

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
JUNE 20, 2018**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, June 20, 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:

Mike Terry, Director
Tony Grabow, Director
Mike Milliorn, Director
Errol Mackzum, Director

Director Bill Conrad, Director was absent

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
Ward Simmons, Legal Counsel, Best, Best & Krieger
George Corley, Fire Department Chief
Mike Vasquez, Fire Department Battalion Chief
Randy Bobroff, Water Division Supervisor
Trevor Miller, Wastewater Treatment Division Supervisor

Visitors Present:

Kenneth Ayers, Former RSWD Director
Pamella Bennett, Former RSWD Director
Kenny Eaton, CLAWA Director, Division 5

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 Grabow and Director Mackzum 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. Consider Adoption of Resolution No. 09-18, Commending Kenneth Ayers for 37 Years of Service as a Director

President Grabow acknowledged Kenneth Ayers for his dedicated service as Director of the Running Springs Water District and Mr. Ayers thanked the Board and staff.

Upon motion by Director Terry, second by Director Mackzum and carried by a 4 to 0 vote, Resolution No. 09-18, Commending Kenneth Ayers for 37 Years of District Services as a Director, was adopted. (Resolution No. 09-18 on file in the District office)

4. Consider Adoption of Resolution No. 10-18, Commending Pamella Bennett for 18 Years of District Service as a Director

President Grabow acknowledged Pamella Bennett for her dedicated service as Director of the Running Springs Water District and Ms. Bennett thanked the Board and staff.

Upon motion by Director Mackzum, second by Director Milliorn and carried by a 4 to 0 vote, Resolution No. 10-18, Commending Pamella Bennett for 18 Years of District Services as a Director, was adopted. (Resolution No. 10-18 on file in the District office)

The meeting was postponed while District staff opened the time capsule that was initially entombed in 1977, opened in 1995 and resealed. Contents of the time capsule will be available for review through July 17, 2018. New documentation will be added and the capsule will then be sealed and placed back in the monument.

5. Approval of Consent Items

A. Approve April 18, 2018 and May 16, 2018 Meeting Minutes

B. Ratify May, 2018 Expenditures

C. Consider Adoption of Resolution No. 11-18, Establishing Appropriations Limits for Fiscal Year 2018/2019

D. Consider Adoption of Resolution Nos. 12-18 and 13-18 for the Reduction of Employer Paid Member Contributions (EPMC) to the California Public Employees Retirement System (CALPERS) for Existing Classic CalPERS Members

Manager Gross reported on Resolution Nos. 12-18 and 13-18 that are the final phase of eliminating the employer paid EPMC for existing classic CalPERS members.

Upon motion by Director Terry, second by Director Milliorn and carried by a 4 to 0 vote, the Consent Items were approved. (Resolution Nos. 11-18, 12-18 and 13-18 are on file in the District office)

6. Action Items

A. Consider Approving Resolution No. 14-18, Adopting the Fiscal Year 2018/2019 District Budget

Manager Gross reported on the proposed Fiscal Year 2018/2019 District Budget that was previously reviewed by the Finance Committee and Board of Directors. Manager Gross referred to the Executive Summary and the budget was then summarized by Division. Manager Gross also reported on the CalPERS Unfunded Accrued Liability (UAL) funding options saying the information received from CalPERS is preliminary and will be discussed in the future. Manager Gross confirmed the District will process a lump sum payment in July to pre-pay the FY 2018/19 UAL for both Miscellaneous and Safety members. Chief Corley reported on the Intergovernmental Transfer (IGT) and Ground Emergency Medical Transportation Services (GEMT) program revenue. Discussion continued that included future inflation concerns and critical repairs to the Treatment Plant road. Manager Gross said inflation will be addressed in the upcoming District rate study.

Upon motion by Director Mackzum, second by Director Terry and carried by a 4 to 0 vote, Resolution No. 14-18, Fiscal Year 2018/2019 District Budget, was adopted. (Resolution No. 14-18 on file in the District office)

Visitors Ayers, Bennett and Eaton were excused from the meeting.

B. Consider Approving Contract for Fire Station 50 Alert System

Chiefs' Corley and Vasquez reported on the proposed purchase of the Fire Station 50 alerting system equipment and installation in the amount of \$34,196.51. Discussion continued and Chief Corley said the current system will no longer be adequate. The FY 2017/18 budget includes \$16,200 and the proposed FY 2018/19 budget includes \$18,000 for the project and if approved, the project will be funded from the Fire Department Operating Reserve Fund with a balance of \$1,752,039 as of May 31, 2018.

Upon motion by Director Terry, second by Director Mackzum and carried by a 4 to 0 vote, the Contract for Fire Station 50 Alert System, was approved.

C. Consider Approving Contract for Financial Consulting Services

Supervisor Eaton reported on the proposed annual renewal of the Financial Consultant Services Contract with Rogers, Anderson, Malody and Scott, (RAMS) Accounting Firm who have been an integral part of the District since 1982. Accountants' Scott Manno and Sunny Kim are instrumental in assisting the District with the annual financial audit and monthly accounting support. Supervisor Eaton said staff is recommending that the Board approve a not to exceed amount of \$51,000 for FY 2018/19 Outside Accounting Services.

Upon motion by Director Mackzum, second by Director Milliorn and carried by a 4 to 0 vote, the Contract for Financial Consulting Services, not to exceed \$51,000 was approved.

D. Consider Approving Ambulance Billing Write Offs

Manager Gross said the Board adopted Resolution No. 09-12 in 2012 that approved a policy for writing off uncollectible charges for ambulance service. The Board authorized write offs for uncollectible ambulance bills in April, 2013 in the amount of \$252,411.92 and this is the second round of proposed write offs since the resolution was adopted. The Board was provided with a list of proposed balance sheet adjustments dated through June 30, 2011 in the amount of \$741,134.76 and Manager Gross said the District will present future Ambulance billing write offs to the Board annually.

Upon motion by Director Milliorn, second by Director Mackzum and carried by a 4 to 0 vote, the Ambulance Billing Write Offs in the amount of \$741,134.76, was approved.

E. Consider Authorizing Participation in the Intergovernmental Transfer (IGT) Program Providing Access to Federal Matching Funds for Emergency Medical Transport Services

Chief Corley reported on the IGT program with the California Department of Health Care Services (DHCS) to increase reimbursements for emergency medical ambulance transport services provided to Molina Healthcare and the Inland Empire Health Plan (IEHP) members. Chief Corley summarized the program saying that for every \$1.00 paid toward the District's portion of the grant, the District will receive \$1.80 back and the resulting net revenue received by the Fire Department will be approximately \$62,382 in Fiscal Year 2018/19.

Upon motion by Director Mackzum, second by Director Terry and carried by a 4 to 0 vote, Authorizing Participation in the Intergovernmental Transfer (IGT) Program Providing Access to Federal Matching Funds for Emergency Medical Transport Services, was approved.

F. Consider Approving Agreement for Temporary Outside Water and Sewer Service to the Camp Helendade Property with Getaway House, Inc.

Manager Gross reported on the proposed temporary outside water and sewer service to Getaway House, Inc. at the Camp Helendade property. The Getaway House, Inc., is in escrow with the Boy Scouts of American to purchase the property and they are planning for approximately forty-three (43) tiny campground houses. The Local Agency Formation Commission (LAFCO) fees will be paid by the Getaway House, Inc. and one condition would be that the company deed groundwater rights to the District and allow for additional groundwater resource investigation. If approved, the agreement will be executed in thirty (30) to sixty (60) days and will generate approximately \$75,000 to

\$80,000 in connection fees in addition to water and sewer District revenue. Manager Gross said the project is estimated to be complete within one year and discussion continued.

Upon motion by Director Mackzum, second by Director Milliorn and carried by a 4 to 0 vote, the Agreement for Temporary Outside Water and Sewer Service to the Camp Helendade Property with Getaway House, Inc., was approved.

7. Information Items

A. Water Quality Consumer Confidence Report for 2017

B. June 2018 District Newsletter

Chief Corley confirmed the annual weed abatement notices will be mailed this month.

C. BB&K Memo on Guidelines to Prevent Serial Meetings

Attorney Simmons said the Board should be mindful of sharing information outside of Board meetings and discussion continued regarding email communication.

8. General Manager's Report

Manager Gross reported on the annual Green Valley Lake meeting he attended with President Grabow saying the County Special District (CSA79) has hired a consultant to review possible annexation into the Running Springs Water District sewer service area.

9. Report From Legal Counsel

No additional comments

10. Board Member Comments/Meetings

Discussion continued regarding a proposed County Fire Assessment for incorporated counties.

11. Meeting Adjournment

The meeting was adjourned at 10:12 A.M.

Respectfully Submitted,



President, Board of Directors
Running Springs Water District



Secretary of the Board of Directors
Running Springs Water District