



RUNNING SPRINGS WATER DISTRICT
A MULTI-SERVICE INDEPENDENT SPECIAL DISTRICT

31242 Hilltop Boulevard • P.O. Box 2206
Running Springs, CA 92382

TO: BOARD OF DIRECTORS DATE POSTED: APRIL 12, 2019
RE: REGULAR BOARD MEETING FROM: BOARD SECRETARY

The Regular Meeting of the Board of Directors of the Running Springs Water District will be held on Wednesday, April 17, 2019, at the hour of 9:00 a.m. at the District Office located at 31242 Hilltop Boulevard, Running Springs, California. This agenda was posted prior to 5:00p.m. on April 12, 2019 at the Running Springs Water District Office and Website.

The Board may take action on any item on the agenda, whether listed as an action item or as an information item.

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Joan C. Eaton, Board Secretary at (909) 867-2766 at least 48 hours before the meeting, if possible.

Copies of documents provided to members of the Board for discussion in open session may be obtained from the District at the address indicated above.

AGENDA

1. Call Meeting to Order and Pledge of Allegiance
2. Recognize and Hear from Visitors / Public Comment - This portion of the agenda is reserved for the public to make comments on matters within the jurisdiction of the Running Springs Water District that are **not on the agenda**. The Board, except to refer the matter to staff and/or place it on a future agenda, may take no action. It is in the best interest of the person speaking to the Board to be concise and to the point. A time limit of five minutes per individual will be allowed. Any person wishing to comment on an item that is on the agenda is requested to complete a request to speak form prior to the item being called for consideration or to raise their hand and be recognized by the Board President.
3. Approval of Consent Items – The following consent items are expected to be routine and non-controversial and will be acted on at one time without discussion unless an item is withdrawn by a Board Member for questions or discussion. Any person wishing to speak on the consent agenda may do so by raising his/her hand and being recognized by the Board President.

A. Approve Meeting Minutes **Page 3**

B. Ratify Expenditures **Page 9**

- C. Consider Adopting Resolution No. 06-19, Resolution of Lodge, Association or Other Similar Organization Regarding New Bank Signature Cards for First Foundation Bank **Page 17**
- D. Consider Adopting Resolution No. 07-19, Adopting Revisions to the District Purchasing Policy **Page 23**
- 4. Action Items – The following action items will be considered individually and each **require a motion** by the Board of Directors for action.
 - A. Consider Providing Additional Direction to Staff on Draft Fiscal Year 2019-20 and 2020-21 District Budget
(Presenters: Finance Committee, Ryan Gross, General Manager) **Page 43**
 - B. Board Authorization to Hold a Public Hearing on June 19, 2019 to Consider Proposed Water and Wastewater Rate and Fee Adjustments for Fiscal Years Ending 2020-2024 and to Mail a Notice of the Public Hearing to all District Property Owners in Accordance with the Requirements of Proposition 218
(Presenter: Ryan Gross, General Manager) **Page 44**
 - C. Consider Authorizing Staff to Proceed with Purchase of Budgeted Equipment and Services for Wastewater Division
(Presenter: Trevor Miller, Wastewater Division Supervisor) **Page 50**
 - D. Consider Authorizing Changes to Credit/Debit Card Processing for Water and Sewer Bill Payments
(Presenter: Ryan Gross, General Manager) **Page 61**
- 5. Information Items – The following information items do not require any action by the Board of Directors and are for informational purposes only.
 - A. Update on Potential Voting by Districts
 - B. Update on Senate Bill 998
- 6. General Manager’s Report
- 7. Report from Legal Counsel
- 8. Board Member Comments/Meetings
- 9. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, May 15, 2019 at 9:00 am

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER APPROVING MEETING MINUTES

RECOMMENDATION

It is recommended that the Board of Directors review and approve the attached meeting minutes.

REASON FOR RECOMMENDATION

Approval of meeting minutes.

BACKGROUND INFORMATION

The attached draft meeting minutes are from the Regular Board Meeting held on March 21, 2019.

ATTACHMENTS

Attachment 1 – Draft Meeting Minutes

MINUTES – March 21, 2019
PAGE 1 OF 5

**MINUTES OF THE RESCHEDULED MEETING OF THE
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
MARCH 21, 2019**

The Rescheduled Meeting of the Board of Directors of the Running Springs Water District was held on Thursday, March 21, 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:

Tony Grabow, President
Errol Mackzum, Vice-President
Mike Terry, Director
Bill Conrad, Director
Mark Acciani, Director

Also present were the following:

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

No Visitors Present

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 who also led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear From Visitors/Public Comment

No visitors present

3. Approval of Consent Items

A. Approve January 22, 2019 Regular Board Meeting Minutes

B. Ratify January and February 2019 Expenditures

Battalion Chief Vasquez clarified the Fire Department Company Officer 2A Training expense of \$1,258 that covered staff attendance and educational course materials for two (2) classes.

C. Consider Adopting Resolution No. 02-19, Fixing and Levying Fire Suppression Availability Charges for Fiscal Year 2019-2020

D. Consider Adopting Resolution No. 03-19, Fixing Sewer Standby or Availability Charges for Fiscal Year 2019-2020

E. Consider Adopting Resolution No. 04-19, Fixing Water Standby or Availability Charges for Fiscal Year 2019-2020

The annual Water and Sewer Standby/Availability Charges were discussed and will be reviewed further by the Finance Committee at a later date. Manager Gross stated the Water and Sewer Availability Charges generate approximately \$54,000 in District revenue per year. Supervisor Eaton confirmed that Administration staff are in the process of implementing electronic customer billing options.

F. Consider Adopting Resolution No. 05-19, Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act

G. Consider Declaring Certain Equipment as Surplus and Authorize Staff to Dispose of Property

Supervisor Bobroff said the surplus water meters will be sold for scrap value.

H. Consider Granting the Running Springs Area Chamber of Commerce Permission to Utilize the Running Springs Water District's Downtown Property for their 2019 Events

Upon motion by Director Mackzum, second by Director Terry and carried by a 5 to 0 vote, the Consent Items were approved.

4. Action Items

A. Consider Providing Any Additional Direction to Staff in Preparation for Fiscal Year 2019-2020 and 2020-2021 Budgets

Manager Gross presented the Fiscal Year 2019/2020 and 2020/2021 Budget Planning and Assumptions to the Board that include operating expenses, debt service costs and the proposed five (5) year CIP plan for all divisions in a revised two (2) year format. The Fiscal Year 2019/2020 Budget will include a 3% Cost of Living Adjustment (COLA) for

non-exempt employees and a 1.5% COLA for exempt employees. The COLA index to be used going forward will be the Bureau of Labor Statistics Consumer Price Index (CPI-U) for Riverside-San Bernardino-Ontario with a future floor of 0% COLA and cap of 3% COLA. For future increases in the District's Employee Health Insurance cap amounts due to the CalPERS Health Insurance Premium increases, the cap amounts will be adjusted in January of each year based on half of what the CalPERS HMO premium increase is for the lowest cost CalPERS HMO premium. Discussion continued that included reorganization of District staff resulting in reduced personnel costs and the District Rate Study conducted by Raftelis Financial Consultants, Inc. (Raftelis). The draft budgets will be reviewed by the Finance Committee on April 10, 2019 with the full Board reviewing the budgets on April 17, 2019 and Manager Gross confirmed that the Administration Budget will be separated from the Department Budgets beginning Fiscal Year 2019/2010, to clearly define Administration costs for the District. The Proposition 218 Hearing Notices will be mailed on April 30, 2019 and the Board will consider adopting the two (2) year budget on June 19, 2019, that continues to work toward the goals set out in the Cash Reserve Policy and provides funding for deferred projects.

The consensus of the Board was for staff to proceed with the assumptions laid out in the budget planning presentation. No action was required or taken.

B. Consider Authorizing Purchase of Pumps for Sewer Lift Stations

Supervisor Miller reported on pump failures at the Wastewater Collections Sewer Lift Stations No. 7 and 8 and recommended the purchase of two (2) new and one (1) spare pump for inventory. The District will purchase three (3) submersible pumps from Southern Water Service for \$10,072 with the funds from the Wastewater Capital Improvement Project Reserve.

Upon motion by Director Acciani, second by Director Conrad and carried by a 5 to 0 vote, Authorizing the Purchase of Pumps for Sewer Lift Stations, was approved.

5. Information Items

A. Update of Property Annexations

Manager Gross reported on the Local Agency Formation Commission (LAFCO) Hearing regarding the proposed Pali Mountain Camp Property annexation that District staff and Directors attended for the third time on March 20, 2019. Manager Gross said the District strongly disagrees with the LAFCO commission's decision to not include the Running Springs Fire Department Services in the annexation. The District will annex the Pali Mountain Camp Property sewer system and Manager Gross confirmed the District was able to voice its opposition regarding LAFCO's decision. Manager Gross said the next LAFCO annexation process will be for the Getaway House property.

Manager Gross then reported on the proposed consolidation with CSA-79 (County Service Area 79) sewer service and discussion continued that included infrastructure, pension liability, financial reserves and enterprise funds. The Board directed District staff to move forward with researching consolidation with CSA-79 and to include this item in the District Rate Study.

B. Draft Rate Study Report Update

The Rate Study Report conducted by Raftelis was discussed during the Fiscal Year 2019-2020 and 2020-2021 Budget Report and Manager Gross will distribute a revised version of the Rate Study Report when available.

C. Water Production and Precipitation Report

Supervisor Bobroff reported on water production and precipitation saying the Rimwood and Sidewinder District wells are providing the most water. The one hundred (100) year average precipitation is thirty-seven (37) inches annually and the District measured approximately forty-one (41) inches in January and February, 2019. The Automated Meter Reading (AMR) Program is assisting the District with detection of water leaks and Director Mackzum endorsed the AMR system.

6. General Manager’s Report

No further information to report.

7. Report From Legal Counsel

Attorney Simmons reported on the town of Apple Valley District Voting System regarding an agreement extending their transition period in accordance with the California Voting Rights Act to switch from at-large to by-district voting in order to avoid a costly lawsuit due to minority characteristics. To avoid possible litigation, it may be necessary for the District to begin the proactive steps to change the voting process to a by-district election. The District will include this item on the April Board Meeting agenda for further discussion.

Attorney Simmons said the State Water Project allocation went from 35% to 70% and he will bring additional information to the April Board Meeting.

8. Board Member Comments/Meetings

No further information to report.

9. Meeting Adjournment

Upon motion by Director Conrad, second by Director Acciani and carried by a 5 to 0 vote, the meeting was adjourned at 10:45 A.M.

Respectfully Submitted,

President, Board of Directors
Running Springs Water District

Secretary of the Board of Directors
Running Springs Water District

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: RATIFY EXPENDITURES

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors review the attached accounts payable check register and ratify the District's March 2019 expenditures.

A copy of the District's Cash Reserve Fund Summary as of March 31, 2019, the Pooled Cash Balance History and Fire Department Operating Reserve Fund Surplus/Shortfall History is also included for review and information.

REASON FOR RECOMMENDATION

Each month staff presents the monthly check register and recommends that the Board of Directors ratify the District's expenditures.

FISCAL INFORMATION

Refer to attachments.

ATTACHMENTS

- Attachment 1 – Accounts Payable Check Register
- Attachment 2 – Cash Summary
- Attachment 3 – Pooled Cash Balance History
- Attachment 4 – Fire Department Operating Reserve Fund Surplus/Shortfall History

Running Springs Water District

Accounts Payable Checks

March 2019

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
2 Hot Uniforms inc	Uniform Allowance Snow	03/04/19	301.21	102988	545.79
	Safety Boots- Mike Scotti	03/04/19	244.58	102988	
	Firefighter Boots for Snow	03/13/19	244.58	103023	244.58
2nd Amendment Woodworking Co.	Vinyl for FF/P Helmets	03/22/19	68.96	103070	68.96
Action Automotive Repair Inc	Service on 4WD and Brake Services	03/22/19	2,280.10	103071	2,280.10
Airgas Inc.	Large Helium Rent	03/13/19	44.15	103024	44.15
American Family Life Assurance Company of Colun	Additional Insurance Premiums February 2019	03/04/19	367.50	102989	367.50
Ameripride Services, Inc	Cleaning Supplies Feb 2019	03/06/19	287.40	103006	287.40
Ariens Specialty Brands LLC	Gauntlet Glove- Jenkins Uniform	03/19/19	54.98	103051	54.98
Arrowbear Park County Water District	Purchased Water February 2019	03/04/19	3,056.84	102990	3,056.84
Axiom Systems Inc.	Electronic billing module	03/04/19	297.00	102991	297.00
Bacon/Wagner Excavating, Inc.	Bio Solids Hauling	03/13/19	5,900.00	103025	5,900.00
	Bio Solids Hauling	03/22/19	3,500.00	103072	3,500.00
Best, Best & Krieger LLP	Legal Services February 2019	03/13/19	1,006.66	103026	1,006.66
BURR Group Inc.	Trash Service Feb 2019	03/06/19	69.04	103007	469.60
	Trash Service and Load Feb 2019	03/06/19	219.17	103007	
	Trash Service Feb 2019	03/06/19	181.39	103007	
California Computer Options Inc	Network Maintenance and Monitoring March 2019	03/04/19	2,375.00	102992	2,375.00
	Computer Support and Services	03/13/19	361.44	103027	361.44
California Water Environment Association	Association Membership - Viero	03/13/19	188.00	103028	188.00
	Collections Maint Grade 2 renewal	03/19/19	92.00	103052	280.00
	Association Membership - Teter	03/19/19	188.00	103052	
CalPERS	Employ Contribu Classic/Prepra Feb 25, 2019	03/01/19	23,653.83	DFT0000896	23,653.83
	Health Insurance Premiums March 2019	03/04/19	15,970.22	DFT0000895	15,970.22
	Employ Contributions Prepra- Morgan Adjustment	03/07/19	1,192.53	DFT0000897	1,192.53
	Employer Paid Contribu Classic/Prepra 3/11/19	03/20/19	2,810.84	DFT0000902	2,810.84
	Employ Contribu Classic/Prepra 3/11/19	03/20/19	2,810.84	DFT0000911	2,810.84
Canon	Monthly Service Fees/Usage April 2019	03/22/19	534.11	103073	534.11
CAP Communications	LCD Portable Radio W Encryption/Labor	03/13/19	60.73	103029	215.03
	Scr. Bottom batt plate, threadlocker	03/13/19	54.30	103029	
	Labor 1 Hour	03/13/19	50.00	103029	
	Labor 1 hour	03/13/19	50.00	103029	
Charter Communitcations	Telephone and Internet March 2019	03/19/19	585.46	103053	783.64
	Telephone and Internet	03/19/19	198.18	103053	
	Telephone and Internet March-April 2019	03/22/19	129.96	103074	129.96
Citibank, N.A.	Home Depot Over-Range Microwave for Station 5C	03/13/19	278.00	103030	278.00
	Miscellaneous Office Supplies	03/22/19	82.94	103075	82.94
Clinical Laboratory of San Bernardino	Wastewater Samples Feb 2019	03/19/19	651.00	103054	651.00
	Water Samples February 2019	03/22/19	1,105.00	103076	1,105.00
County of San Bernardino	Lien Release	03/19/19	8.00	103055	24.00
	Lien Release	03/19/19	8.00	103055	
	Lien Release	03/19/19	8.00	103055	
	Radio and Material Parts	03/22/19	475.39	103077	475.39
	2 Lien Release	03/22/19	16.00	103078	16.00
County of San Bernardino Auditor-Controller/Trea	Amended Tax Bill	03/13/19	26.00	103031	26.00

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Crestline-Lake Arrowhead Water Agency	Water Purchased	03/06/19	70.63	103008	70.63
Cypress Ancillary Benefits	Dental Insurance Premiums March 2019	03/04/19	823.86	102993	823.86
Dixi Willemse	Reimbursement Claim	03/04/19	328.68	102994	328.68
	Reimbursement Claim	03/22/19	447.00	103079	447.00
Donald G. Rice	Dump Truck Repair	03/13/19	688.70	103032	688.70
Federal Express Corporation	Shipping Charges February 2019	03/19/19	159.38	103056	159.38
Feld Fire	Structure Boots for Snow	03/22/19	307.09	103080	307.09
FIRE ETC	Wildland Jackets	03/19/19	1,487.61	103057	1,487.61
Frontier Communications	Telephone Feb-Mar 2019	03/04/19	59.21	102995	118.82
	Telephone Feb-Mar 2019	03/04/19	59.61	102995	
	Telephone Feb-Mar 2019	03/06/19	61.17	103009	121.12
	Telephone Feb-Mar 2019	03/06/19	59.95	103009	
	Telephone March 2019	03/13/19	146.53	103033	202.05
	Telephone March 2019	03/13/19	55.52	103033	
	Telephone March 2019	03/22/19	55.53	103081	55.53
George Corley	Reimbursement Claim	03/22/19	2,122.28	103082	2,122.28
George T. Hall Company Inc	Replacement Digital Chart Recorder for WWTP	03/19/19	3,091.52	103058	3,091.52
Grant Burkitt	Locksmith	03/04/19	1,214.40	102996	1,326.34
	Collection building striker guard	03/04/19	111.94	102996	
Haz Mat Trans, Inc.	Work Order 87143	03/06/19	1,470.00	103010	1,470.00
	Work order # 87271 Transport to Liberty	03/22/19	1,470.00	103083	2,790.00
	Work Order # 87299 Transport to Liberty	03/22/19	1,320.00	103083	
HD Supply Facilities Maintenance LTD	Stenner pumps and parts	03/19/19	892.82	103059	2,253.14
	Stenner pumps and parts	03/19/19	1,360.32	103059	
Hose-Man Inc	3" Adapter x FNPT	03/19/19	45.94	103060	45.94
Inland Water Works Supply Company	Flex Cplg and Romac Clamp	03/04/19	334.03	102997	477.34
	Romac Clamp	03/04/19	143.31	102997	
	Extendable Stem Wrench	03/13/19	139.00	103034	139.00
Joan Eaton	Reimbursement Claim	03/19/19	801.99	103061	969.99
	Reimbursement Claim	03/19/19	168.00	103061	
	Reimbursement Claim	03/22/19	225.00	103084	225.00
Kurt Norlander Roofing	Rain gutters for operations bldg.	03/22/19	1,235.00	103085	1,235.00
Leslie's Poolmart, Inc	NaOCl for MBR cleaning	03/13/19	554.40	103035	554.40
Liberty Composting Inc	Tipping Fees Feb 2019	03/13/19	584.20	103036	584.20
Life-Assist, Inc	Ambulance Supplies	03/13/19	576.18	103037	576.18
Linda Mayfield	Reimbursement Claim	03/19/19	772.00	103062	772.00
Lou's Gloves, Inc	Nitrile Exam Grade Gloves	03/06/19	99.00	103011	99.00
MCI	Long distance Feb 2019	03/06/19	49.41	103012	49.41
McMaster-Carr Supply Company	Pin for Shear Hubs	03/06/19	36.71	103013	36.71
Metropolitan Life Insurance Company	Vision Insurance Premiums March 2019	03/04/19	107.14	102998	107.14
Michael Vasquez	Active 911 Reimbursement	03/19/19	34.20	103063	34.20
NAPA Auto Parts	Miscellaneous Parts and Supplies	03/13/19	887.48	103038	1,273.87
	Miscellaneous Parts and Supplies	03/13/19	386.39	103038	
Nestle Waters North America	Drinking Water for Plant	03/04/19	11.84	102999	11.84
Nick Nikas	Reimbursement Claim	03/13/19	476.90	103039	476.90
	Reimbursement Claim	03/19/19	65.76	103064	959.74
	Reimbursement Claim	03/19/19	893.98	103064	
Polydyne Inc.	Blanket PO for Polydyne	03/13/19	1,405.17	103040	1,405.17
Rafetlis	Rate Study Professional Services for February 2019	03/22/19	7,640.00	103086	7,640.00
Ray Gayk	Uniform allowance reimbursement Gayk	03/22/19	115.14	103087	115.14

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Reliance Standard Life Insurance Company	Life Insurance Premiums March 2019	03/04/19	856.23	103000	856.23
Richard Viero	Reimbursement Claim	03/13/19	50.00	103041	50.00
Rick Ellsberry	Paramedic Renewal Costs	03/22/19	270.00	103088	270.00
Rocio Silva	Janitorial Service February 2019	03/13/19	485.00	103042	485.00
Roger E. Fox, M.D.	DOT Exam	03/13/19	50.00	103043	50.00
Rogers Anderson Malody & Scott LLP	Consultant Fees Feb 2019	03/19/19	1,785.00	103065	1,785.00
Ryan Gross	Reimbursement Claim	03/04/19	342.92	103001	342.92
San Bernardino County	EMS Officer's dues	03/19/19	120.00	103066	120.00
South Coast Air Quality Management District	I C E EM Elec Gen-Diesel	03/06/19	813.58	103019	3,099.69
	I C E EM Elec Gen-Diesel	03/06/19	406.79	103019	
	I C E EM Elec Gen-Diesel	03/06/19	406.79	103019	
	I C E Em Elec Gen-Nat Gas	03/06/19	406.79	103019	
	I C E EM ELEC GEN-DIESEL	03/06/19	406.79	103019	
	Flat Fee Last FY Emissions	03/06/19	131.79	103019	
	Flat Fee Last FY Emissions	03/06/19	131.79	103019	
	Flat Fee Last FY Emissions	03/06/19	131.79	103019	
	Flat Fee Last FY Emissions	03/06/19	131.79	103019	
	Flat Fee Last FY Emissions	03/06/19	131.79	103019	
Southern California Edison Company	Electricity February 2019	03/04/19	293.68	103002	1,386.21
	Electricity February 2019	03/04/19	1,092.53	103002	
	Electricity February 2019	03/06/19	108.54	103014	12,628.31
	Electricity February 2019	03/06/19	675.50	103014	
	Electricity Feb 2019	03/06/19	234.91	103014	
	Electricity Feb 2019	03/06/19	547.08	103014	
	Electricity Feb 2019	03/06/19	117.45	103014	
	Electricity Feb 2019	03/06/19	385.77	103014	
	Electricity Feb 2019	03/06/19	161.54	103014	
	Electricity Feb 2019	03/06/19	161.99	103014	
	Electricity Feb 2019	03/06/19	213.39	103014	
	Electricity Feb 2019	03/06/19	136.44	103014	
	Electricity Feb 2019	03/06/19	263.74	103014	
	Electricity Feb 2019	03/06/19	687.17	103014	
	Electricity Feb 2019	03/06/19	1,005.94	103014	
	Electricity February 2019	03/06/19	7,918.04	103014	
	Electricity Feb 2019	03/06/19	10.81	103014	
	Electricity February 2019	03/06/19	387.41	103020	3,448.84
	Electricity February 2019	03/06/19	279.76	103020	
	Electricity February 2019	03/06/19	361.36	103020	
	Electricity February 2019	03/06/19	98.47	103020	
	Electricity -February 2019	03/06/19	1,204.35	103020	
	Electricity February 2019	03/06/19	283.10	103020	
	Electricity Febraury 2019	03/06/19	197.13	103020	
	Electricity February 2019	03/06/19	166.64	103020	
	Electricity February 2019	03/06/19	72.04	103020	
	Electricity February 2019	03/06/19	398.58	103020	
	Electricity February 2019	03/13/19	194.54	103044	194.54
	Electricity Oct 2018-Feb 2019	03/19/19	2,346.67	103067	2,346.67
Southern California Gas Company	Gas Usage February 2019	03/13/19	581.71	103045	1,093.21
	Gas Usage February 2019	03/13/19	511.50	103045	
	Gas Usage February 2019	03/19/19	609.71	103068	1,129.03

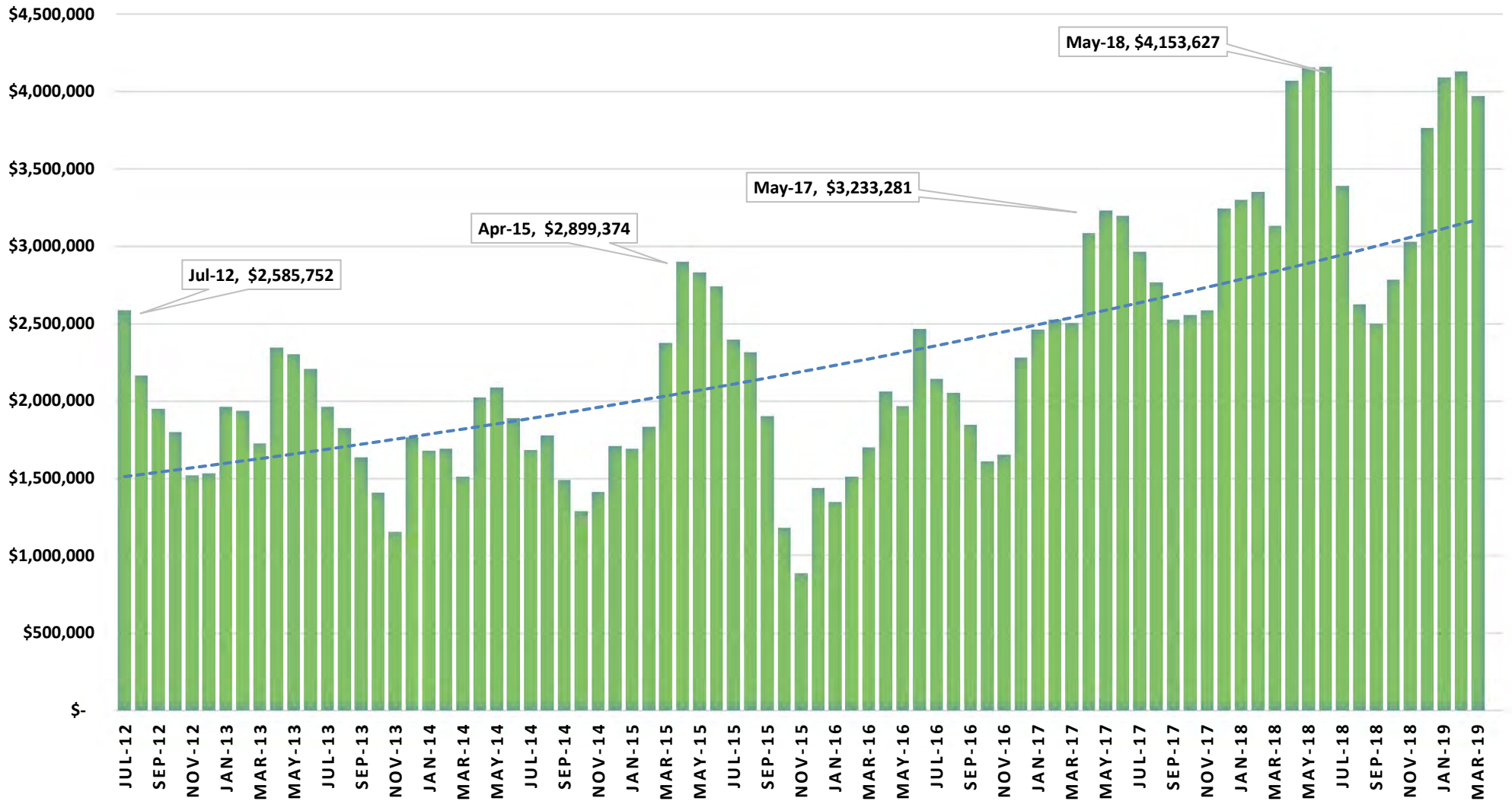
Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Southern California Gas Company	Gas Usage February 2019	03/19/19	502.36	103068	1,129.03
	Gas Usage February 2019	03/19/19	16.96	103068	
State of California - State Water Resource Control	Davis D3 renewal	03/06/19	90.00	103015	90.00
Tek-Collect Incorporated	Annual Computer Maintenance Fee 2019	03/22/19	75.00	103089	75.00
Terminix International Company LP	Pest Control	03/04/19	67.00	103003	114.00
	Pest Control	03/04/19	47.00	103003	
The Alpine Mountaineer	Newspaper Subscription April 2019-April 2020	03/13/19	22.00	103046	22.00
Tom Shoopman	Tom uniform reimbursement	03/06/19	299.12	103016	299.12
Tyler Technologies, Inc	Sales tax applied to invoice 025-243501	03/04/19	-15.50	103004	3,551.50
	Maintenance April 2019- March 2020	03/04/19	3,567.00	103004	
Underground Service Alert of Southern California	New Dig Tickets and Maintenance fees March 2019	03/06/19	14.95	103017	14.95
US Postal Service	Permit #14 Postage	03/22/19	3,000.00	103090	3,000.00
Verizon Wireless Services LLC	Cell phone Charges February 2019	03/13/19	446.01	103047	446.01
Visa	Miller- Briggs & stratton 691573	03/13/19	63.85	103048	63.85
	Aberg Company Officer Training	03/19/19	1,240.00	103069	2,279.04
	Bobroff- SIP Scada Line	03/19/19	31.53	103069	
	Rain Jacket and Snow Gaiters	03/19/19	156.61	103069	
	Eaton-Printer ink	03/19/19	60.23	103069	
	Parcel Quest Subscription	03/19/19	149.95	103069	
	Training- Cody Snow	03/19/19	253.73	103069	
	Gross - Hireright Background Checks for New PCF's	03/19/19	380.00	103069	
	Vasquez- Apple- I pad word app	03/19/19	6.99	103069	
Vyanet Operating Group	Security MOnitoring 4/1/19-6/30/19-Collections	03/13/19	182.27	103049	182.27
York Insurance Services Group Inc., -CA	Wrkers Comp Reimburse ACH	03/06/19	41.61	103018	41.61
York Risk Services Group, Inc	Wrkers Comp Administration Fee February 2019	03/13/19	112.00	103050	112.00
Zenner Performance Meter, Inc	AMR Meter Retention Release Payment	03/22/19	75,918.00	103091	75,918.00

Totals

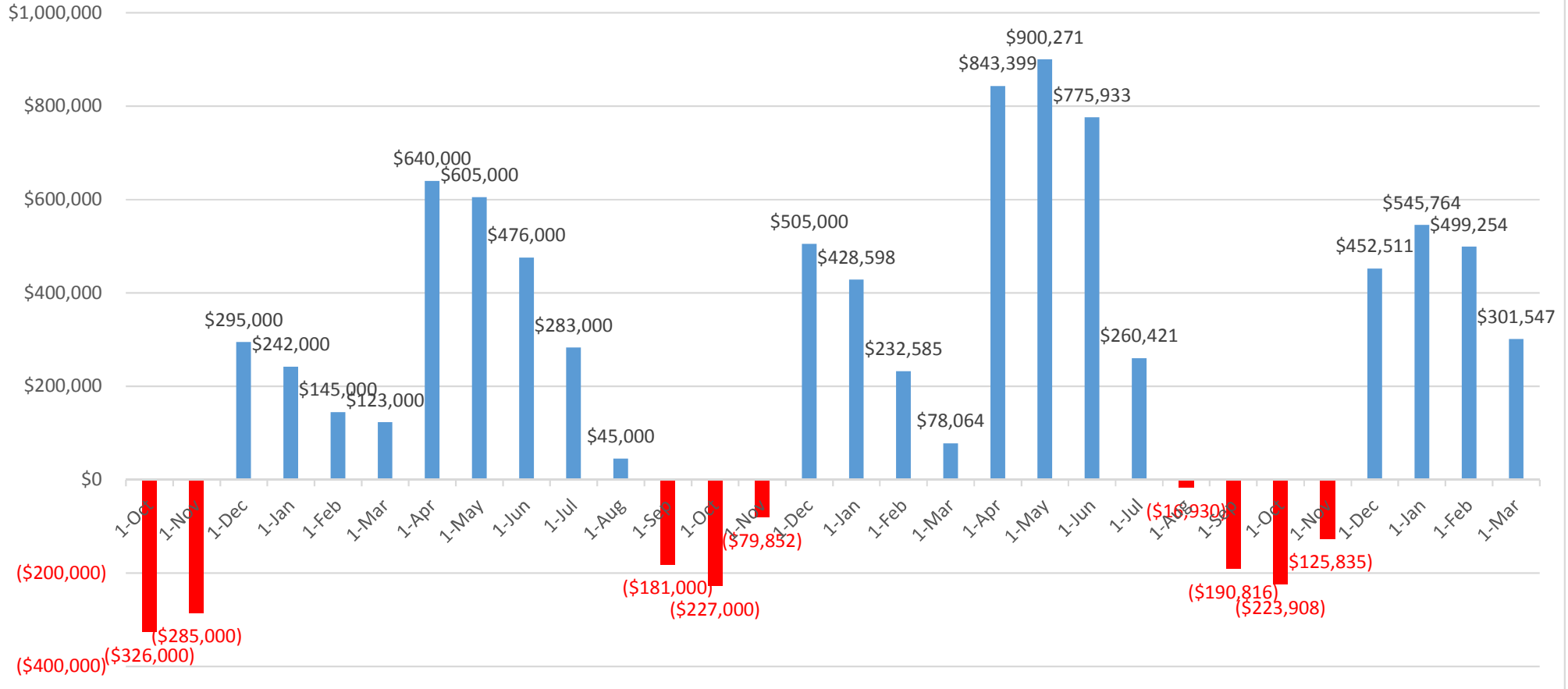
Payment Type	Payable Count	Payment Count	Payment
Regular Checks	166	101	176,795.99
Manual Checks	0	0	0.00
Voided Checks	0	0	0.00
Bank Drafts	5	6	43,627.42
EFT's	0	0	0.00
Totals	171	107	220,423.41

Fund Balances as of March 31, 2019	
Fire & Ambulance Department	
Fire Department Operating Reserve	1,268,563
Ambulance Department Operating Reserve	145,952
Subtotal Fire & Ambulance Department Operating Reserve Funds	1,414,515
Recommended Operating Reserve Fund Target (6 Months Operating Expenses)	1,112,969
Fire & Ambulance Department Operating Reserve Surplus / (Shortfall)	301,547
Wastewater Division	
Wastewater Capital Improvement Project Reserve	287,199
Wastewater System Connection & Capacity Charges	193,983
CWSRF Loan Agreement 14-813 Debt Reserve (Restricted for SLS 1-3 Debt Service)	171,537
Wastewater Operating Reserve Fund	554,896
Recommended Operating Reserve Fund Target (4 Months Operating Expenses)	554,896
Wastewater Operating Reserve Surplus / (Shortfall)	-
Water Division	
Water Capital Improvement Project Reserve	504,495
Water System Connection & Capacity Charges	18,348
Water Infrastructure R&R Reserve (MFC Debt Reserve)	65,341
Water Operating Reserve	528,461
Recommended Operating Reserve Fund Target (4 Months Operating Expenses)	528,461
Water Operating Reserve Surplus / (Shortfall)	-
Assessment Districts Restricted Funds	
Water Assessment District No. 9 Construction Funds	28,169
Water Assessment District No. 10 Construction Funds	26,421
Water Assessment District No. 10 O&M	62,165
Water Assessment District No. 10 Bond Reserve Fund	113,074
Subtotal Assessment Districts	229,829
Total District Designated & Operating Reserve Funds	3,738,775
Assessment District Funds	229,829
Combined Pooled Cash	3,968,604
Checking Account (General)	182,485
LAIF	3,657,445
York Insurance Deposit	14,601
BNY Mellon (AD #10 Bond Reserve)	113,074
Petty Cash	1,000
Combined Pooled Cash	3,968,604

COMBINED POOLED CASH BALANCE



Fire Department Operating Reserve Surplus / (Shortfall)



RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019

TO: Board of Directors

FROM: Ryan Gross, General Manager

SUBJECT: **CONSIDER AUTHORIZING SIGNING OF NEW BANK SIGNATURE CARDS, RESOLUTION NO. 06-19, RESOLUTION OF LODGE, ASSOCIATION OR OTHER SIMILAR ORGANIZATION REGARDING NEW BANK SIGNATURE CARDS**

Per First Foundation Bank, the following is the motion that should be adopted by the Board:

“Upon motion by _____ second by _____ and unanimously carried, the signing of new bank signature cards was approved for the purpose of endorsing checks and orders for payment of money or otherwise withdraw or transfer funds on deposit with First Foundation Bank. Also adopted by this motion is Resolution No. 06-19, Resolution of Lodge, Association or Other Similar Organization, Regarding New Bank Signature Cards. The signature cards, Resolution No. 06-19 will be available for signature at the April 17, 2019 Board Meeting.”

We ask that the Board take action to adopt the above motion.

ATTACHMENTS

Attachment 1 – Resolution No. 06-19

Powers Granted. (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
N/A	(1) Exercise all of the powers listed in this resolution.	N/A
A B C	(2) Open any deposit or share account(s) in the name of the Association.	1
A B C	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	1
N/A	(4) Borrow money on behalf and in the name of the Association, sign, execute and deliver promissory notes or other evidences of indebtedness.	N/A
N/A	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Association as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	N/A
N/A	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	N/A
N/A	(7) Other: N/A	N/A

Limitations on Powers. The following are the Association's express limitations on the powers granted under this resolution.

N/A

Resolutions

The Association named on this resolution resolves that,

- (1) The Financial Institution is designated as a depository for the funds of the Association and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Association and certified to the Financial Institution as governing the operation of this association's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Association. Any Agent, so long as they act in a representative capacity as an Agent of the Association, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.

- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Association with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Association agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Association. The Association authorizes the Financial Institution, at any time, to charge the Association for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Association acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Association to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Association acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Association with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Association authorizes each Agent to have custody of the Association's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

Pennsylvania. The designation of an Agent does not create a power of attorney; therefore, Agents are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code) unless the agency was created by a separate power of attorney. Any provision that assigns Financial Institution rights to act on behalf of any person or entity is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code).

Effect on Previous Resolutions. This resolution supersedes resolution dated _____ . If not completed, all resolutions remain in effect.

Certification of Authority

I further certify that the Association has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions stated above to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Association is a non-profit lodge, association or similar organization.

(Secretary)
JOAN C EATON

(Attest by Other Officer)
ANTHONY GRABOW

(Attest by Other Officer)
RYAN GROSS

For Financial Institution Use Only

Acknowledged and received on _____ *(date)* by _____ *(initials)*

This resolution is superseded by resolution dated _____

Comments: For change of signers on checking account 3004716 only.

Certification Regarding Internet Gambling

The business entity identified below certifies that it does not engage in an Internet gambling business within the meaning of Federal Reserve Regulation GG.

Business Entity

RUNNING SPRINGS WATER DISTRICT

ANTHONY GRABOW

Date

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER APPROVING RESOLUTION NO. 07-19, ADOPTING REVISED PURCHASING POLICY

RECOMMENDED BOARD ACTION

Consider approving Resolution No. 07-19, adopting the Revised District Purchasing Policy.

REASON FOR RECOMMENDATION

On January 22, 2019, the Board of Directors approved an increase in the amount of District checks requiring two signatures from \$5,000 to checks totaling \$10,000 or more.

The redline version of this change can be seen in Section 2.9 on Page 6 of the attached Purchasing Policy.

BACKGROUND INFORMATION

On June 21, 2017, the Board of Directors adopted the District's Purchasing Policy.

ATTACHMENTS

Attachment 1 –Resolution No. 07-19

RESOLUTION NO. 07-19

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RUNNING SPRINGS WATER DISTRICT ADOPTING
REVISIONS TO THE PURCHASING POLICY**

WHEREAS, the Board of Directors of Running Springs Water District adopted a Purchasing Policy on June 21, 2017; and

WHEREAS, the Board of Directors desires to incorporate certain revisions into the Purchasing Policy Manual that were authorized on January 22, 2019 by motion of the Board of Directors related to the number of signatures required on checks totaling \$10,000 or more;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Running Springs Water District does hereby approve and adopt the attached revised Purchasing Policy.

ADOPTED this 17th day of April, 2019.

President of the Board of Directors
Running Springs Water District

ATTEST:

Secretary of the Board of Directors
Running Springs Water District

Running Springs Water District



Purchasing Policy Manual

~~June 21, 2017~~ April 17, 2019

Resolution No. ~~15-17~~ 07-19

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SECTION 1.0 INTRODUCTION

1.1 Purpose

To ensure purchases are accomplished in a manner providing the greatest value at the minimum cost to the customers of Running Springs Water District (District), this policy provides uniform procedures for acquiring services, materials and construction contracts for the District, including purchasing and bidding requirements, as required by California law.

All purchases of services, materials, equipment or supplies and construction contracts, to be paid by District must adhere to the methods, authority, and dollar limits of this policy outlined below unless superseded by law.

1.2 Scope and Intent

The authorizations set forth in this section are controlling throughout the entirety of this document and shall be held to be controlling when not specifically referenced. Purchasing dollar limits are per order. This policy explicitly prohibits splitting purchase orders for the purpose of evading the specified dollar limits.

1.3 Authority to Purchase

The authority to purchase is dependent upon the total dollar amount of the goods or services to be purchased and the type of purchase. All purchases shall be made in accordance with one of the District purchasing methods identified in Section 2 of this policy and in accordance with the procedures set forth in Sections 3 through 5, dependent upon the type of purchase or service.

1.4 Ethical Conduct in Purchasing

Ethical conduct in managing the District's purchasing activities is an absolute essential. Staff must always be mindful that they represent the Board of Directors and share a professional trust with other staff and the general public. Therefore, when making a purchase keep in mind the following factors: (1) Is this purchase necessary for the job at hand or for the District to carry on its normal business activities? (2) Is this a reasonable and lowest possible cost for this type of purchase?

1.5 Responsibilities of the General Manager

The General Manager is responsible for: (1) procurement of general supplies, services, and equipment; (2) administration of the purchasing policy; and (3) ensuring the lowest reasonable cost that provides the maximum benefit.

1.6 Responsibilities of Departments

Each department shall be charged with the following purchasing responsibilities:

- A. The authorized Purchasing Agent for each department shall be the Division Supervisor.
- B. Anticipate requirements sufficiently in advance of need to prevent downtime and ensure the ability to procure the lowest possible cost.
- C. Communicate and coordinate purchases with the General Manager.
- D. Provide detailed and accurate specifications to ensure that purchases are consistent with requirements and expectations.
- E. Prepare purchase requisitions in accordance with instructions.
- F. Notify the Administration Division of vendor relation problems, shipping problems or any other circumstances that could affect purchasing.
- G. Minimize emergency and sole source purchases and provide written documentation if such purchases occur.

SECTION 2.0 GENERAL PURCHASING METHODS

2.1 Regular Purchase Requisitions

Purchase requisitions are required for all purchases totaling more than \$100. Purchase requisitions shall be issued prior to ordering supplies, equipment and services and not “after the fact” for work already done or materials already ordered. The purpose of purchase requisitions is to manage the budget, not to pay invoices. As such, it is the responsibility of the Division Supervisor to approve all purchase requisitions, regardless of the amount, when the budget has been exceeded.

Purchase requisitions will be prepared and forwarded for appropriate approvals prior to the initiation of a purchase order. Purchase requisitions shall be prepared and submitted by the Division Supervisor or his/her designee using the District’s Incode 10 software. Each purchase requisition is electronically approved and stored for purposes of tracking and paying for the purchase.

A completed purchase requisition shall contain the following information, at a minimum:

- Vendor name, address and telephone number;
- Description, price and quantity ordered;
- Purchase requisition preparation date;
- Account number(s) to be charged.

The responsible Purchasing Agent shall obtain three oral or written competitive quotations whenever possible for purchases. The department shall submit a purchase requisition, which includes the recommended vendor, with all supporting documentation to the Purchasing Agent. Supporting documentation shall include complete specifications required for the purchase as well as any supporting documentation available, i.e. previously purchased item from a specific vendor. The Purchasing Agent shall review the recommendation and supporting documentation and may contact additional sources for quotations.

2.2 Open Purchase Orders

In the course of doing business, it is necessary to make immediate and/or emergency purchases. Upon request, departments may receive open purchase orders at the beginning of a fiscal year, or as needed for small, local purchases. If granted, the assigned Purchasing Agent shall send the open purchase order to the specified vendor. Equipment and supplies may then be purchased from the specified vendor according to the terms and conditions of the open purchase order. Such purchases should be kept to a minimum. Open purchase orders shall not be used to purchase services, capital assets, or items maintained in stock.

All open purchase orders shall include the following information:

- Description of the type of goods;
- Term of the order, not to exceed one year;
- Total dollar amount that may be charged on the order;
- Total dollar amount that may be charged on each visit to the vendor;
- Items which may not be purchased, if any;
- Phone number of the Purchasing Agent for questions regarding the order;
- Departments and staff authorized to charge against the order;
- Requirement that staff provide District identification;
- Requirement that staff print and sign off on the pick-up of the goods; and
- Account number(s) to be charged.

2.3 Contract Purchase Orders

Contract purchase orders are the preferred method of purchasing repetitive-use items or services that may be common to several departments or within one department. Establishing contract purchase orders provides a means of obtaining volume pricing based upon the combined needs of all departments, reduces the administrative costs associated with seeking redundant competitive bids and processing a purchase requisition each time an order is placed, and allows departments to order as needed, reducing the requirement to maintain large inventories of stock.

If a contract purchase order exists, departments shall order all of their requirements from the successful vendor. No other source shall be used without prior approval of the Purchasing Agent or General Manager. Departments shall submit in writing to the Purchasing Agent any performance problem encountered immediately following the occurrence so that corrective action may be taken.

Contract purchase orders are annual and may include an option for renewal of specific products, product types, or services at agreed upon prices or pricing structure and for a specific period of time.

2.4 Check Requests

Check requests may be made for purchases when purchase requisitions cannot be submitted or the order amount exceeds petty cash limitations. Examples of purchases for which check requests may be appropriate include, but are not limited to: education and mileage reimbursements, operating permits and conference registration fees.

Check requests shall be made by use of a check requisition form, which shall include the following information:

- Date of purchase;
- Date by which the check is needed;
- Name of vendor or payee;
- Address of vendor or payee;
- Amount to be paid;
- Explanation of purchase;
- Authorized signature;
- Account number or numbers to be charged.

The check requisition form shall be accompanied by legitimate backup to substantiate the dollar amount of the check request. Examples of backup include vendor invoices and receipts.

2.5 Petty Cash

Petty cash is used for immediate-need or emergency purchases totaling not more than \$100 or for which all other approved methods or instruments of purchase are impractical. A petty cash voucher shall be produced for all expenditures of petty cash. The petty cash voucher shall include the following information:

- Amount/Type of purchase;
- Date of purchase;
- Location of purchase;
- Signature of purchaser;
- Account Number
- Signature of Division Supervisor.

Immediately following the purchase, the receipt shall be stapled to the petty cash voucher and submitted to the Administration Supervisor or the designated Administrative Assistant. The Administration Supervisor and/or the Administrative Assistant ensure that all petty cash vouchers have been properly authorized. Only the Administration Supervisor and the designated Administrative Assistant shall have access to the petty cash boxes.

2.6 Credit Card Purchases

Purchases utilizing the District's Credit Card(s) may be made for purchases for which purchase orders cannot be submitted, payment must be made at the time of purchase or the order amount exceeds petty cash limitations. Examples of purchases for which use of the District's Credit Card(s) may be appropriate include, but are not limited to: purchase of items at Costco, Home Depot (where payment must be made at the time of purchase), airline tickets for District travel, hotel expense and conference registration fees.

The District's Credit Card(s) expenses shall be accompanied by legitimate backup and receipt to substantiate the dollar amount of the charge. Examples of backup include vendor invoices, registration information and itemized receipts. Charges for meals must be documents with an itemized receipt. The employee is required to write the names of the attendees and the purpose of the meal.

2.7 Contracts

Contracts are used in conjunction with purchase requisitions to minimize risk. Proposed contracts shall be accompanied by a purchase requisition processed in the amount of the contract. The original contract shall be sent to the counterparty for signature. Contract payments are requested by approved invoice or progress payment. Only the General Manager or a Director may sign contracts.

2.8 Invoices

The Administration Division is responsible for generating payments for invoiced goods and services and for reconciling all relevant documentation. The Administrative Assistant is responsible for processing all vendor invoices received by mail, email or by direct delivery from a Division Supervisor. Invoices shall be stamped with the date received and filed alphabetically. All invoices shall identify the authorized purchase order number.

The Administrative Assistant shall match invoices to their corresponding purchase orders and receipt documentation to verify that:

- The purchase order reconciles in all respects with the vendor's invoice;
- The goods have been received as documented by the packing slip;
- The receiver signed the invoice; and
- The purchase order has been authorized in accordance with this policy.

2.9 Check Preparation

All District checks shall bear the signature in accordance with the current resolution authorizing endorsement of checks and other instruments of the District. District check stock and checks are controlled and securely stored by an Administration Division employee that does not have such authorization to sign checks. Checks ~~in excess of \$5,000~~ totaling \$10,000 or more must have two authorized signatures.

2.10 Change Orders

Once a purchase order has been issued, any subsequent change or cancellation thereof shall be done by authorized change order. Change order requests shall be submitted using the Incode 10 software Purchase Requisition process.

Change orders are not required to pay freight charges or price variances of less than \$100.

2.11 Emergency Purchases

In the case of an emergency, the General Manager may authorize and/or delegate authority to the Fire Chief, a Division Supervisor or other designee to secure in the open market, at the lowest obtainable price, supplies, materials, equipment, or contractual services required regardless of the amount of the expenditure. California Public Contract Code §1102 defines “emergency” as a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

During an emergency, the affected department may purchase supplies, materials, equipment, or services after the Division Supervisor or Purchasing Agent has concluded the purchase constitutes an emergency purchase intended to prevent or mitigate the occurrence of one or more of the above referenced events. The Division Supervisor or Purchasing Agent shall, as soon as possible, provide a completed purchase requisition to the General Manager or designee, as well as a written explanation of the circumstances.

Nothing contained herein shall limit the authority of the General Manager or their designee to make purchases and take such other emergency steps as are, or may be, authorized by the Board of Directors in the case of an emergency. Refer to Section 3.6 of the District’s By-Laws and Board Policy Manual for Emergency Special Board Meeting Procedures.

2.12 Sole Source Purchases

Purchases may be made from a single source if and only if needed supplies, materials, equipment, or services are of a proprietary nature, or are otherwise of such specific design or construction as to be available from only one source. After reasonable efforts to find alternative suppliers, the General Manager or designee may dispense with any quote or bid requirements and recommend making the purchase from the sole source.

SECTION 3.0 AUTHORIZATION FOR GENERAL PURCHASES AND CONSULTING SERVICES

3.1 Definition

General purchases include supplies, materials, equipment, operating or maintenance services and construction projects, other than "Public Works Projects" subject to the bidding requirements under the Public Contract Code. This section represents the majority of the purchases of the District.

3.2 Purchases of less than \$1,000

Division Supervisors shall possess the sole authority to authorize purchases of less than \$1,000. Comparative pricing shall be required when reasonable. Where comparative pricing is not reasonable (i.e., where the cost of the comparison would negate any price benefit), it shall not be required. However, all authorized purchase requisitions made without the use of comparative pricing shall be accompanied by a detailed explanation.

All purchases totaling more than \$100 shall be made pursuant to an authorized purchase requisition. For purchases totaling less than \$100, purchase requisitions may be issued to satisfy vendor requirements or to encumber departmental funds.

3.3 Purchases between \$1,000 - \$4,999

Purchases totaling between \$1,000 and \$4,999 require the advance authorization of the General Manager or the General Manager's designee. Division Supervisors shall not award purchase orders in excess of \$1,000 without the approval of the General Manager or designee, except in the event of an emergency purchase.

The General Manager or the General Manager's designee may make an award to the lowest responsible quote. The lowest responsible quote will be from a bidder who provides the lowest monetary quote and has the required expertise and financial viability to perform the work or provide the product to be purchased. The General Manager or the General Manager's designee may also reject any and all quotes and attempt to obtain better terms.

3.4 Purchases in excess of \$5,000

The purchase of supplies, services, and equipment with an estimated value in excess of \$5,000 requires authorization by the Board of Directors.

Operations and Maintenance (O&M) expenditures that are included in the District's approved budget will be considered to be authorized by the Board of Directors at the time the budget is approved.

The Division Supervisor is responsible for drafting a staff report and forwarding to the General Manager for obtaining Board approval of expenditures not already authorized in the budget. In addition, at least 3 quotes or bids will be required, except in instances where 3 quotes cannot be obtained or are not provided or where such bidding and quotes do not add value and reduce cost, i.e. sole source vendor or vendor specialization. Service contracts shall include an expectation regarding whether the vendor will be required to file a Form 700 for the purpose of Fair Political Practices.

3.5 Competitive Bidding Procedures, Request for Proposals, Request for Qualifications (RFP/RFQ)

The Division Supervisor will be responsible for overseeing the RFP/RFQ process.

When prequalification of the vendor is desired, Request for Qualifications will be solicited. Once received, the District will create a short list of qualified firms which will be invited to participate in the RFP process.

Once the proposals are received, a determination will be made on the award of a contract. The General Manager will prepare all contracts and final negotiations of the contract will be between the General Manager and/or Division Supervisor and the vendor. If the contract exceeds \$5,000, or if the contract is open ended, Board approval will be required prior to signing the contract. **Only the General Manager, Board President or their designee may sign contracts.**

The General Manager shall have authority to make purchases in excess of \$5,000 without regard to these bid and quote procedures if there is an "emergency" as defined in Public Contract Code §1102 and there is insufficient time to follow these bid and quote procedures. The General Manager shall notify the Board at the next meeting thereof of any purchases in excess of \$5,000 that were made without following these procedures and shall request the appropriate Board approval.

SECTION 4.0 AUTHORIZATION FOR PUBLIC WORKS PROJECTS

4.1 Definition

Contracts with outside entities for the construction of work where District employees do not perform the work. Public Works Contracts are defined in Public Contracts Code 1101 as an agreement for the erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind.

4.2 Public Works Projects of less than \$1,000

At least 3 quotes or bids will be required, except in instances where 3 quotes or bids cannot be obtained or are not provided through the request for proposals (“RFP”) or where such bidding and quotes are not reasonable, i.e. sole source vendor or vendor specialization. Division Supervisors possess the authority to make these determinations. Any vendor providing services considered to be public works with a cost of \$1,000 or more must be registered with the electronic certified payroll reporting system of the Department of Industrial Relations within five (5) days of award to ensure that the vendor submits the necessary certified payrolls.

4.3 Public Works Projects between \$1,000 and \$25,000

The General Manager and the General Manager’s designee shall possess the sole authority to authorize a contract for the construction of work between \$1,000 and \$4,999. The General Manager or the General Manager’s designee may award the contract after the solicitation of at least 3 quotes or bids, except where 3 quotes or bids cannot be obtained or are not provided through the solicitation or where such bidding and quotes are not reasonable, i.e. sole source vendor or vendor specialization. All Public Works Projects over \$4,999 require Board approval. Any vendor providing services considered to be public works with a cost of \$1,000 or more must be registered with the electronic certified payroll reporting system of the Department of Industrial Relations within five (5) days of award to ensure that the vendor submits the necessary certified payrolls.

4.4 Public Works Projects of \$25,000 or more (Supersedes Resolution No. 15-11)

County water districts are not required by current law to seek competitive bids for public works projects.

Unless otherwise directed by the Board of Directors, the District shall invite sealed competitive bids for all capital improvement or replacement projects that are not performed by the District itself, other than projects which must be

completed on an emergency basis, where the amount involved is \$25,000 or more based on the District Engineer's estimate.

Notice inviting bids may be published in a local newspaper of general circulation. Bids shall be opened by District staff at a meeting open to the public. The Board of Directors shall award the contract and authorize the General Manager to sign the contract for such work. Such contract shall comply with all applicable provisions of Federal, State, County and local law.

The District reserves the right to award the contract to other than the lowest responsive and responsible bidder or to reject all bids and negotiate in the open market.

For all public works projects awarded by the District, the General Manager shall be authorized to approve change orders for the project during the course of the project as required not to exceed 15% of the original construction contract amount. It is the goal of the District staff to minimize change orders but as the need for construction contract change orders arises during the course of a construction project of this magnitude, there is typically not enough time to stop the progress of the work to obtain Board approval of each change order. Authorizing the General Manager to approve change orders as needed not to exceed 15% of the original construction contract value will allow for the project to progress without delays caused by the District. The Board of Directors will be informed of the status of construction contracts and any change orders as the project progresses.

The General Manager shall have authority to make purchases in excess of \$25,000 without regard to the bidding procedures if there is an emergency as defined in this policy and the Public Contract Code. The General Manager shall notify the Board at the next meeting thereof of any purchases in excess of \$25,000 that were made without the applicable bidding and obtain the applicable Board approval.

Any vendor providing services considered to be public works with a cost of \$1,000 or more must be registered with the electronic certified payroll reporting system of the Department of Industrial Relations within five (5) days of award to ensure that the vendor submits the necessary certified payrolls.

SECTION 5.0 AUTHORIZATION FOR EMPLOYEE EXPENSE REIMBURSEMENTS

5.1 Definition

Any reasonable and necessary employee expense incurred on behalf of or for the benefit of the District.

5.2 Overview

All employee reimbursements require an appropriately detailed purchase requisition or other approved method of purchasing outlined in Section 2.0, with the signature of a Division Supervisor and/or General Manager. Division Supervisors or the General Manager cannot approve their own expense reimbursement requisitions. In rare cases where payment cannot be made directly to the vendor, a travel advance may be made to the employee. It is the responsibility of the employee to turn in all receipts and any unused funds, if they were advanced. Any missing receipts will be the responsibility of the employee and may be withheld from their payroll check if remittance is not made promptly.

SECTION 6.0
UNIFORM GUIDANCE FOR PROCUREMENT INVOLVING FEDERAL
AWARDS/FUNDS

FIVE METHODS OF PROCUREMENT

The uniform guidance outlines five methods of procurement: micro purchases, small purchases, sealed bids, competitive proposals, and noncompetitive (sole source) proposals.

Some general standards apply to all five types of procurement:

- The policies surrounding the procurement must be documented
- The procurement must be necessary
- The procurement must be subject to full and open competition among vendors
- The procurement cannot present a conflict of interest

Above the simplified acquisition threshold (\$150,000), organizations are required to document their cost and price analysis as well as the criteria by which they selected a vendor.



Source: "Frequently Asked Questions for the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200," published by the Council on Financial Assistance Reform (COFAR).

Purchase Type	Characteristics & Requirements
Below simplified acquisition threshold of \$150,000	
Micropurchases	<ul style="list-style-type: none"> • Under the micropurchase threshold (currently \$3,500 and recently adjusted from \$3,000) • No bid or quote process required • No cost or price analysis required • Should be distributed among a range of qualified vendors • Use interentity agreements where applicable
Small purchases	<ul style="list-style-type: none"> • Under \$150,000 • Price or rate quotes required from an adequate number of sources • Should be distributed among a range of vendors • Use interentity agreements where applicable
Above simplified acquisition threshold of \$150,000	
Sealed bids	<ul style="list-style-type: none"> • Typically used for construction contracts • Bids must be publicly solicited • Two or more bidders are willing and able to compete and qualified to do the work • Complete, adequate, and realistic specification or purchase description is available • Firm fixed-price contract is feasible; a bidder can be selected based on price
Competitive proposals	<ul style="list-style-type: none"> • Requires request-for-proposal process and solicitation of an adequate number of bidders • Written method of evaluation, considering price as well as other factors advantageous to the program
Above or below simplified acquisition threshold	
Noncompetitive proposals	<p>Falls into one or more of these four circumstances:</p> <ul style="list-style-type: none"> • Item available only from a single source • Public exigency or emergency won't permit a delay resulting from competitive solicitation • Expressly authorized by the awarding agency or pass-through entity • Competition is determined to be inadequate after solicitation

Written policies and procedures for:

- Procurement standards
- Conflicts of interest in procurement
- Allowable cost standards

Above all, remember that documentation is one of the more important requirements under the new guidance. Keep careful records of bids and proposals solicited, selection criteria considered, and quotes from vendors. If an individual procurement begins as a sealed bid, for example, but only one qualified vendor bids on the work, make sure you have documentation to support the fact that you solicited offers from a range of vendors rather than a sole source from the beginning.

Key Sections of Uniform Guidance Related to Procurement

Note: The following are sections of the Uniform Guidance which relate to procurement. It is not the Uniform Guidance in its entirety, nor is it a complete list of sections related to procurement.

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Subpart A

Definitions

[§200.22 Contract.](#)

[§200.23 Contractor.](#)

[§200.67 Micro-purchase.](#)

[§200.88 Simplified acquisition threshold.](#)

[§200.92 Subaward.](#)

[§200.93 Subrecipient.](#)

Subpart B

Procurement Standards

[§200.317 Procurement by states.](#)

[§200.318 General procurement standards.](#)

[§200.319 Competition.](#)

[§200.320 Methods of procurement to be followed.](#)

[§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.](#)

[§200.322 Procurement of recovered materials.](#)

[§200.323 Contract cost and price.](#)

[§200.324 Federal awarding agency or pass-through entity review.](#)

[§200.325 Bonding requirements.](#)

[§200.326 Contract provisions.](#)

Subrecipient Monitoring and Management

[§200.330 Subrecipient and contractor determinations.](#)

[APPENDIX II TO PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS](#)

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER PROVIDING ADDITIONAL DIRECTION TO STAFF
ON THE DRAFT FISCAL YEAR 2019-20 AND 2020-21 DISTRICT
BUDGETS

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider providing any additional direction to staff on the Draft Fiscal Year 2019-20 and 2020-21 District Budgets.

REASON FOR RECOMMENDATION

The draft budgets have been reviewed by the Finance Committee on April 10, 2019.

BACKGROUND INFORMATION

The draft budget document was provided to the Directors on Friday, April 12, 2019 and is also available for public review at the District office.

FISCAL INFORMATION

Refer to draft Fiscal Year 2019-20 and 2020-21 District Budgets.

ATTACHMENTS

Attachment 1 – Fiscal Year 2019-20 and 2020-21 District Budget Document (Provided under separate cover and available for Public Inspection at the District Office on April 12, 2019)

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019

TO: Board of Directors

FROM: Ryan Gross, General Manager

SUBJECT: BOARD AUTHORIZATION TO HOLD A PUBLIC HEARING ON JUNE 19, 2019 TO CONSIDER PROPOSED WATER AND WASTEWATER RATE AND FEE ADJUSTMENTS FOR FISCAL YEARS ENDING 2020-2024 AND TO MAIL A NOTICE OF THE PUBLIC HEARING TO ALL DISTRICT PROPERTY OWNERS IN ACCORDANCE WITH THE REQUIREMENTS OF PROPOSITION 218

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors authorize holding a public hearing on June 19, 2019 to consider the proposed water and wastewater rate and fee increases for Fiscal Years Ending (FYE) 2020-2024 and authorize staff to mail a notice of the public hearing to all District property owners.

REASON FOR RECOMMENDATION

Consistent with the requirements of Proposition 218, the District is required to hold a public hearing to consider increases in certain water and wastewater rates and fees prior to adopting such increases. The proposed Water and Wastewater Budgets for Fiscal Year 2019-20 and 2020-21 and the 2019 Raftelis Water and Wastewater Rate Study for FYE 2020-2024 include rate and fee increases that must be considered at a public hearing.

Rates and fees to be considered at the public hearing include water and wastewater rates and fees that appear on all billings, whether or not there is an increase in the rate or fee, and any other rate or fee that is going to be increased.

BACKGROUND INFORMATION

The proposed Water and Wastewater Budgets for Fiscal Year 2019-20 and 2020-21 and the 2019 Raftelis Water and Wastewater Rate Study for FYE 2020-2024 include certain rate and fee increases necessary to generate additional revenue to fund capital improvement projects to repair and replace aging infrastructure, increases in several operating expense categories and minimize the use of designated reserves to fund expenses. Other measures required to balance the budget include reductions in operating expenses where possible and deferral of nonessential activities and projects.

The following are the specific rates and fees to be addressed at the Proposition 218 public hearing:

Water Rates and Fees

- Monthly Service Charge
- Usage Charge
- Residential Landscape Irrigation Monthly Service Charge
- Fire Service Meter Monthly Service Charge
- Water Turn On/Off Fee
- Unlock Charge

Wastewater Rates and Fees

- Residential Monthly Base Charge
- Residential Volumetric Charge
- Commercial Monthly Base Charge
- Commercial Volumetric Charge

The 2019 Raftelis Water and Wastewater Rate Study for FYE 2020-2024 includes alternative water and wastewater rate and fee adjustments for Fiscal Years Ending 2020-2024 and have been presented and discussed at open public Board meetings with the Board of Directors on January 22, 2019, March 21, 2019 and April 17, 2019.

If the Board intends to consider rate and fee adjustments for the FYE 2020-2024 a Public Hearing will need to be scheduled and it is recommended that the Public Hearing be held on June 19, 2019 at 6:00 pm in order to coincide with the District's annual budget cycle.

In order for this to occur, staff will need to prepare and mail out the Notices of the Public Hearing to all District property owners in accordance with the requirements of Proposition 218 no later than Friday, May 3, 2019. A draft copy of the Notice of the Public Hearing is attached.

If more than 50 % of the District customers protest the rate and fee increases, the Board will not be able to increase the rates and fees. If less than 50% of the District customers protest the increase, the Board can either approve or not-approve the rate and fee increases, at the Boards discretion.

Although not subject to Proposition 218, but instead subject to a different statutory hearing requirement, it is recommended that the Board also consider proposed adjustments to Water and Sewer Facility Capacity Charges that same day, upon conclusion of any action taken on water and sewer service rates, fees and charges. Those charges do not need to be included in the mailed notice.

ATTACHMENTS

Attachment 1 – Draft Prop 218 Notice



DRAFT FOR REVIEW PURPOSES ONLY

RUNNING SPRINGS WATER DISTRICT

31242 Hilltop Boulevard • P.O. Box 2206
Running Springs, CA 92382

ATTACHMENT 1

NOTICE OF PUBLIC HEARING ON PROPOSED WATER AND WASTEWATER RATE ADJUSTMENTS

The Board of Directors of the Running Springs Water District (District) will be holding a public hearing on June 19, 2019 at **6:00 p.m.** at the District office, 31242 Hilltop Blvd., Running Springs to consider adjusting the rates of its water and wastewater service charges. If adopted, the rates will be in effect beginning July 1, 2019, and will be adjusted each July 1 thereafter through and including July 1, 2023.

REASONS FOR THE PROPOSED RATE ADJUSTMENTS

The District is committed to providing the highest quality water and wastewater services at the lowest possible rates for our customers. To meet this commitment, the District engaged an independent rate consultant to perform a water and wastewater rate study that evaluates the infrastructure, programs, and operations and maintenance costs of the District's water and wastewater systems and services and the rates necessary to recover the costs of those services for the next five years. A cost of service and rate study demonstrates what it costs the District to provide these services and the appropriate rates to fairly and appropriately allocate the costs of providing them to our customers. The District's 2019 Rate Study, Cash Reserve Policy, Financial and Facilities Master Plans, as well as the draft fiscal year 2019/2020 and 2020/2021 District budgets were used as the basis upon which the proposed rates and charges were calculated. The rate adjustments were not the only measures used to generate a balanced budget. Other measures required to balance the budget included reductions in operating expenses where possible and deferral of nonessential activities and projects.

The results of the rate study demonstrate that adjustments in the water and wastewater rates are needed to recover increases in the costs of providing water and wastewater services. These costs include, among others, the costs of needed repairs and replacements of aging water and wastewater infrastructure and the costs of developing additional local groundwater supplies.

PROPOSED RATES AND THE BASIS UPON WHICH THEY ARE CALCULATED

The proposed water rate structure has five customer classes - residential, commercial, schools and irrigation - and is comprised of three components - a fixed monthly base charge, a variable volumetric charge, and a fixed monthly private fire service water meter base charge. The base charge is determined on the basis of the size of the water meter serving a property (in inches) and is designed to recover a portion of the District's fixed costs of operating and maintaining the water system, such as billings and collections, and repairs and replacements of infrastructure. The volumetric charge is the same for all customer classes and is imposed per unit of delivered water, with one unit equal to one cubic foot (cf), or 7.48 gallons. The volumetric charge is calculated to recover a portion of the District's fixed costs and its variable costs of purchasing and providing water service. The private fire service water meter base charge is only imposed on customers who have private fire suppression systems. It is designed to recover the proportionate share of the costs of sizing the water system necessary to provide private fire suppression service and the costs of managing and inspecting backflow prevention devices for these private systems.

Under the current water rate structure, a different rate for the base charge is imposed on landscape irrigation customers than is imposed on all other customers, and a different rate for the consumption charge is imposed on customers who are served by but are located outside of the District's boundaries. Under the proposed rate structure, the same base charge and volumetric charge rates will be applicable to all customers. The current water rate structure also imposes a fixed monthly infrastructure repair and replacement charge to fund water infrastructure projects. The charge is proposed to be eliminated from the District's water rate structure. As proposed under the new rate structure, the costs of repairing and replacing water infrastructure will be recovered from the District's base charge.

The proposed wastewater rate structure has two customer classes - commercial and residential - and is comprised of two components - a fixed monthly sewer base charge and a variable sewer volumetric charge. The sewer base charge is determined on a per equivalent dwelling unit (EDU) basis and is designed to recover a portion of the District's fixed costs of operating and maintaining the wastewater system. The sewer volumetric charge is based on a customer's estimated monthly wastewater discharge and is designed to recover a portion of the District's fixed costs and its variable costs of providing wastewater services. The method for estimating customers' wastewater discharge is proposed to be revised under the new wastewater rate structure from a percentage of the billed monthly water usage.

Under the current wastewater rate structure, a different rate for the volumetric charge is imposed on commercial customers than is imposed on residential customers. Under the proposed rate structure, the same wastewater volumetric charge rates will be applicable to all customers. The current wastewater rate structure also imposes a fixed monthly infrastructure repair and replacement charge to fund wastewater infrastructure projects. This charge is proposed to be eliminated from the District's wastewater rate structure. As

proposed under the new rate structure, the costs of repairing and replacing wastewater infrastructure will be recovered from the District's monthly sewer base charge. The proposed water and wastewater rate adjustments are identified in the tables below.

CURRENT RESIDENTIAL, COMMERCIAL, AND IRRIGATION CUSTOMERS' MONTHLY WATER BASE CHARGE RATES (\$/METER SIZE)			
Meter Size	Residential and Commercial	Monthly Infrastructure Repair and Replacement Charge	Irrigation
5/8"X 3/4"	\$31.42	\$1.88/EDU	\$13.13
1"	\$70.77	\$1.88/EDU	\$32.78
1 1/2"	\$136.29	\$1.88/EDU	\$65.54
2"	\$214.95	\$1.88/EDU	\$104.87
3"	\$463.97	\$1.88/EDU	—

PROPOSED RESIDENTIAL, COMMERCIAL, AND IRRIGATION CUSTOMERS' MONTHLY WATER BASE CHARGE RATES (\$/METER SIZE)					
Meter Size	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
5/8" x 3/4"	\$34.19	\$35.22	\$36.28	\$37.36	\$38.49
1"	\$79.01	\$81.38	\$83.82	\$86.33	\$88.93
1 1/2"	\$153.70	\$158.31	\$163.06	\$167.95	\$172.99
2"	\$243.33	\$250.63	\$258.15	\$265.89	\$273.87
3"	\$482.34	\$496.81	\$511.72	\$527.07	\$542.88

CURRENT AND PROPOSED PRIVATE FIRE SERVICE WATER METER BASE CHARGE (\$/METER SIZE)						
Meter Size	Current	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
1" and smaller	\$15.75	\$3.20	\$3.30	\$3.40	\$3.50	\$3.60
1 1/2"	\$26.21	\$5.40	\$5.56	\$5.73	\$5.90	\$6.07
2"	\$43.58	\$9.18	\$9.46	\$9.74	\$10.03	\$10.34
3"	\$60.95	\$22.77	\$23.45	\$24.16	\$24.88	\$25.63
4"	\$78.32	\$46.20	\$47.59	\$49.02	\$50.49	\$52.00
6"	\$95.65	\$130.30	\$134.21	\$138.24	\$142.39	\$146.66
8"	\$113.02	\$275.36	\$283.62	\$292.13	\$300.89	\$309.92

CURRENT AND PROPOSED WATER VOLUMETRIC CHARGE RATES (\$/CF)*						
Current Inside the District	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023	
\$0.0469	\$0.0483	\$0.0498	\$0.513	\$0.0528	\$0.0544	
Current Outside the District**						
\$0.0519	\$0.0483	\$0.0498	\$0.513	\$0.0528	\$0.0544	

*One cubic foot (CF) = 7.48 gallons.

CURRENT RESIDENTIAL AND COMMERCIAL WASTEWATER RATES AND CHARGES			
Customer Class	Monthly Base Charge	Sewer Volumetric Charge	Monthly Infrastructure Repair and Replacement Charge
Residential	\$44.49	15% of Monthly billed Water Consumption Charge	\$5.25/EDU
Commercial	\$44.49	1/3 of Monthly billed Water Consumption Charge	\$5.25/EDU

PROPOSED RESIDENTIAL AND COMMERCIAL WASTEWATER RATES AND CHARGES					
	July 1, 2019	July 1, 2020	July 1, 2021	July 1, 2022	July 1, 2023
Monthly Base Charge (\$/EDU)	\$51.00	\$52.53	\$54.10	\$55.73	\$57.40
Sewer Volumetric Charge (\$/CF)	\$0.0099	\$0.0102	\$0.0105	\$0.0108	\$0.0111

*For commercial camps with greater than 1.3 times the 102 gpd/EDU multiply EDU by factor of 1.25

The District purchases wholesale water from Crestline-Lake Arrowhead Water Agency (CLAWA) and Arrowbear Park County Water District (APCWD). These costs are recovered through the proposed water volumetric charge. In developing its rates, the District included projected increases in these wholesale water costs as part of its long-range financial plan. To ensure that there are sufficient revenues to provide water services to our customers, the District is also proposing to annually pass through to our customers: (1) any increases in the rates for wholesale water and any other charges that either CLAWA or APCWD imposes on the District that are greater than those projected in the District’s long-range financial plan (each a “Pass Through Adjustment”). A Pass Through Adjustment will only impact the rates of the water volumetric charge set forth in the tables above. If approved by the Board of Directors, the District may implement a Pass Through Adjustment for either CLAWA or APCWD rate increases for a five-year period commencing July 1, 2019, and at any time through and including June 30, 2024. Provided, however, that: (1) any increase in the water volumetric charge described above as a result of any Pass Through Adjustment for either a CLAWA rate increase or a APCWD increase shall not exceed 8% per year; and (2) in no event shall the rates be increased as a result of a Pass Through Adjustment by more than the cost of providing water service. Prior to implementing any Pass Through Adjustment, the District will provide written notice to customers not less than 30 days prior to their effective date.

WHAT THIS MEANS TO OUR AVERAGE CUSTOMERS WATER & SEWER BILL

If approved, after July 1, 2019, for an average District customer who uses 500 cubic feet (3,740 gallons) of water per month, the monthly impacts would be as follows:

CURRENT RATES & CHARGES (7/1/2018-6/30/2019)		PROPOSED RATES & CHARGES (7/1/2019-6/30/2020)	
Water Rates			
Monthly Water Base Charge	\$31.42	Monthly Water Base Charge	\$34.19
Monthly Water Volumetric Charge	\$23.45	Monthly Water Volumetric Charge	\$24.15
Infrastructure Repair/Replacement Charge	\$1.88		
Total Water Charges:	\$56.75	Total Water Charges:	\$58.34
Wastewater Rates			
Monthly Sewer Base Charge	\$44.49	Monthly Sewer Base Charge	\$50.98
Monthly Sewer Volumetric Charge	\$3.52	Monthly Sewer Volumetric Charge	\$4.46
Infrastructure Repair/Replacement Charge	\$5.25		
Total Sewer Charges:	\$53.26	Total Sewer Charges:	\$55.44
Total Water & Sewer Charges			
Total Current Water & Sewer Charges:	\$110.01	Total Proposed Water & Sewer Charges:	\$113.78

As you can see from the information in the table above, for an average use customer with a 3/4-inch water meter, **the proposed rate and fee adjustments for the fiscal year ending 2020 would result in a \$3.77 per month increase in the total bill for water and sewer services.** The proposed rates and charges being considered for the fiscal years ending 2020-2024 are as indicated in the table on Page 2.

PUBLIC HEARING

A public hearing to consider the proposed water and wastewater rates and charges will be held at a regular meeting of the Running Springs Water District Board of Directors on June 19, 2019 at 6:00 p.m. at the District office, 31242 Hilltop Blvd., Running Springs, CA. At the hearing, the RSWD Board of Directors will consider adoption of a resolution that adjusts the water and wastewater rates and charges as set forth in this notice. Any record owner of a parcel upon which the rates and charges are proposed for imposition, or any tenant directly responsible for the payment of water and/or wastewater service charges (i.e., a customer of record), may submit a written protest to the proposed rate adjustments; provided, however, only one protest will be counted per identified parcel. A valid protest must: (1) be in writing; (2) identify the specific rate increase or increases for which the protest is being submitted; (3) provide the location of the identified parcel (by service address or assessor’s parcel number) sufficient to identify the property where service is provided; and (4) provide the name and signature of the property owner of record as shown on the last equalized assessment roll used by the County of San Bernardino for assessing taxes, or the name and signature accompanied by written evidence that the signer is the owner if he or she is not identified as the owner of record on the last tax roll, or the name and signature of the tenant responsible for paying the water and/or wastewater bills for service. All valid written protests must be received by the District prior to close of the June 19, 2019 public hearing, which will occur when all public testimony on the proposed rates has been concluded. Any protest submitted by email or other electronic means will not be counted as a valid written protest. Written protests may be mailed, or personally delivered to:

Running Springs Water District
P.O. Box 2206, 31242 Hilltop Blvd.
Running Springs, CA 92382

Written protests may also be delivered at the public hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, that the enclosed letter is for the Public Hearing on Proposed Rate Increases.

The Board of Directors will consider all valid written protests timely submitted and hear and consider all public comments made at the public hearing. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. At the conclusion of the public hearing, the Board of Directors will determine whether to adopt the proposed rate increases and Pass Through Adjustments described in this notice. If, after the close of the public hearing, written protests against the proposed rate increases and Pass Through Adjustments as outlined above are not presented by a majority of the record owners and customers of record of the identified parcels upon which they are proposed to be imposed, the Board of Directors will be authorized to impose the rate adjustments and Pass Through Adjustments.

A WORD ABOUT YOUR WATER BILL

Please note that in the RSWD rate structure an important impact on your bill is the amount of water you use each day. As our customer, you may lower your bill by reducing the amount of water that you use. District staff is available to talk with you about your specific water conservation needs. Please feel free to contact us at (909) 867-2766 about your conservation needs or any questions you may have regarding the proposed rates.

NOTE: This notice was mailed using information contained on the last equalized assessment roll obtained from the County of San Bernardino. You may receive more than one copy if you own multiple properties or own property under more than one name. While District policy holds property owners responsible for payment of the Districts bills for water and/or wastewater, if the property in question is occupied by a tenant that you hold directly responsible for payment of the District's bills for water and/or wastewater service, please forward this notice to that tenant.

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: April 17, 2019

TO: Board of Directors

FROM: Trevor Miller, Operations Manager
Ryan Gross, General Manager

SUBJECT: CONSIDER AUTHORIZING STAFF TO PROCEED WITH PURCHASE OF BUDGETED EQUIPMENT AND SERVICES FOR WASTEWATER DIVISION

RECOMMENDED BOARD ACTION

Consider authorizing staff to proceed with the purchase of equipment and services that were approved in the Fiscal Year 2018-19 Wastewater Budget. The following is a summary of the projects we are ready to proceed with that were already approved in the current budget:

1. Authorize the purchase of Atlas Copco XAS 110 towable compressor and Atlas Copco TEX90 pneumatic hammer.
2. Authorize purchase of replacement actuators and flow control valves for MBR 1.
3. Authorize staff to proceed with Wastewater Collections Annual O&M, Inflow and Infiltration (I&I) Reduction.
4. Authorize staff to proceed with Wastewater Treatment Plant (WWTP) Access Road Improvements Survey Work

REASON FOR RECOMMENDATION

Section 3.4 of the District Purchasing Policy states that expenditures that are included in the District's approved budget will be considered to be authorized by the Board of Directors at the time the budget is approved. Staff is now ready to proceed with several wastewater operations & maintenance (O&M) and Capital Improvement Program (CIP) projects that were approved in the current budget.

BACKGROUND INFORMATION

The projects we are ready to proceed with are listed below:

Wastewater Collections Towable Compressor Replacement:

This unit will replace the towable compressor that the Collections Division declared surplus and sent to auction. The unit was declared surplus due to growing repair costs and decreasing efficiency. This towable compressor is used in emergency, as well as routine, collection system maintenance. When the Collection Division was formed, the need for a towable compressor arose. To fulfill this need, a used towable compressor was purchased. The used towable compressor was in service with the District for 18 years. During the 18 years of service there have been numerous repairs and situations where the compressor would not start. After reviewing the available technologies and repair costs, the compressor was declared surplus and sent to auction.

The replacement towable compressor is smaller in dimensions as well as output. During staff's review of the available compressors and our current needs the Atlas Copco XAS 110 seems to be the best fit. The collection division's operating procedures do not warrant a compressor output greater than 110 cfm

Atlas Copco is the only manufacturer to offer a 110-cfm compressor and due to the cfm output, is the lowest cost towable compressor. Along with the improvements in the compressor technologies, the pneumatic hammers have changed as a result of the improvements.

Replacement Actuators and Flow Control Valves for MBR 1:

These are budgeted O&M replacements at the wastewater treatment plant.

Wastewater Collections Annual O&M, Inflow and Infiltration (I&I) Reduction:

These are budgeted O&M activities for the wastewater collections system.

Wastewater Treatment Plant (WWTP) Access Road Improvements Survey Work:

Survey work for the re-alignment of the upper portion of the wastewater treatment plant access road and plotting of the existing access road easement in preparation for the future access road repaving project.

FISCAL INFORMATION

Wastewater Collections Towable Compressor Replacement (Budgeted Amount \$25,000):

Two vendors were contacted to provide pricing for the towable compressor, Hilltop Tool Rental, Tomball, TX and Trinity Equipment Sales, Riverside, CA. Hilltop Tool Rental price was \$13,500 plus \$1,500, for a total price of \$16,080 with tax, dropped shipped to the District. Trinity Equipment Sales price was \$15,743 with tax, delivered to the District. A 90lbs pneumatic hammer was also included in the quote from Trinity Equipment because they are the Atlas Copco dealer in our area. The price for the 90 lbs pneumatic hammer \$1,418 delivered to the District.

Replacement Actuators and Flow Control Valves for MBR 1 (Budgeted Amount \$12,000):

This equipment is only available from one vendor, Southwest Valve & Equipment. Quote is attached for \$11,710.

Wastewater Collections Annual O&M, Inflow and Infiltration (I&I) Reduction (Budgeted Amount \$58,000):

Requesting authorization to proceed with up to \$58,000 in budgeted O&M work including annual sewer line cleaning, sewer manhole seal coating, point repairs and purchase of new manhole lids.

Staff will follow the District Purchasing Policy for acquisition of materials, equipment and contracted work.

Wastewater Treatment Plant (WWTP) Access Road Improvements Survey Work:

Staff is requesting authorization to proceed with necessary survey work for realignment of the upper portion of the WWTP access road and plotting of existing road easement. Survey services estimated not to exceed \$5,000.

Funding for these projects totaling approximately \$100,000 will come from the Wastewater Capital Improvement Project Reserve which has a balance of \$287,199.

ATTACHMENTS

Quotes

THE XAS 110 COMPRESSOR

The amazing 8 Series. What do you tow?

Sustainable Productivity

Atlas Copco



THE XAS 110

The new XAS 110 is the result of over a decade of continuous development. The result is a compressor which can produce 110 CFM without the need for any exhaust after treatment.

However, we understand that this means nothing without efficiency. Efficiency can mean many things, such as: reduced service time, fuel consumption or increased utilization. The 8 Series ticks all the boxes when it comes to delivering outstanding performance in all of these categories.

110_{CFM}

Without the need for any exhaust after treatment

1. Reliable and high performance Kubota engine

2. Legendary HardHat® canopy

3. Starter motor protection system



4. Three layer anti-corrosion (c3) paint system

6. Spillage free frame

5. Anti air lock system for guaranteed starting

7. Battery cut off switch

8. Encased wire routings for extra protection

8 STEP SIMPLE SERVICE

1

Draining
all liquids



Centralized
draining point

2

Drain and replace
compressor oil



Accessible drain point
below vessel

3

Drain and replace
engine oil



Easy inlet pour

4

Replace engine
air filter



Easy clip in
changeable filter

5

Replace compressor
air filter



Easy clip in
changeable filter

6

Replace engine
oil filter



Easily
accessible spin on
engine oil filter

7

Replace compressor
oil filter



Easily
accessible spin on
compressor oil filter

8

Replace compressor
separator element



Easily
accessible spin on
separator element



**ALL THIS CAN BE DONE IN
MINUTES – NOT HOURS, WITH
NO SPECIAL TOOLS NEEDED**

**FULLY
GUARANTEED
SERVICE COSTS**

2 OR 3 YEAR PLAN

less
than **1\$**
per day

55

Performance		XAS 110
Normal effective working pressure	Psi (g)	100
Free air delivery	CFM	110
Max. ambient temperature at sea level	°F	122
Min. starting temperature	°F	14
Min. starting temperature (cold start aid)	°F	-4

Engine		
Engine brand	Kubota	
Engine model	D 902 T4F	
Number of cylinders	3	
Power output @ normal shaft speed	kW	18.5
Full load rpm	rpm	3600
Unload rpm	rpm	2000
Capacity		
Engine oil	US Gall.	0.95
Compressor oil	US Gall.	1.45
Fuel tank	US Gall.	7.35

Dimensions : box unit		
Length	inch	61
Width	inch	42
Height	inch	34
Weight box	lbs	970

Transport dimensions : undercarriage		
Length	inch	79
Width	inch	48
Height	inch	51
Weight portable	lbs	1100

Never use compressed air as breathing air without prior purification in accordance with local legislation and standards.



ISO STANDARDS

Atlas Copco's fully implemented Quality Management and Environmental Management systems in the design and manufacturing of these units fulfill the requirements of ISO 9001 and ISO 14001 & OHSAS 18001. The range has also been given the certificate tested according to ISO 1217:2009-annex D.

8 SERIES	
No exhaust after treatment required	up to 250 lbs LIGHTER THAN COMPARABLE MODELS
1 completely new screw element	Compressor oil service once in 2 Years
under 60 minutes service time	12% more fuel efficient
15% smaller footprint	11 years development of legendary HardHat® Canopy
100% guaranteed Buy-back value	

COMMITTED TO SUSTAINABLE PRODUCTIVITY

Atlas Copco's Portable Energy division has a forward-thinking philosophy. For us, creating customer value is all about anticipating and exceeding your future needs – while never compromising our environmental principles. Looking ahead and staying ahead is the only way we can ensure we are your long term partner.

www.atlascopco.com

Atlas Copco

Photos and illustrations contained herein might depict products with optional and/or extra components which are not included with the standard version of the product and, therefore, are not included in a purchase of such product unless the customer specifically purchases such optional/extra components. We reserve the right to change the specifications and design of products described in this literature without notice. Not all products are available in all markets.

Hilltop Tool Rental LLC

30702 SH 249

Tomball, TX 77375

Estimate

Date	Estimate #
3/13/2019	67

Name / Address
Wastewater Department Supervisor Running Springs Water District 31242 Hilltop Blvd. Running Springs, CA 92382-2206

			Project
Description	Qty	Cost	Total
2019 Atlas Copco XAS 110 Air Compressor New with Manufacturer Warranty		13,500.00	13,500.00T
Drop Ship Direct from Factory to Customer in Running Springs, CA 92382		1,500.00	1,500.00T
Term: Wire transfer at time of order. Sales Tax Exempt		0.00%	0.00
		Total	\$15,000.00

Customer Signature _____



Company: Running Springs Water District
 Address: 31242 Hilltop Blvd.
Running Springs, Ca. 92382
 Tel: 909-499-0447
 Fax: tmiller@runningspringswd.org
 Attn: Trevor Miller

Sales Rep: Horacio Rivera
 Date: 3/21/2019

SALES QUOTE

We would like to quote you the following:

Stock:	NEW
Model:	Atlas Copco Air Compressor XAS110



Specifications:

Qty.	Description	Price
1	New 2019 Atlas Copco Air Compressor model XAS 110 Tier IV final Engine PDI Included FOB Running Springs	\$14,577.00
1	New 2019 Atlas Copco 90lb. Pneumatic hammer Model: TEXP90 w/ 25 ft. hose	\$1,313.00
<i>Please sign here to place order.</i>		



Sales
Service
Rentals
Parts

	Subtotal:	\$15,890.00
	7.75 % Sales tax:	\$1,231.47
	Total:	\$17,121.47
	Down Payment:	
	Total to Finance:	



Southwest Valve Terms and Conditions of Quotation

1. Unless stated otherwise, the terms and conditions of the manufacturers listed herein will apply to this quotation
2. All items listed are based on Southwest Valve's interpretation of the requirements in accordance with the plans and specifications. No warranty is made regarding quantities, materials of construction or type of materials quoted.
3. Shipping dates are approximate and are based on dates provided by the manufacturers at time of bid
4. Any materials not specifically quoted are to be supplied by others.
5. Operation, Installation and Maintenance of materials quoted are the responsibility of the owner or contractor
Unless specified otherwise, all actuators will be mounted in the manufacturers facility. Orientation of the actuators in the responsibility of the owner, contractor or client prior to release of material for fabrication.
6. Unless stated otherwise, start-up and training are not included.
7. Unless stated otherwise, sales tax, freight, fees or duties are not included
8. Any attachments or listed documents are considered a part of this quotation
9. We retain the right to modify this quote if any changes are made to the plans and/or specifications. Where materials listed in this quotation differ from the specifications we retain the right to offer a revised quotation.

RUNNING SPRINGS WATER DISTRICT**MEMORANDUM**

DATE: April 17, 2019

TO: Board of Directors

FROM: Ryan Gross, General Manager

SUBJECT: CONSIDER CHANGES TO CREDIT CARD, DEBIT CARD AND E-CHECK PROCESSING

RECOMMENDED BOARD ACTION

Considering authorizing staff to make the necessary changes and enter into a new service agreement for the processing of credit card, debit card and e-check payments of water and sewer bills that will be integrated with the Tyler/Incode Utility Billing Software.

REASON FOR RECOMMENDATION

The District's new utility billing software allows for the integration of credit card, debit card and e-check payment methods by our customers. Utility payments that qualify for the Visa/MC Program receive a special discount on processing fees for cards that qualify under the ETS Utility Program (or other equal vendor to be selected by Administration staff). If enrolled in the Utility Program Visa does not allow for any fee to be charged to customers for any type of utility payment.

The discounted processing fee would be approximately a quarter (1/4th) of what customers currently pay but the District would incur the fee instead of the customer. Another way of looking at it is considering these processing fees as part of the cost of doing our business similar to postage expense.

BACKGROUND INFORMATION

In 2010 the District implemented a credit card, debit card and e-check payment service through Paymentus due to the many customer requests over the years to pay their water and sewer bills using a credit or debit card. Currently customers wishing to pay a water and/or sewer bill are charged a flat service fee of \$3.25 which is collected by Paymentus. The Paymentus service agreement expires at the end of February 2020.

Under the new program with ETS (or other equal vendor to be selected by Administration staff) the estimated average processing fee for a \$100 utility payment would be \$1.12 if the District incurs or absorbs these processing fees into our water and sewer rates and considers them part of the cost of doing business similar to postage expense.

Staff did a brief survey of what other Districts do with regards to credit card, debit card and e-check processing fees. The following Districts absorb credit card processing fees, consider them as part of the cost of doing business and build the expense into their rates:

Arrowbear Park County Water District	Monte Vista Water District
Big Bear DWP	Walnut Valley Water District
Coachella Valley Water District	West Valley Water District
East Valley Water District	Banning
Elsinore Valley Water District	
LACSD	

FISCAL INFORMATION

By absorbing these processing fees into our water and sewer rates, the District would incur an additional annual expense of approximately \$6,500 based on current data. This expense is likely to increase as more customers take advantage of the convenience. One time set up for a new card reader is \$650. Monthly statement fees are \$7.50 and there is also an annual PCI compliance fee of \$150. The additional expense may also be significantly offset by savings in postage and paper bill processing expense as more customers migrate to paperless billing.

Alternatively, the Board could choose to continue with the status quo and customers would be charged the \$3.25 processing fee with no additional expense to the District.