical Transport plan. Chief Grabow noted the Emergency Services Open House has been scheduled for October 12, 2013 from 10:00am to 2:00pm and said flu shots will not be available this year during the open house.

**E. Administration Supervisor Report**

Supervisor Eaton reported that Van Lant & Fankhanel, LLP, Auditors have concluded the June 30, 2013 Audit and said they were extremely pleased with the organization, documentation and cooperation of the District. The Financial Statements will be presented during the November 20, 2013 Board Meeting.

**F. General Manager's Report**

Manager Gross noted that Engineer Brian Thomas was in attendance at the Local Agency Formation Commission (LAFCO) hearing to approve the Pali Mountain Outside Service Agreement with RSWD. The agreement is expected to generate approximately \$20,000 a year in additional revenue for the District.

Manager Gross closed by mentioning the District is working with an energy coalition regarding a no cost energy audit sponsored by the Public Utilities Commission.

**8. Report from Legal Counsel**

Attorney Ward Simmons thanked the board and staff for his attendance at the meeting in place of Attorney Mike Riddell who was attending a State Water Contractors Meeting in Sacramento.

**9. Board Member Comments**

President Ayers reported on the Special Districts meeting that he attended on September 16, 2013 stating speaker Attorney Joseph Byrne with Best, Best & Krieger did an excellent job reporting on the State Water Project and Delta environmental issues.

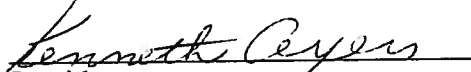
President Ayers said he would like the Board to consider moving all of the Regular Board Meetings to daytime meetings after new Board Member Henry Heredia takes office in

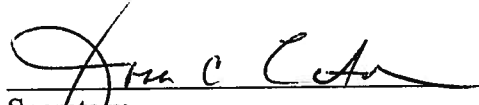
December, 2013. District staff will distribute the annual Board Meeting Schedule for consideration in November, 2013.

**10. Meeting Adjournment**

The meeting was adjourned at 11:15 A.M.

Respectfully Submitted,

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary