



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:      MAY 12, 2017  
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, May 17, 2017, 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 May 12, 2017 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are expected to be routine and non-controversial and will be acted on at one time without discussion unless an item is withdrawn by a Board Member for questions or discussion.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 April 2017 Expenditures **Page 8**

4. Action Items – The following action items will be considered individually and each **require a motion** by the Board of Directors for action.
  - A. Public Hearing and Consideration of Adopting Ordinance No. 48 Establishing Fees for Ambulance Services **Page 14**
    - i. Open Public Hearing;
    - ii. Staff Presentation;
    - iii. Written Public Comment;
    - iv. Oral Public Comment;
    - v. Board Discussion/Comments;
    - vi. Close Public Hearing;
    - vii. Consider Adoption of Proposed Ordinance No. 48.
  - B. Consider Resolution No. 09-17, Adopting Updated Sewer System Management Plan (SSMP) **Page 20**  
(Presenter: Ryan Gross, General Manager)
  - C. Consider Accepting Proposal for Fiscal Year 2016/2017 Financial Audit Services (Presenter: Joan Eaton, Administration Supervisor) **Page 77**
5. Information Items – The following information items do not require any action by the Board of Directors and are for informational purposes only.
  - A. Draft Fiscal Year 2017/2018 Water & Administration Division Budget **Page 83**  
(Presenters: Finance Committee, Ryan Gross, General Manager)
  - B. Consider Draft Board Policy Manual **Page 125**  
(Presenter: Ryan Gross, General Manager)
  - C. Consider Draft Purchasing Policy **Page 158**  
(Presenter: Ryan Gross, General Manager)
  - D. Water Production & Precipitation Report **Page 194**
6. General Manager’s Report
7. Report from Legal Counsel
8. Board Member Comments
9. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, June 21, 2017 at 9:00 am

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017  
**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 April 19, 2017.

**ATTACHMENTS**

Attachment 1 – Draft Meeting Minutes

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
APRIL 19, 2017**

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The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, April 19, 2017 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:

Pamella Bennett, Vice-President  
Errol Mackzum, Director  
Tony Grabow, Director

Directors Kenneth Ayers and Mike Terry were absent

Also present were the following:

Ryan Gross, General Manager  
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor  
George Corley, Fire Chief

Visitors Present:

Gerhard Hilgenfeldt, Running Springs Resident  
Ananda Foerch, Mountain News Reporter

**MEETING MINUTES**

**AGENDA ITEMS**

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

The meeting was called to order at 9:03 A.M. by Vice-President Bennett and Director Mackzum led the assembly in the pledge of allegiance to the flag.

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

No public comments.

**3. Approval of Consent Items**

**A. Approve Meeting Minutes**

**B. Ratify March 2017 Expenditures**

Manager Gross reported on the District process and facilities regarding purchased water from the Crestline Lake Arrowhead Water Agency (CLAWA)

Upon **motion** by Director Mackzum, **second** by Director Grabow and **carried by a 3 to 0 vote**, the Consent Items were approved.

**4. Action Items**

**A. Consider Appointing Ad-Hoc Committee for CSA 79 Consolidation Review**

Manager Gross reported on consideration of consolidation with CSA 79 stating a meeting will be scheduled with all concerned parties. Discussion continued and President Ayers and Director Grabow were appointed to the Ad-Hoc Committee for CSA 79 Consolidation review. For the record, the last Ad Hoc Committee for CSA 79 Consolidation was in Fiscal Year 2012/2013 with Directors Ayers and Bennett that was later dissolved.

Upon **motion** by Director Mackzum, **second** by Director Bennett and **carried by a 3 to 0 vote**, Directors Ayers and Grabow were appointed to the Ad-Hoc Committee for CSA 79 Consolidation review.

**B. Consider Accepting a Proposal from Tom Dodson and Associates for Assistance with the State Water Resources Control Board Clean Water State Revolving Fund Environmental Compliance Requirements**

Manager Gross reported on the Automatic Meter Reading (AMR) project with funding through the State Water Resources Control Board Clean Water State Revolving Fund (CWSRF) program. The CWSRF requires a CEQA plan which includes environmental compliance requirements. Discussion continued and District staff requested that the Board accept a proposal from Tom Dodson and Associates in the amount of \$19,610 and authorize the General Manager to sign a professional services contract for assistance with the CWSRF environmental requirements. Manager Gross noted there was a typographical error in the contract that has been corrected.

Upon **motion** by Director Grabow, **second** by Director Mackzum and **carried by a 3 to 0 vote**, the Proposal from Tom Dodson and Associates for Assistance with the State Water Resources Control Board Clean Water State Revolving Fund Environmental Compliance Requirements and Authorize the General Manager to Sign a Professional Services Contract, was approved.

**C. Consider Declaring 1995 Ford E-350 Van Ambulance (MA 51A) as Surplus and Authorize Staff to Dispose of Property.**

Chief Corley recommended that the Board consider the 1995 Ford E-350 Ambulance (MA 51A) surplus property and authorize staff to dispose of the vehicle in a resale auction process. The vehicle no longer meets the needs of the District and has been replaced by a 2016 Ford F450 Ambulance (MA 50). Chief Corley confirmed the equipment is not up to current standards.

Upon **motion** by Director Grabow, **second** by Director Mackzum and **carried by a 3 to 0 vote**, Declaring 1995 Ford E-350 Van Ambulance (MA 51A) as Surplus and Authorize Staff to Dispose of Property, was approved.

**5. Information Items**

**A. Quarterly Budget Financial Report**

Manager Gross reported on the Quarterly Budget Financial Summary as of March 31, 2017 that compares the current year to prior year, statement and changes in net position, liquidity ratio and budget report summary. Discussion continued regarding the financial reserves, liquidity ratio, District budget, and goals of the District with Manager Gross saying the District is heading in the right direction and a Cash Flow Projection report will be presented at the April 25, 2017 Finance Committee Meeting. Manager Gross confirmed that as of February 15, 2017, the District stopped purchasing outside water because District wells are producing more than the demand. Chief Corley then reported on Fire Department salaries and reimbursements for mutual aid. Manager Gross confirmed the District will soon receive the second installment property tax revenue for the Fire Department.

**B. Quarterly Investment Report**

The Local Agency Investment Fund Remittance Advice ending March 31, 2017 was presented with an interest rate of 0.78% and \$3,843.26 interest earned.

**C. Water Production and Precipitation Report**

Manager Gross reported on water production saying January 2017 the District received 24.35 inches which was more water received then the 2015 calendar year.

**6. General Manager's Report**

The Finance Committee will be meeting to review the Water/Administration Budgets.

**7. Report from Legal Counsel**

No report available

**8. Board Member Comments**

No comments were made

**9. Meeting Adjournment**

The meeting was adjourned at 9:42 A.M.

Respectfully Submitted,

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Vice-President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017  
**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 April 2017 expenditures.

**REASON FOR RECOMMENDATION**

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

**BACKGROUND INFORMATION**

Attached is a list of expenditures for April 2016.

**FISCAL INFORMATION**

Refer to attached accounts payable check register.

**ATTACHMENTS**

Attachment 1 – Accounts Payable Check Register for April 2017



# Running Springs Water District

## Accounts Payable Checks

### April 2017

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
2 Hot Uniforms inc	Safety Boots	04/24/17	215.50	100474	215.50
Action Automotive Repair Inc	Auto Repairs	04/06/17	326.47	100386	1,193.05
	Tires and labor	04/06/17	702.58	100386	
	Swap out snow tires	04/06/17	60.00	100386	
	Repairs and Maintenance	04/06/17	104.00	100386	
	Tire Maintenance	04/24/17	625.56	100475	625.56
Airgas Inc.	Helium	04/14/17	43.41	100421	43.41
American Family Life Assurance Company of Colum	March 2017	04/06/17	616.66	100403	616.66
Best, Best & Krieger LLP	Legal Services	04/14/17	5,020.04	100422	5,020.04
Boot Barn Inc.	Uniform allowance	04/19/17	183.57	100459	183.57
BURR Group Inc.	Trash Service	04/06/17	68.10	100404	735.56
	Trash service and load	04/06/17	319.44	100404	
	Trash Service	04/06/17	348.02	100404	
California Computer Options Inc	Domain Name Renewal	04/14/17	149.00	100423	149.00
	Network Maintenance & Monitoring	04/24/17	2,144.00	100476	2,144.00
California Water Environment Association	Renewal late fee	04/14/17	25.00	100424	25.00
	Membership	04/19/17	172.00	100460	172.00
	Plant Main Tech grd 1 renewal for Viero	04/24/17	83.00	100477	259.00
	Collection Main grd2 and mech tech grd 2 renewal	04/24/17	176.00	100477	
CalPERS	Health Insurance Premiums	04/03/17	18,998.61	DFT0000404	18,998.61
	Retirement contributions	04/03/17	21,655.69	DFT0000405	21,655.69
	Unfunded Liability	04/11/17	35,380.73	DFT0000416	35,380.73
	4/10/17- Retirement Contributions	04/12/17	21,323.28	DFT0000414	21,323.28
	Retirement Contributions for pp end 4/24/17	04/27/17	21,396.18	DFT0000437	21,396.18
Canon	Monthly Service fees	04/24/17	490.35	100478	490.35
Charter Communitcations	Telephone and Internet	04/14/17	190.90	100425	854.75
	Telephone and Internet	04/14/17	663.85	100425	
	Telephone and Internet	04/19/17	104.97	100461	104.97
Cindy Strebel	Training Class/Seminar	04/06/17	1,120.20	100387	1,120.20
	Training Reimbursement	04/19/17	399.96	100462	399.96
Citibank, N.A.	Miscellaneous Supplies	04/06/17	32.29	100405	32.29
	Office Supplies	04/24/17	93.01	100479	468.16
	STAPLES -OFFICE SUPPLIES	04/24/17	375.15	100479	
Clinical Laboratory of San Bernardino	Wastewater Samples	04/24/17	2,657.00	100480	2,657.00
Compressed Air Specialties, Inc.	annual service on aire compressor	04/24/17	872.70	100481	872.70
ConFire JPA	Services Jan-feb 2017	04/24/17	7,828.71	100482	7,828.71
County of San Bernardino	Permit on Deep Creek Drive	04/14/17	445.00	100426	445.00
David Holzer	Reimburse for mandatory training	04/14/17	375.00	100427	375.00
Don's Auto Supply 2 Inc.	Miscellaneous Supplies	04/06/17	147.78	100406	147.78
Federal Express Corporation	Shipping Fees	04/24/17	54.54	100483	54.54
Frontier Communications	Telephone	04/06/17	53.16	100388	164.38
	Telephone	04/06/17	58.12	100388	
	Telephone	04/06/17	53.10	100388	
	Telephone Charges	04/14/17	139.78	100428	189.55
	Telephone	04/14/17	49.77	100428	

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Frontier Communications	Telephone	04/24/17	49.78	100484	119.15
	Telephone	04/24/17	69.37	100484	
George Corley	Reimbursement Claim	04/14/17	377.04	100429	377.04
Grant E. Foraker	Customer Assistance	04/14/17	1,440.00	100430	1,440.00
Haz Mat Trans, Inc.	Work Order 82773	04/14/17	700.00	100431	1,400.00
	Work Order 82774	04/14/17	700.00	100431	
HD Supply Facilities Maintenance LTD	Pump	04/06/17	896.14	100389	896.14
	CL2 Pumps and parts	04/24/17	1,912.71	100485	1,912.71
Hose-Man Inc	Suction Hose for Trash Pump	04/06/17	386.56	100390	386.56
Inland Desert Security & Communications	Answering Service	04/19/17	100.20	100463	100.20
Inland Water Works Supply Company	Miscellaneous Supplies	04/06/17	135.56	100407	135.56
	Miscellaneous Supplies	04/14/17	130.38	100432	130.38
Inter Valley Pool Supply, Inc.	Chlorine	04/14/17	629.58	100433	329.58
	53 Gal. Drum Return	04/14/17	-300.00	100433	
Jacqueline Tello	Tenant Deposit	04/14/17	200.00	100434	200.00
Kent Jenkins	Reimbursement Claim	04/19/17	1,695.28	100464	1,695.28
Kevin Eaton	Paramedic Training Cert Reimbursement	04/06/17	495.00	100408	495.00
Life-Assist, Inc	Midazolam	04/06/17	101.84	100409	101.84
	Ambulance supplies	04/14/17	1,351.75	100435	1,351.75
	Ambulance Supplies	04/24/17	426.05	100486	426.05
Lincoln National Life Insurance Company	Life Insurance Premiums	04/06/17	1,158.06	100410	1,158.06
Linda Mayfield	Reimbursement Claim	04/24/17	445.00	100487	445.00
Lou's Gloves, Inc	Nitrile Exam Gloves	04/14/17	88.00	100436	88.00
MCI	Long Distance	04/06/17	47.47	100411	47.47
McMaster-Carr Supply Company	Miscellaneous supplies	04/06/17	162.68	100412	162.68
Metropolitan Life Insurance Company	Vision Insurance Premium	04/06/17	172.74	100391	172.74
Mountain Mutal Aid	2017 Membership Dues	04/14/17	24.00	100437	24.00
Myers-Stevens & Toohey Co. Inc	Disability Premiums	04/14/17	206.00	100438	206.00
Nestle Waters North America	Drinking Water	04/06/17	55.31	100392	55.31
One Stop Landscape Supply	Bio Solids Disposal; One Stop	04/06/17	1,684.80	100393	1,684.80
Ovivo USA, LLC	Flux Enhancer	04/14/17	3,861.58	100439	3,861.58
Patricia A. Monical	Purell refill	04/14/17	27.58	100440	115.89
	Paper Towels	04/14/17	88.31	100440	
Peerless Maintenance Service Inc.	April 2017 Office Maintenance and Cleaning	04/24/17	485.00	100488	485.00
Polydyne Inc.	Polymer	04/06/17	533.36	100394	1,066.72
	Polymer	04/06/17	533.36	100394	
	Polymer	04/14/17	1,066.73	100441	1,066.73
	2 Drums Clarifloc	04/19/17	1,066.73	100465	1,066.73
Premier Access Insurance Company	Dental Insurance Premiums	04/06/17	1,172.03	100395	1,172.03
Priority Neopost	Postage meter charges	04/06/17	385.58	100396	385.58
RACO Manufacturing & Engineering Co.	Battery, gell cell 6 volt	04/14/17	53.88	100442	53.88
Radiation Detection Company	TLD XBGN Badge	04/06/17	806.00	100397	806.00
Ram Software Systems, Inc	1 year Contract for Aim	04/06/17	1,200.00	100413	1,200.00
RDO Equipment Co	Loader Parts	04/06/17	208.09	100398	208.09
	Loader repairs and maintenance	04/24/17	4,980.45	100489	4,980.45
Richard Viero	Reimbursement Claim	04/24/17	10.00	100490	10.00
Rick Ellsberry	Shield Reimbursement	04/24/17	50.76	100491	50.76
Robert Aberg	Training Class reimbursement	04/06/17	330.00	100399	330.00
	Reimbursement Claim	04/19/17	356.40	100466	356.40
Roger E. Fox, M.D.	Dot Exam	04/14/17	35.00	100443	35.00

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Rogers Anderson Malody & Scott LLP	Consultant Fees	04/19/17	7,510.30	100467	7,510.30
Ryan Gross	Mileage Reimbursement	04/19/17	163.60	100468	163.60
Safeguard Business Systems	New bills for billing in Tyler	04/14/17	1,320.86	100444	1,320.86
San Bernardino County	Voting Member - Strelbel	04/19/17	60.00	100469	60.00
San Bernardino County Special Districts Department	April 2017 Special Districts meeting	04/06/17	32.00	100400	32.00
South Coast Air Quality Management District	I C E Em Elec Gen-Diseesel	04/06/17	354.86	100401	479.21
	Flat Fee for Last Fiscal Yr Emissions	04/06/17	124.35	100401	
Southern California Edison Company	Electricity	04/06/17	373.46	100402	12,884.99
	Electricity	04/06/17	318.44	100402	
	Electricity	04/06/17	122.71	100402	
	Electricity	04/06/17	1,082.53	100402	
	Electricity	04/06/17	693.88	100402	
	Electricity	04/06/17	313.50	100402	
	Electricity	04/06/17	43.22	100402	
	Electricity	04/06/17	1,259.02	100402	
	Electricity	04/06/17	7,498.34	100402	
	Electricity	04/06/17	969.90	100402	
	Electricity	04/06/17	41.87	100402	
	Electricity	04/06/17	168.12	100402	
	Electricity	04/06/17	279.42	100414	2,777.05
	Electricity	04/06/17	152.46	100414	
	Electricity	04/06/17	294.21	100414	
	Electricity	04/06/17	129.80	100414	
	Electricity	04/06/17	62.72	100414	
	Electricity	04/06/17	24.21	100414	
	Electricity	04/06/17	292.42	100414	
	Electricity	04/06/17	109.40	100414	
	Electricity	04/06/17	438.78	100414	
	Electricity	04/06/17	101.35	100414	
	Electricity	04/06/17	112.23	100414	
	Electricity	04/06/17	74.26	100414	
	Electricity	04/06/17	193.17	100414	
	Electricity	04/06/17	512.62	100414	
	Electricity	04/14/17	185.21	100445	195.90
	Electricity	04/14/17	10.69	100445	
Southern California Gas Company	Gas Usage	04/14/17	161.54	100446	638.89
	Gas Usage	04/14/17	184.91	100446	
	Gas Billing usage	04/14/17	120.71	100446	
	Gas Billing Usage	04/14/17	154.61	100446	
	Gas Billing Usage	04/14/17	17.12	100446	
Sport Pins International Inc	Name Plate engraving	04/14/17	31.05	100447	31.05
State of California - State Water Resource Control Board	Operator grade 3 renewal	04/14/17	300.00	100448	300.00
	Distribution Cert Renewal for Gross	04/24/17	90.00	100492	155.00
	D2 exam fee	04/24/17	65.00	100492	
State Water Resources Control Board	2017/2017 Annual permit fee	04/14/17	1,676.00	100449	1,676.00
Superior Automotive Warehouse, Inc.	Miscellaneous Supplies	04/06/17	106.68	100415	106.68
	Miscellaneous Supplies	04/14/17	346.95	100450	346.95
Terminix International Company LP	Pest Control	04/14/17	45.00	100451	45.00
The Alpenhorn News	Legal Ad	04/14/17	309.85	100452	309.85
Trevor Miller	Reimbursement Claim	04/06/17	1,211.05	100416	1,211.05

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Tyler Technologies, Inc	Go live training	04/06/17	6,238.51	100417	6,238.51
	Bar Code Scanner Maintenance	04/24/17	70.00	100493	70.00
Underground Service Alert of Southern California	New Ticket Charges	04/06/17	45.00	100418	45.00
Univar USA, Inc	Soda Ash	04/06/17	1,068.29	100419	1,068.29
Verizon Wireless Services LLC	Cell phone usage	04/14/17	202.69	100453	202.69
Visa	Visa purchases	04/14/17	747.60	100454	2,760.07
	Visa Charges	04/14/17	9.88	100454	
	Salt pellets	04/14/17	365.21	100454	
	Visa Purchases	04/14/17	894.20	100454	
	Visa Purchases	04/14/17	370.00	100454	
	Diesel hose & Nozzle	04/14/17	373.18	100454	
	Visa Purchases	04/19/17	87.95	100470	480.96
	Auto dialers for SLS	04/19/17	393.01	100470	
	Visa Purchases	04/24/17	203.06	100494	203.06
Vyanet Operating Group	Security and Monitoring	04/14/17	125.00	100456	125.00
York Insurance Services Group Inc., -CA	Workers Comp	04/14/17	47.87	100457	47.87
	Workers Compensation	04/19/17	12.90	100471	12.90
York Risk Services Group, Inc	March 2017 Admin Fees	04/14/17	112.00	100458	112.00
Zoll Medical Corporation GPO	Disposable Sensors	04/06/17	258.60	100420	258.60

**Totals**

Payment Type	Payable Count	Payment Count	Payment
Regular Checks	159	106	102,249.16
Manual Checks	0	0	0.00
Voided Checks	0	2	-50.76
Bank Drafts	5	5	118,754.49
EFT's	0	0	0.00
<b>Totals</b>	<b>164</b>	<b>113</b>	<b>220,952.89</b>

Running Springs Water District		
First Mountain Bank Visa Transactions		
April 2017		
	Description	Amount
Bobroff	Push Button	9.88
	Fuel Pump Supplies	373.18
	Salt Pallets	365.21
Corley	2.5 G Pail Disp. System	87.95
Gross	Active 911	12.75
	Parcel Quest	149.95
	Receipt Printer	567.91
	Adaptor	16.99
Ellsberry	Home Depot- paint Supplies	203.06
Hall	Auto Voice Dialer	393.01
Strebel	Water Filter for Station Fridge	144.46
	Costco- Station Supplies	749.74
Vasquez	CFED Conference & Expo	370.00
	<b>TOTAL AMOUNT DUE</b>	<b>3,444.09</b>

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** George Corley, Fire Chief  
Ryan Gross, General Manager

**SUBJECT: PUBLIC HEARING AND CONSIDERATION OF ADOPTING  
ORDINANCE NO. 48 ESTABLISHING FEES FOR AMBULANCE  
SERVICES**

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider adopting Ordinance No. 48, Establishing Fees for Ambulance Services.

**REASON FOR RECOMMENDATION**

A schedule of fees adopted pursuant to the Fire District Protection Law should be adopted by ordinance. (Health & Safety Code, § 13916(b)).

**BACKGROUND INFORMATION**

California Water Code section 31120 allows County Water Districts, unlike many other types of water districts, to "...exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987." In turn, the Fire Protection District Law provides that fire protection districts shall have the power to provide ambulance services. (Health & Safety Code, § 13862).

For ambulance services, the Board may charge a fee to cover the cost of those services, but the fee cannot exceed the cost to provide the service for which the fee is charged. (Health & Safety Code, § 13916(a)). We understand that the Board normally adopts the fees allowed by ICEMA.

A schedule of fees adopted pursuant to the Fire District Protection Law should be adopted by ordinance. (Health & Safety Code, § 13916(b)). Before approving the fee, the District must publish notice of the fee pursuant to Government Code section 6066.<sup>1</sup> (*Ibid.*) (Notice of this Ordinance was published in the Alpenhorn Newspaper on May 4<sup>th</sup>

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<sup>1</sup> Generally, publication of notice pursuant to this section shall be once a week for two successive weeks. (Gov. Code, § 6066.)

and May 11<sup>th</sup>, 2017). Notice shall also be mailed to any party who has filed a written request for mailed notice of the meeting on new or increased fees. (Health & Safety Code, § 13916(c)). At least ten (10) days before the meeting, the District must provide data to the public showing the cost to provide the service for which the fee is charged and the revenue sources anticipated to provide the service, including general fund revenues. (Health & Safety Code, § 13916(d)). The Board must hear and consider any objections to the proposed fees. (Health & Safety Code, § 13913(f)).

**FISCAL INFORMATION**

Refer to attached Ordinance No. 48, Exhibit A

**ATTACHMENTS**

Attachment 1 – Ordinance No. 48

**ORDINANCE NO. 48  
OF THE RUNNING SPRINGS WATER DISTRICT  
ESTABLISHING FEES FOR AMBULANCE SERVICES**

WHEREAS, pursuant to Water Code section 31120, the Running Springs Water District has the authority to exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987; and

WHEREAS, the District provides ambulance services pursuant to the Fire Protection District Law of 1987, specifically Section 13862 of the Health and Safety Code; and

WHEREAS, the Inland Counties Emergency Medical Agency (“ICEMA”) has approved a list of ambulance fees as set forth in Exhibit “A” incorporated herein by this reference, that are calculated so as not to exceed the estimated cost to provide ambulance services; and

WHEREAS, Health and Safety Code Section 13916 authorizes this District to charge a fee to cover the cost of any service which the District provides and to adopt an ordinance establishing a schedule of such fees at a meeting conducted by the Board of Directors following notice of the Board’s intention to establish such fees as provided in Health and Safety Code Section 13916; and

WHEREAS, this District has provided notice of the fees set forth herein and has made available to the public, at least ten (10) days in advance hereof, the data indicating the estimated cost required to provide the services.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Running Springs Water District as follows:

1. The fees for ambulance services set forth in Exhibit “A” are hereby adopted.
2. The fees may be collected by any means available to the District.
3. This ordinance shall become effective immediately upon its adoption.

ADOPTED this 17<sup>th</sup> day of May, 2017.

\_\_\_\_\_  
President of the Board of Directors  
of Running Springs Water District

ATTEST:

\_\_\_\_\_  
Board Secretary



EXHIBIT A

# Inland Counties Emergency Medical Agency

*Serving San Bernardino, Inyo, and Mono Counties*



*Tom Lynch, EMS Administrator*  
*Reza Vaezazizi, MD, Medical Director*

**DATE:** March 23, 2017

**TO:** EMS Ground Transport Providers - San Bernardino County

**FROM:** Tom Lynch  
EMS Administrator

**SUBJECT: FY 2017-18 AMBULANCE RATE ADJUSTMENT  
EFFECTIVE JULY 1, 2017 - JUNE 30, 2018**

In conformance with the “ICEMA Ground Based Ambulance Rate Setting Policy - San Bernardino County” Reference #5080 approved by the ICEMA Governing Board on May 8, 2012, the following represents ambulance rate adjustments effective July 1, 2017. The attached “Ground Ambulance Service Rate Definitions” will be utilized in the application of the rates.

Ambulance Rate Components	Base Rate FY 2016-17		Increase CPI + County Comparison		Final Rate FY 2017-18	
	Urban Operating Areas	Rural/ Wilderness Operating Areas	Urban Operating Areas	Rural/ Wilderness Operating Areas	Urban Operating Areas	Rural/ Wilderness Operating Areas
Advanced Life Support (ALS) Base Rate (All Inclusive)	\$1,447.66	\$1,592.42	\$72.38	\$79.62	\$1,520.04	\$1,672.04
Basic Life Support (BLS) Rate	\$868.59	\$955.45	\$89.03	\$97.93	\$957.62	\$1,053.39
Emergency Fee	\$255.39	\$280.95	\$12.77	\$14.05	\$268.16	\$294.99
Oxygen	\$158.41	\$174.24	\$7.92	\$8.71	\$166.33	\$182.95
Night Charge	\$182.85	\$201.17	\$9.14	\$10.06	\$192.00	\$211.23
Critical Care Transport	\$1,715.90	\$1,887.48	\$85.79	\$94.37	\$1,801.69	\$1,981.85
Mileage (per mile or fraction thereof)	\$26.86	\$26.86	\$1.34	\$1.34	\$28.21	\$28.21
Wait Time	\$47.96	\$47.96	\$2.40	\$2.40	\$50.36	\$50.36
EKG	\$109.05	\$109.05	\$5.45	\$5.45	\$114.50	\$114.50

If you have any questions regarding the policy and associated rate calculations, please contact me at (909) 388-5823 or via e-mail at [tom.lynch@cao.sbcounty.gov](mailto:tom.lynch@cao.sbcounty.gov) or George Stone, Program Coordinator, at (909) 388-5807 or via e-mail at [george.stone@cao.sbcounty.gov](mailto:george.stone@cao.sbcounty.gov).

TL/GS/jlm

Attachment

c: File Copy

**Ground Ambulance Service Rate Definitions**  
**San Bernardino County**  
**Effective July 1, 2017**

*NOTE: Rates are allowable only upon transport of a patient.*

***BLS All Inclusive Base Rate:***

1. When an EMT staffed ambulance responds to a call; or
2. When an advanced life support (ALS) or limited advanced life support (LALS) staffed ambulance responds to a scheduled call when not requested and/or ALS or LALS intervention is not provided.

***ALS All Inclusive Base Rate:***

Any response of an approved ALS (paramedic) or LALS (AEMT) transport provider to a request for service. This charge will include, but not necessarily be limited to, the provision of the following:

1. An authorized ALS or LALS staffed and equipped ambulance response.
2. Care modalities including cardiac monitoring, telemetry, IV administration, drug administration, defibrillation, blood draw, wound dressing, splinting and disposable first aid and medical supplies related to such care and treatment.

***Emergency:***

Applies to BLS All Inclusive Base Rate when a BLS scheduled response is upgraded to emergency status either in response or during transport. **This charge is included in the ALS All Inclusive Rate and cannot be charged in addition to the ALS All Inclusive Rate.**

***ECG Monitoring:***

Applies when ECG Monitoring is performed as per protocol or base hospital order. **This charge is included in the ALS All Inclusive Base Rate and cannot be charged in addition to the ALS All Inclusive Base Rate.** In most cases, this charge is broken out as a line item for Medi-Cal which does not recognize the charge in the ALS All Inclusive Base Rate.

***EMS Aircraft - Appropriate fee for service:***

EMS ground transportation providers may charge All Inclusive Base Rate when;

1. Ambulance personnel and/or equipment are directly involved in patient care prior to the transport and transfer of patient(s) to EMS aircraft.
2. Provider's supplies and/or procedures are utilized at rate specified in current San Bernardino County ambulance rates.
3. Approved mileage rate from point of transport by ground ambulance to transfer site to EMS aircraft.

***Mileage:***

Applies for each patient mile or fraction thereof from point of pick-up to destination.

***Night:***

Applies for services provided between the hours 1900 and 0659, military time.

***Oxygen:***

Applies for services provided whenever oxygen is administered. This charge is inclusive of material such as tubing, masks, etc., which may be used for the administration of oxygen.

***Wait Time:***

Applies to scheduled calls and is charged per 15 minutes of waiting time, or portion thereof, after the first 15-minute period lapse occurs when an ambulance must wait for a patient at the request of the person/organization hiring the service. This rate is not contractual “stand-by” charge rate for special events.

***Specialty Care Transport:***

Applies to transportation provider’s medical personnel at a level not in a paramedic’s scope of practice; or utilization of specialized equipment or specialized vehicle, based upon patient’s needs. Examples of Specialty Care Transport may include Neonatal incubator and/or team transport, Bariatric unit transport, high-risk maternal team transport, ALS Respiratory Therapist transport or other licensed medical personnel.

**RUNNING SPRINGS WATER DISTRICT****MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** Isaiah Hall, Collection Division Supervisor  
Ryan Gross, General Manager

**SUBJECT:** CONSIDER ADOPTING RESOLUTION NO. 09-17 ADOPTING  
RUNNING SPRINGS WATER DISTRICT UPDATED SEWER  
SYSTEM MANAGEMENT PLAN (SSMP)

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider adopting Resolution No. 09-17 Adopting the Running Springs Water District 2017 Updated Sewer System Management Plan (SSMP).

**REASON FOR RECOMMENDATION**

The California State Water Resources Control Board (SWRCB) requires that every five years the District's SSMP is updated and then approved and certified by the governing board. The recommended resolution will be included in the 2017 SSMP update which will satisfy the necessary certification.

**BACKGROUND INFORMATION**

The SWRCB promulgated a waste discharge requirement ("WDR") permit on May 2, 2006, to regulate sanitary sewer systems. This permit is known as SWRCB Order No. 2006-0003, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems. On July 30, 2013, Attachment A to the Order was promulgated and became effective on September 9, 2013, and is known as Attachment A, SWRCB Order No. WQO 2013-0058-EXEC, amending the Monitoring and Reporting Program for Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (together these documents constitute the "SSS WDR").

This permit, among other things, requires local public sewer collection system agencies, referred to as "Enrollees," to develop a SSMP. SSMPs must be self-audited at least every two (2) years and updated every five years from the original adoption date by the Enrollee's governing board. The District's original SSMP was approved by the governing board of the Enrollee at a public meeting and adopted on April 21, 2010. In August 2013 the SMMP was updated.

**FISCAL INFORMATION**

There is no fiscal impact associated with adopting the SSMP.

**ATTACHMENTS**

Attachment 1 – Resolution No. 09-17

Attachment 2 – 2017 SSMP Update (**SSMP appendices available for review at main office**)

**RESOLUTION NO. 09-17**

**RESOLUTION OF THE RUNNING SPRINGS WATER DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING AND CERTIFYING THE RUNNING SPRINGS WATER DISTRICT 2017 UPDATED SEWER SYSTEM MANAGEMENT PLAN**

**WHEREAS**, the California State Water Resources Control Board ("SWRCB") promulgated a waste discharge requirement ("WDR") permit on May 2, 2006, to regulate sanitary sewer systems. This permit is known as SWRCB Order No. 2006-0003, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems; and

**WHEREAS**, on July 30, 2013, Attachment A to the Order was promulgated and became effective on September 9, 2013, and is known as Attachment A, SWRCB Order No. WQO 2013-0058-EXEC, amending the Monitoring and Reporting Program for Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (together these documents constitute the "SSS WDR"); and

**WHEREAS**, the SWRCB requires that every five years the District's SSMP is updated and then approved and certified by the governing board.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Running Springs Water District that the District approves and certifies the District's 2017 SSMP Update.

**ADOPTED** this 17<sup>th</sup> day of May, 2017, at the meeting of the Board of Directors of Running Springs Water District by the following majority vote of the Board:

Ayes:

Noes:

Absent:

Abstain:

---

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



## Sewer System Management Plan (SSMP)

FIRST CERTIFIED: MAY 2010  
REVISION 1: MARCH 2013  
REVISION 2: MAY 2017

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## ABBREVIATIONS / ACRONYMS

ADWF	Average Dry Weather Flow
af	Acre-Foot
APCWD	Arrowbear Park County Water District
Cal OES	California Office of Emergency Services
cf	Cubic Foot
CIP	Capital Improvement Program
CLAWA	Crestline-Lake Arrowhead Water Agency
CSA79	San Bernardino County Service Area 79 (Green Valley Lake)
CIP	Capital Improvement Plan
CIWQS	California Integrated Water Quality System
DISPATCHER	Normal Operating Hours – Office Personnel After Hours – Answering Service
ENROLLEE	RSWD as Owner/Operator of Wastewater Collection and Treatment System (On-line Electronic Reporting)
EPA	US Environmental Protection Agency
EPS	Extended Period Simulation
ERSC	Engineering Resources of Southern California, Inc.
FOG	Fats, Oils, and Grease
FSE	Food Service Establishment
ft	Feet
FY	Fiscal Year
gal	Gallon
GIS	Geographic Information System
gpcpd	Gallons per Capita per Day
gpd	Gallons per Day
gpm	Gallons per Minute
gpdidm	Gallons per Day per Inch Diameter – Mile
GWI	Groundwater Infiltration
IC	Incident Commander
I/I	Infiltration/Inflow
LF	Linear Foot
LRWQCB	Lohantan Regional Water Quality Control Board
LS	Lump Sum
MBR	Membrane Bioreactor
mg	Million Gallons
mgd	Million Gallons Per Day
mg/L	Milligrams per Liter

MPN/100 mL	Most Probable Number per 100 Milliliters
MRP	Monitoring and Reporting Program
NEPA	National Environmental Policy Act
NPDES	National Pollutant Discharge Elimination System
O&M	Operation and Maintenance
OES	Office of Emergency Services
Order	California State Water Resource Control Board Order No. 2006-003-DWQ
OSHA	Occupational Safety and Health Administration
PDWF	Peak Dry Weather Flow
POMP	Preventive Operation and Maintenance Program
PWWF	Peak Wet Weather Flow
RDI/I	Rainfall-Dependent Infiltration/Inflow
RSWD	Running Springs Water District
RWQCB	Regional Water Quality Control Board
SARWQB	Santa Ana Regional Water Quality Control Board
SCADA	Supervisory Control and Data Acquisition
SSO	Sanitary Sewer Overflow and any sewer spill or overflow of sewage
SSMP	Sewer System Management Plan
SWRCB	California State Water Resources Control Board
UPC	Uniform Plumbing Code
USGS	US Geological Survey
WDR	Waste Discharge Requirements or General Waste Discharge Requirements
WWTP	Wastewater Treatment Plant
yr	Year

# INTRODUCTION

This section describes background information regarding the purpose and organization of the Sewer System Management Plan (SSMP), and provides a brief overview of the Running Springs Water District's (RSWD) sewer system.

The California State Water Resources Control Board ("SWRCB") promulgated a waste discharge requirement ("WDR") permit on May 2, 2006 to regulate sanitary sewer systems. This permit is known as SWRCB Order No. 2006-0003, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems. On July 30, 2013, Attachment A to the Order was promulgated and became effective on September 9, 2013 and is known as Attachment A, SWRCB Order No. WQO 2013-0058-EXEC, amending the Monitoring and Reporting Program for Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (together these documents constitute the "SSS WDR").

This permit, among other things, requires local public sewer collection system agencies, referred to as "Enrollees," to develop a Sewer System Management Plan ("SSMP"). SSMPs must be self-audited at least every two (2) years and updated every five (5) years from the original adoption date by the Enrollee's governing board. The original SSMP must have been approved by the governing board of the Enrollee at a public meeting and adopted.

The five-year SSMP update must also be approved and certified as do all significant updates to the SSMP. The SSMP, all references in the document, and the adoption documents by the governing board must be available on the agency website or submitted to the SWRCB upon adoption or recertification. Enrollees do not send their SSMP to the State or Regional Water Boards for review or approval, but must make it publicly available, and upload an electronic copy to the SSO database or provide a link to the Enrollees' website where the SSMP is posted.

This document will include all elements required to complete the SSMP and comply with WDR Order 2006-003-DWQ. It will be developed and implemented by RSWD and will be available to the State and Regional Water Quality Control Board as well as for public information. RSWD's board will approve each phase of the document at a public hearing.

This Plan is meant to be a "living document" subject to periodic updates and revisions as may be required either through legislative changes, or through refinements of procedures once policy implementation has begun. The last update of this plan was in August 2013.

## **SSMP REQUIREMENT BACKGROUND**

The California State Water Resources Control Board (SWRCB) adopted statewide Order No. 2006-0003-DWQ (see **Appendix A1**) on May 2, 2006. The General Waste Discharge Requirements (WDR) of this Order requires all public wastewater collection system agencies in California with greater than one mile of sewer pipes to be regulated and monitored. The SWRCB action mandates the development of a SSMP and requires the reporting of sanitary sewer overflows (SSOs) using the electronic online reporting system.

SWRCB also adopted a time schedule for when various sections of the SSMP are required to be completed by each agency based on its population size. RSWD's SSMP Development Plan and Schedule is presented in **Appendix A2**.

On July 30, 2013, SWRCB adopted Order No. WQ 2013-0058-EXEC (see **Appendix A3**) amending monitoring and reporting program (MRP) for the WDR for sanitary sewer systems.

## **DOCUMENT ORGANIZATION**

This SSMP is intended to meet the requirements of the statewide WDR. The organization of this document is consistent with the SWRCB's guideline. This SSMP includes eleven elements. Each of these elements listed below forms a complete, stand-alone section of the SSMP.

1. Element 1 – Goals
2. Element 2 – Organization
3. Element 3 – Legal Authority
4. Element 4 – Operation and Maintenance Program
5. Element 5 – Design and Performance Provisions
6. Element 6 – Overflow Emergency Response Plan
7. Element 7 – Fats, Oils, and Grease (FOG) Control Program
8. Element 8 – System Evaluation and Capacity Assurance Plan
9. Element 9 – Monitoring, Measurement, and Program Modifications
10. Element 10 – SSMP Program Audits
11. Element 11 – Communication Program

Each element section is organized into subsections as follows:

1. Description of SWRCB requirements for that element;

2. Identification of associated appendix and list of supporting information included in the appendix;
3. Discussion of element.

## **DISTRICT SERVICE AREA AND SEWER SYSTEM**

Running Springs Water District, formed in 1958, is located in the San Bernardino Mountains in the County of San Bernardino, California. The District's power and authority are primarily regulated and defined by Division 12, Sections 30000-33901 inclusive, of the California Water Code. Its five-member Board of Directors is elected from the community at large to govern the District's operations and policies. RSWD is a multi service organization that operates three departments: a water department that provides retail water distribution, a fire department that provides fire protection and pre-hospital emergency medical aid service, and a wastewater department that collects, treats, and disposes of the area's wastewater. The District's entire service area encompasses approximately seven square miles. RSWD has seven assessment districts, one interceptor system, and 3.22 miles or 17,000 feet of trunk or transmission lines. The existing collection system of RSWD consists of pipelines ranging in sizes from 6-inch to 15-inch, spanning 58.3 miles (308,000 feet) in length and includes Asbestos Cement Pipe, PVC Pipe, and Cement Truss Pipe. RSWD has one wastewater treatment plant (WWTP) designed for a maximum flow of 1.0 million gallons per day (MGD).

The District's services also include treating wastewater from Arrowbear Park County Water District (APCWD) WDID# 6SSO11493 and Green Valley Lake (San Bernardino County Service Area 79, CSA 79) WDID# 6SSO11380. This SSMP does not cover the collection systems for APCWD or CSA 79.

Based on a 2010 census, the service population of RSWD is approximately 4,862; this does not include the populations of CSA 79 and APCWD. RSWD is located in both the Southern Lahontan and the Santa Ana watershed regions, which are governed by the Lahontan and Santa Ana Regional Water Quality Control Boards (RWQCBs), respectively.

Lift station and sewer pipeline information for RSWD are summarized in Table 1-1 and Table 1-2, on pages 3 and 4 respectively.

**Table 1-1. Lift Station Information**

<b>Station</b>	<b>Location</b>	<b>Type</b>	<b>Force Main Length (Size)</b>	<b>Generator</b>	<b>In Service</b>
#1	AD #1	Submersible	2,515' (8")	80 kw	Replaced in 2016
#2	AD #2	Submersible	1000' (8")	125 kw	Replaced in 2016
#3	AD #1	Submersible	590' (4")	50 kw	Replaced in 2016
#4	AD #4	Submersible	1,079' (6")	25 kw	1972 / Rebuilt 2004
#5	AD #4	Submersible	1,800' (6")	125 kw	1972 / Rebuilt 2001
#6	AD #6	Progressive Cavity/Mazorator	2,453' (4")	42 kw	1972 / Rebuilt 2008
#7	AD #6	Submersible	1,020' (4")	30 kw	Aug. 1975
#8	AD #6	Submersible	600' (4")	(from LS #7)	Aug. 1975
#9	AD #6	Submersible	960' (4")	(from LS #7)	Aug. 1975

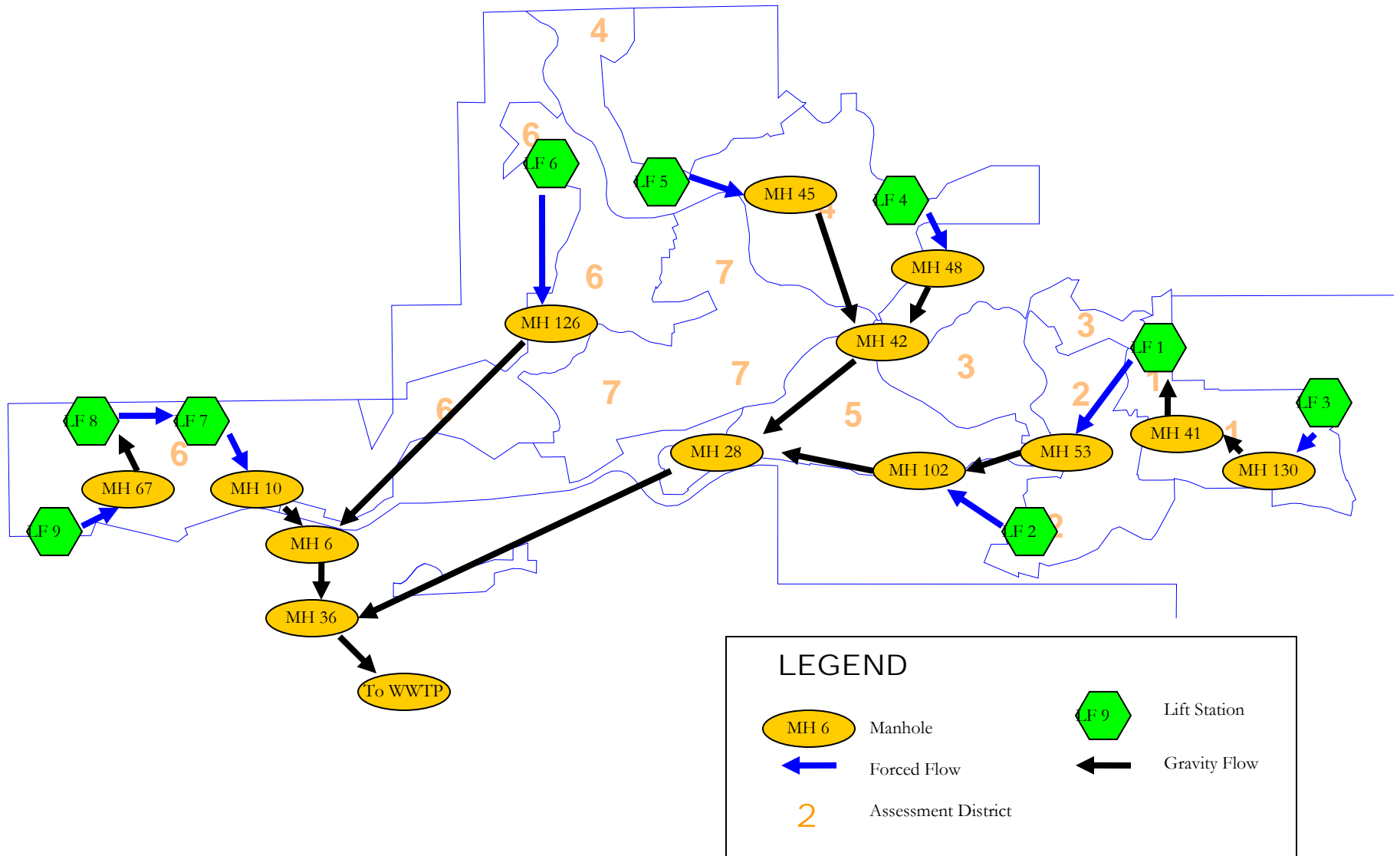
AD = Assessment District

**Table 1-2. Force Main and Gravity Pipeline**

<b>System</b>	<b>Length</b>	<b>Pipe Size</b>
Interceptor System	7,200'	15"
	1,550'	12"
	10,200'	10"
	1,450'	8"
Trunk Lines	7,100'	10"
	9,900'	8"
Assessment. District #1	27,100'	8"
	9,900'	6"
Assessment. District #2	26,500'	8"
	4,700'	6"
Assessment. District #3	26,600'	8"
	2,000'	6"
Assessment. District #4	700'	10"
	42,600'	8"
	1,900'	6"
Assessment. District #5	23,800'	8"
	2,800'	6"
Assessment. District #6	43,000'	8"
	2,000'	6"
Assessment. District #7	27,000'	8"
	1,500'	6"
Tract # 7568	8,300'	8"
Tract # 6801 & # 7931	18,600'	8"
	1,600'	6"
<b>Total</b>	<b>308,000'</b>	<b>-</b>

To date, RSWD has 2,969 active residential or commercial services. During installation of the sewer mains, more than 4,000 tee connections were installed to the property lines to assist property owners to reduce construction costs when connecting to the sewer system.





**Figure I-1.** Topological Structure of Running Springs Water District’s Sewer Collection System.

**Note:** The District’s sewer services also include treating wastewater from APCWD and CSA 79. The wastewater from APCWD is conveyed by Lift Station #2.

# ELEMENT 1 - GOALS

This section identifies goals that RSWD has set for the management, operation, and maintenance for all parts of the sewage system owned and/or operated by RSWD. This section fulfills the SWRCB Element 1 SSMP requirements.

## 1.1. SWRCB REQUIREMENTS FOR GOALS ELEMENT

The Agency has developed goals to properly manage, operate, and maintain all parts of its wastewater collection system in order to minimize SSOs, while mitigating any SSOs that may occur.

## 1.2. ELEMENT 1 APPENDIX

RSWD is required to comply with the order from the Santa Ana Regional Water Quality Control Board (SARWQCB), a copy of which is presented in Appendix B. Supporting information for Element 1 is also included in Appendix B, which contains the following documents:

1. Santa Ana Region Order No. 87-8 entitled “Waste Discharge Requirements for Running Springs Water District, San Bernardino County”. **(Appendix B1)**

In addition to complying with the Santa Ana Regional Board, RSWD must notify the Lahontan Regional Water Quality Control Board (LRWQCB) for all spills occurring north of Highway 18.

## 1.3. GOALS DISCUSSION

RSWD’s ultimate goals for the operation and maintenance of its sewer system are as follows:

1. Protect public health and the environment;
2. Perform all operations in a safe manner to avoid personal injury and property damage;
3. Minimize sanitary sewer overflows;
4. Ensure a timely response to any spills/release of untreated or treated wastewater; and
5. Protect the large investment in the collection system by maintaining adequate system capacity while extending the useful life of the collections and treatment system.

The SSMP prepared by RSWD will ensure full compliance with the SWRCB order by supporting high-level, consolidated guidelines and procedures for all aspects of management of its sewer collection and treatment system.

## ELEMENT 2 - ORGANIZATION

This section describes RSWD's organizational structure and chain of communication. This section identifies the administrative and maintenance positions responsible for implementing this SSMP, responding to SSO events, and meeting the SSO reporting requirements. This section also includes the designation of the authorized representative to meet SWRCB requirements for completing the certification of all spill reports. This section fulfills the organization requirement of SWRCB Element 2 SSMP requirements.

### 2.1. SWRCB REQUIREMENTS FOR ORGANIZATION ELEMENT

The District's SSMP must identify:

- (1) The name of the responsible or authorized representative (Table 2-1);
- (2) The names and telephone numbers for management, administrative, and maintenance positions responsible for implementing specific measures in the SSMP program, including lines of authority as shown in an organization chart or similar document with a narrative explanation (Table 2-1); and
- (3) The chain of communication for reporting SSOs, from receipt of a complaint or other information, including the person responsible for reporting SSOs to the State and Regional Water Board and other agencies if applicable (such as County Health Officer, County Environmental Health Agency, Regional Water Board, and/or State Office of Emergency Services (OES)) (Figures 2-1 & 2-2).

### 2.2. ELEMENT 2 APPENDIX

Supporting information for Element 2 is included in Appendices C1-C2, which include the following documents:

1. Table of District Sewer Staff/Consultant Names and Phone Numbers (**Appendix C1**)
2. Running Springs Water District Ordinance No. 47, Adopting a Rate Methodology, Terms and Conditions for Transportation, Treatment and Disposal of Wastewater Received from Arrowbear Park County Water District and from San Bernardino County Service Area No. 79 (**Appendix C2**)

## **2.3. ORGANIZATION DISCUSSION**

This section discusses the organization and roles of sewer staff, the authorized representative to the SWRCB, and the key staff responsible for implementing and maintaining the SSMP.

### **2.3.1. ORGANIZATION CHART (SEE FIGURE 2-1)**

RSWD has seven (7) employees for the management, operation and maintenance of the wastewater collections/treatment system. RSWD obtains legal, auditing, and engineering services from contracted consultants. The Organizational Chart for the sewer system is shown in Figure 2-1. The names and phone numbers of staff filling these positions and the consultants are included in Appendix C1. To ensure enough personnel under emergency situations, RSWD also entered into informal agreements with CSA79 and Arrowbear Park County Water District (APCWD) to provide emergency assistance.

### **2.3.2. GENERAL RESPONSIBILITIES**

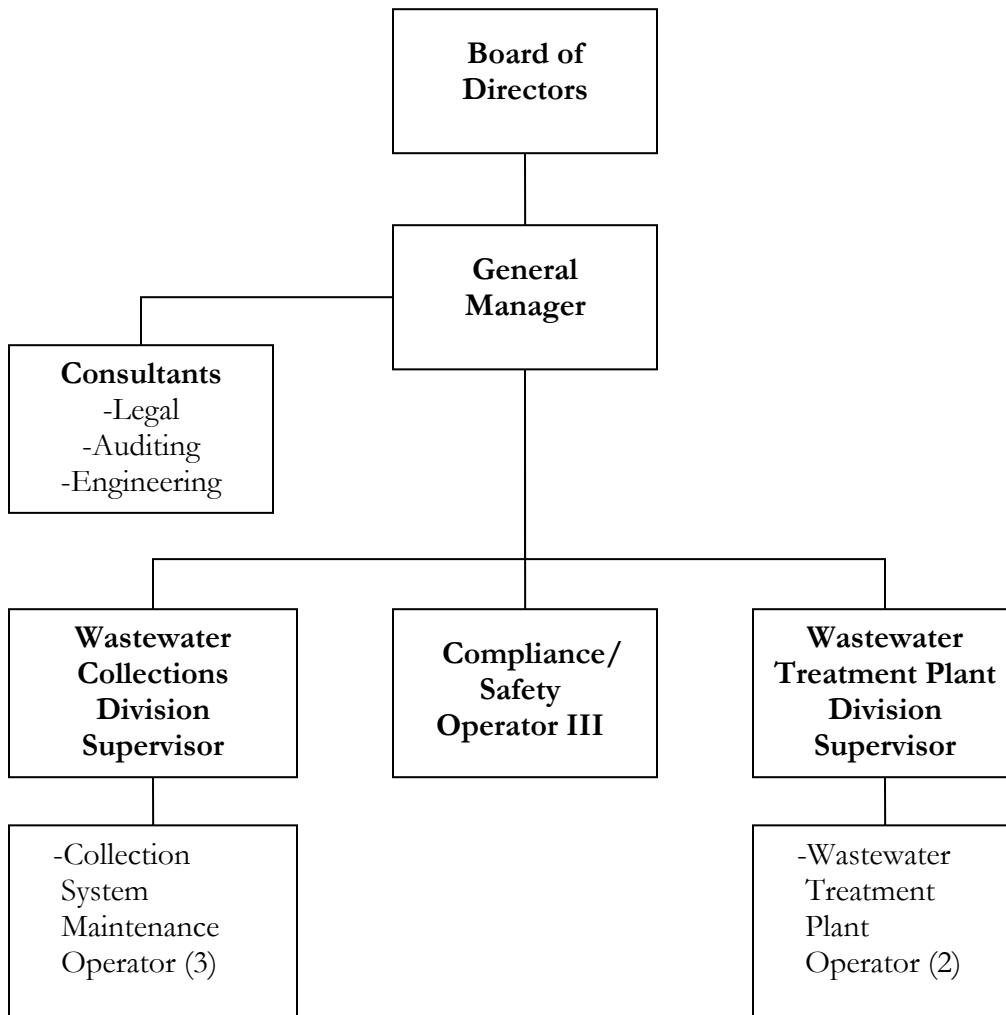
The responsibilities of each position are described as follows:

- Board of Directors – Establish policy.
  
- General Manager – Enforces RSWD policies; plans, organizes, directs, and supervises RSWD’s activities; advises the Board of Directors on engineering matters; prepares and controls RSWD budget; reviews project plans, specifications, and technical engineering planning studies for water and wastewater projects; authorizes outside contractors to perform services; delegates responsibility; serves as the public information officer; plans, organizes, and supervises the maintenance and repair of the District’s infrastructure, including the wastewater treatment plant and the sewer collection system; manages the Capital Improvement Program; reviews plans and specifications for sewer and other projects; makes recommendations regarding maintenance, construction, and operation aspects; controls budget expenditures for maintenance; confers with contractors, engineer, and members of the general public on construction, maintenance problems, and procedures; coordinates development and implementation of SSMP; implements contingency plans.
  
- Wastewater Collections Division Supervisor – Supervises collection system maintenance work; prepares division budgets; investigates sewer-related complaints from the general public; personally assists in the cleaning and repair of sewer mains

and lines; schedules work assignments, maintains records of sewage collection system projects assigned and completed, supplies and equipment used, and cost incurred; trains crew members in specific tasks, as needed, including collection system preventive maintenance and SSO response; checks work of assigned crew; ensures that new and rehabilitated assets meet District's standards, confers with contractors, engineer, and members of the general public on construction, maintenance problems, and procedures; coordinates development and implementation of SSMP; implements contingency plans, leads emergency response, investigates and reports SSOs, and trains field crews.

- Wastewater Treatment Plant Division Supervisor – Supervises treatment plant, outfall line and disposal facilities (ponds) operations and maintenance work; prepares division budget; personally assists in the cleaning and repair of treatment facilities; schedules work assignments, maintains records of treatment facility projects assigned and completed; tracks supplies and equipment used and cost incurred; makes estimates of needed equipment and equipment maintenance for treatment facilities; trains crew members in specific tasks, as needed, including treatment system preventive maintenance and SSO response; checks work of assigned crew, confers with contractors, engineer, and members of the general public on construction, maintenance problems, and procedures; coordinates development and implementation of SSMP; implements contingency plans, leads emergency response, investigates and reports SSOs, and trains field crews.
- Collection System Maintenance Operators – Conducts preventative and corrective maintenance activities of sewage collection system; mobilizes and responds to notification of stoppages and SSOs.
- Wastewater Treatment Operators/Operator in Training – Operates wastewater treatment facilities; conducts preventative and corrective maintenance activities of wastewater treatment facilities; mobilizes and responds to notification of stoppages and SSOs.
- Compliance /Safety Operator III – Ensures that new and rehabilitated assets meet District's standards; implements enforcement action; trains crew members in safety tasks; ensures employee and public safety at all times through enforcement of mandated regulations and safety standards (OSHA, County, RSWD, etc.).

**Figure 2-1.** Organization Chart of Sewer Staff



**2.3.4. AUTHORIZED REPRESENTATIVE**

RSWD’s authorized representative in all sewer system matters is the Wastewater Collections Division Supervisor. The Wastewater Collections Division Supervisor is authorized to submit SSO reports to the appropriate government agencies and certify all electronic reports submitted to the SWRCB. The General Manager is authorized to act in the Wastewater Collections Division Supervisor’s absence.

### 2.3.5. RESPONSIBILITY FOR SSMP IMPLEMENTATION

The General Manager is responsible for implementing and maintaining all elements of this SSMP.

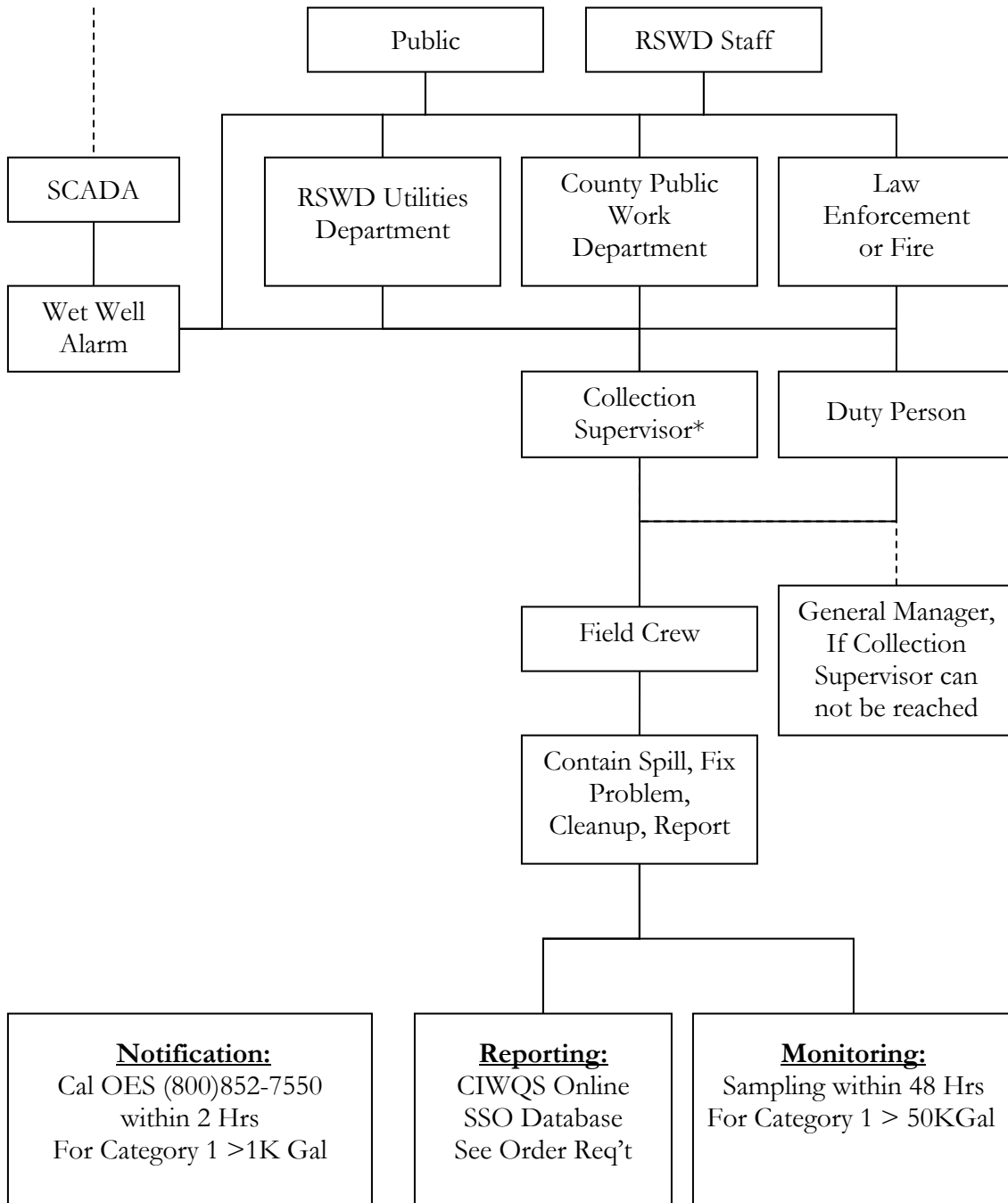
### 2.4. SSO REPORTING CHAIN OF COMMUNICATION

Figure 2-2 demonstrates RSWD’s chain of communication for responding to and reporting any spill. The contact phone numbers for the parties included in the chain of communication is listed in Table 2-1.

**Table 2-1.** Contact Numbers for SSO Chain of Communication

<b>Contact</b>	<b>Telephone Number</b>
General Manager	909-867-2766
Wastewater Collections Division Supervisor	909-867-7352
Wastewater Treatment Division Supervisor	909-867-3689
On-Duty Operator/After Hours Operator	909-867-2340
Fire Chief	909-867-2630
Lift Station 1 – <b>Internal Use Only</b>	909-867-7637
Lift Station 2 – <b>Internal Use Only</b>	909-867-7690
Lift Station 3 – <b>Internal Use Only</b>	909-867-4971
Lift Station 4 – <b>Internal Use Only</b>	909-867-9289
Lift Station 5 – <b>Internal Use Only</b>	909-867-4354
Lift Station 6 – <b>Internal Use Only</b>	909-867-2608
Lift Station 7/8/9 – <b>Internal Use Only</b>	909-867-7936

**Figure 2-2.** SSO Response Chain of Communication



\* Or Wastewater Treatment Division Supervisor if the SSO occurs in the Treatment Plant.



## **ELEMENT 3 - LEGAL AUTHORITY**

This section identifies the legal authority that RSWD has set to implement the SSMP plans and procedures. This section fulfills the SWRCB Element 3 SSMP requirements.

### **3.1. SWRCB REQUIREMENTS FOR LEGAL AUTHORITY ELEMENT**

The agency must demonstrate, through sanitary sewer system use ordinances, service agreements, or other legally binding procedures, that it possesses the necessary legal authority to:

- (1) Prevent illicit discharges into its sanitary sewer system (examples may include I/I, storm water, chemical dumping, unauthorized debris and cut roots, etc.);
- (2) Require that sewers and connections be properly designed and constructed;
- (3) Ensure access for maintenance, inspection, or repairs for portions of the lateral owned or maintained by the Public Agency;
- (5) Limit the discharge of fats, oils, and grease and other debris that may cause blockages, and
- (6) Enforce any violation of its sewer ordinances.

### **3.2. ELEMENT 3 APPENDIX**

Supporting information for Element 3 is included the following compliance documents:

1. Running Springs Water District Ordinance No. 23 Regulating the Use and Construction of Public Sewer Facilities (**Appendix D1**)
2. Running Springs Water District FOG Ordinance (Resolution No. 14-10 & Resolution No. 15-10, **Appendix G1**)

### **3.3. LEGAL AUTHORITY DISCUSSION**

The SSMP must include the legal authority, through sewer use ordinances, service agreements, or other legally binding procedures, to (a) control infiltration and connections from inflow sources, including satellite systems; (b) require that sewers and connections be properly designed and constructed; (c) ensure proper installation, testing, and inspection of new and rehabilitated sewers (such as new or rehabilitated collector sewers and new or rehabilitated service laterals); (d) limit fats and greases and other debris that may cause

blockage in the sewage collection system; and (e) implement the general and specific prohibitions of the national pretreatment program under 40 CFR 403.5.

For part (a), the inflow sources may include items such as sump pumps, roof leaders, yard and stairwell drains, satellite systems, or any other materials that adversely affect the performance of the collection system and / or the WWTP.

For part (b), RSWD has developed and continues to update as needed construction standards for the District's pumping stations and collection system.

For part (c), the legally binding documents will also ensure that the testing is conducted, and baseline condition assessment is completed for sewer system construction projects (air test, CCTV, pump station performance, etc.) and that the procedures are in place to transfer the resulting test data to the end user. There is also a requirement for the development and implementation of technical requirements and training standards for construction inspectors.

For part (d), the grease, oils, and fats control program will be for commercial, industrial and institutional users and will combine source and field control to reduce SSOs caused by the discharge of FOG to the collection system.

### **3.3.1. COMPLIANCE SUMMARY**

This SSMP complies with the Order requirements for legal authority under the following enacted ordinances / resolutions or agency policies:

Legal authority for control of fats, oil, and grease (FOG) from Food Service Establishments (FSEs) was established by Running Springs Water District Resolution No. 14-10 (*Adoption Fats, Oil and Grease Control Program*) and Running Springs Water District Resolution No. 15-10 (*Establishing Fats, Oil and Grease Control Program Fees*), which were passed and adopted by the RSWD Board of Directors on April 21, 2010. RSWD's wastewater discharge regulations ordinance (Ordinance No. 23) implements the general and specific prohibitions of the national pretreatment program under 40 CFR 403.5. A copy of the FOG Ordinance (Resolutions No. 14-10 and No. 15-10) and a copy of the "FOG Control Program" are included in this Plan.

The construction and inspection of new lateral connections and bypass piping facilities is legally enforced through RSWD's connection permit program, as authorized by RSWD's Charter. RSWD issues permits to property owners and/or their contractors according to RSWD standards. Approved design and construction standards are situated in electronic files, and are also available in electronic format. A special standard derived from the master specifications is issued for property owner contractors and is available at the District's main office.

### **3.3.2. ROLES AND RESPONSIBILITIES**

The roles and responsibilities for enforcement of the legal authority to enact the SSMP programs and policies is derived from acts of RSWD's governing Board. Interpretation of the enabling state legislation giving authority to RSWD is provided by RSWD's General Counsel, Best, Best and Krieger of Riverside, California.

During the course of implementing FOG Source Control Program, programmatic changes are anticipated which may necessitate revision of the FOG Ordinance. RSWD Collections Division will be responsible for periodically reviewing and updating these documents, as the need arises, to ensure that the legal authority is comprehensive and covers all aspects of the FOG Source Control Program.

Ordinance No. 23, effective May 20, 1998, is RSWD's main ordinance for regulating sewer use and wastewater discharges, and controlling inflow and infiltration (I/I) and illegal connections to the system. The RSWD Collections Division is responsible for maintaining and updating this ordinance as necessary.

## **ELEMENT 4 - OPERATION AND MAINTENANCE PROGRAM**

This section of the SSMP provides an overview and summary of the RSWD's operation and maintenance documents and procedures for sewer collection system. This section fulfills the Operation and Maintenance Program requirements of SWRCB Element 4 SSMP requirements.

### **4.1. SWRCB REQUIREMENTS FOR OPERATION AND MAINTENANCE PROGRAM ELEMENT**

The SSMP must include those elements listed below that are appropriate and applicable to the agency's system:

- (1) Maintain an up-to-date map of the sanitary sewer system, showing all gravity line segments and manholes, pumping facilities, pressure pipes and valves, and applicable storm water conveyance facilities;
- (2) Describe routine preventive operation and maintenance activities by staff and contractors, including a system for scheduling regular maintenance and cleaning of the sanitary sewer system with more frequent cleaning and maintenance targeted at known problem areas. The Preventative Maintenance (PM) program should have a system to document scheduled and conducted activities, such as work orders;
- (3) Develop a rehabilitation and replacement plan to identify and prioritize system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. The program should include regular visual and TV inspections of manholes and sewer pipes, and a system for ranking the condition of sewer pipes and scheduling rehabilitation. Rehabilitation and replacement should focus on sewer pipes that are at risk of collapse or prone to more frequent blockages due to pipe defects. Finally, the rehabilitation and replacement plan should include a capital improvement plan that addresses proper management and protection of the infrastructure assets. The plan shall include a time schedule for implementing the short- and long-term plans plus a schedule for developing the funds needed for the capital improvement plan;
- (4) Provide training on a regular basis for staff in sanitary sewer system operations and maintenance, and require contractors to be appropriately trained; and
- (5) Provide equipment and replacement part inventories, including identification of critical replacement parts.

## 4.2. ELEMENT 4 APPENDIX

Supporting information for Element 4 includes the following documents:

1. Running Springs Water District Collection System 11" x 17" Map Album (**Appendix E1**)
2. Running Springs Water District Lift Station Information (**Appendix E2**)
3. Running Springs Water District Sewer System Preventive Operation and Maintenance Program (**Appendix E3**)
4. Running Springs Water District Sewer System Rehabilitation and Replacement Program Capital Improvement Plan (**Appendix E4**)
5. Running Springs Water District Sewer System Operation and Maintenance Training Program (**Appendix E5**)
6. Running Springs Water District Sewer System Contingency Equipment and Replacement Inventory (**Appendix E6**)

## 4.3. OVERVIEW OF OPERATION AND MAINTENANCE PROGRAM

RSWD's Operation and Maintenance Program consists of a Collection System Map and database, a Preventive Operation and Maintenance Program, a Capital Improvement Plan, a Training Program, and a Contingency Equipment and Replacement Inventory.

### 4.3.1. COLLECTION SYSTEM MAP

Because good mapping is essential to the operation and maintenance of any sewage collection system, RSWD has developed an AutoCAD Collection System Map (11" x 17" map album as in **Appendix E1**, also see the 24" x 36" map album in RSWD's office); this map is linked to a database file, with which operation and maintenance queries and reports can be produced if required. The Collection System Map and the database include all necessary information for operation and maintenance of sewer system. Currently the Map and the database include the following information:

1. Manhole:
  - 2.1) ID number;
  - 2.2) Location (Assessment District);
  - 2.3) Depth;
  - 2.4) Rim Elevation;

- 2.5) Pipe Invert elevation.
- 2. Gravity Pipes & Force Mains:
  - 2.1) ID number;
  - 2.2) Location
  - 2.3) Upstream manhole ID and downstream manhole ID
  - 2.4) Diameter (Size);
  - 2.5) Material type;
  - 2.6) Flow Direction;
  - 2.7) Length;
  - 2.8) Slope.
- 3. Lift Station:
  - 2.1) ID;
  - 2.2) Location (Assessment District);
  - 2.3) Pump control;
  - 2.4) Wet well capacity;
  - 2.5) Pump capacity;
  - 2.6) Pump type.
- 4. Land Use Information
  - 2.1) Land parcel line, land parcel area;
  - 2.2) Existing land use type;
  - 2.3) Planned land use type.
- 5. Topography
- 6. Other Information such as:
  - 2.1) Sewer lateral location;
  - 2.2) Water main and water lateral location;
  - 2.3) Fire hydrant location;
  - 2.4) Street name, address number;
  - 2.5) Satellite picture.

Detailed lift station information is also listed in **Appendix E2** (Running Springs Water District Lift Station Information).

The Collection System Map and the database are able to duplicate, expand, update and zoom in for easily displayed details. RSWD updates the map and the database to include the renewal and maintenance information.

#### **4.3.2. PREVENTIVE OPERATION AND MAINTENANCE PROGRAM**

RSWD's on-going Preventive Operation and Maintenance Program (POMP) (**Appendix E3**) describes what work is performed on a regular basis with respect to the collection pipes, lift stations and associated equipment to prevent them from failing and causing SSOs. POMP also identifies and prioritizes system deficiencies based on the inspection records and SSO reports.

The POMP consists of the following programs:

1. Preventive Maintenance: inspection, cleaning, replacing parts, and other maintenance activities at pre-determined times.
2. Predictive Maintenance: inspection and conditional assessment maintenance performed.
3. Corrective Maintenance: tasks are performed in response to a failure of an asset, component or part, or a critical utility outage.

#### **4.3.3. REHABILITATION AND REPLACEMENT PROGRAM**

RSWD's sewer infrastructure rehabilitation and replacement projects are identified in the adopted Wastewater Master Plan and through ongoing condition assessment programs. Condition assessment programs include CCTV inspections, manhole inspections, sewer flushing/cleaning, etc. Once the deficiencies have been identified and a priority list was established, a Capital Improvement Plan (CIP) was developed. The District's Sewer System Rehabilitation and Replacement Program is shown in **Appendix E4**. The District's Wastewater Master Plan and CIP can be found in the District's Office.

#### **4.3.4. TRAINING PROGRAM**

RSWD has developed a training program (**Appendix E5**) for staff in sanitary sewer system operations and maintenance. The program introduced the technical certificate requirements of the Division Supervisor and the minimum technical certificate requirements of all other employees. The program consists of skill and safety training programs, including standard operation procedures, emergency response procedures, OSHA trainings, etc. RSWD also has detailed requirements for the contractors' safety and skills training.

#### **4.3.5. EQUIPMENT AND REPLACEMENT INVENTORY**

RSWD's Equipment and Replacement Inventory (**Appendix E6**) is in a dynamic worksheet. This worksheet records critical components to help assure interrupted service.



## **ELEMENT 5 – DESIGN AND PERFORMANCE PROVISIONS**

This section of the SSMP provides an overview of the RSWD’s sewer system design criteria. This section fulfills the Overflow Emergency Response Plan requirements of SWRCB Element 5 SSMP requirements.

### **5.1. SWRCB REQUIREMENTS FOR DESIGN AND PERFORMANCE PROVISIONS ELEMENT**

The SSMP must identify:

- (1) Design and construction standards and specifications for the installation of new sanitary sewer systems, pump stations and other appurtenances; and for the rehabilitation and repair of existing sanitary sewer systems; and
- (2) Procedures and standards for inspecting and testing the installation of new sewers, pumps, and other appurtenances and for rehabilitation and repair projects.

### **5.2. ELEMENT 5 APPENDIX**

Supporting information for Element 1 includes the following compliance document:

1. Running Springs Water District Standards for Sewer Facilities (**Appendix H2**)

### **5.3. OVERVIEW OF SANITARY SEWER DESIGN AND PERFORMANCE PROVISIONS**

Running Springs Water District has existing Standards for domestic water and sewer facilities. RSWD hires experienced and qualified professionals to update this Standard from time to time. The last revision occurred in 2013.

#### **5.3.1. Sewer Design Standards**

The RSWD’s Sewer Design Standard includes the following sections as well as standard drawings:

- (1) General Sewer Design Criteria including
  - 1.1) General
  - 1.2) Oversizing Required by District
  - 1.3) Manholes and Cleanouts

- 1.4) Sewage Lift Stations
- 1.5) Plan Preparation
- 1.6) Technical Specifications
- 1.7) Standard Drawings
- 1.8) Pre-Design Conference
- 1.9) District Engineer Certification
- 1.10) Improvement Plan Qualification
- (2) Detailed Technical Provisions
  - 2.1) Earthwork
  - 2.2) Concrete Construction
  - 2.3) Conductor Pipe
  - 2.4) Erosion Control
  - 2.5) Removal and Replacement of Paved Surfaces
  - 2.6) Criteria for the Separation of Water Mains and Non-Potable Pipelines
  - 2.7) Water Quality Sample Station (not a part of SSMP)
  - 2.8) Water Service (not a part of SSMP)
  - 2.9) Pipe, Fittings and Installation for Water System (not a part of SSMP)
  - 2.10) Water Pipeline Testing and Disinfection (not a part of SSMP)
  - 2.11) Fire Hydrant Assemblies (not a part of SSMP)
  - 2.12) Flush-Out and Blow-Off Assemblies
  - 2.13) Valves, Valve Boxes and Covers
  - 2.14) Air Valves Assemblies
  - 2.15) Concrete Thrust Blocks and Blankets
  - 2.16) Backflow Preventers (not a part of SSMP)
  - 2.17) Chain-Link Fence and Gate
  - 2.18) Furnish and Install Plastic Sewer Pipe System
  - 2.19) Manholes and Cleanouts
  - 2.20) Machine Tapping into Existing Sewer for Laterals
- (3) Standard Drawings

### **5.3.2. INSPECTION FOR NEW AND REHABILITATED FACILITIES**

The inspection and testing of new facilities is important to ensure that the standards established are actually implemented in the field. It is important that completed construction not be accepted by the wastewater collection division until inspection and testing have been completed. This approach will help to ensure a proper operation and maximum life expectancy of the system.

Inspections by the District or the Engineer are usually performed during construction and at the completion of the project. Acceptance testing for gravity sewers include low pressure air test or water test to identify leakage, mandrel test to identify deflection in flexible pipe, water or vacuum test of manholes to identify leakage, and television inspection to identify grade variations or other construction defects.

### **5.3.3. DESIGN AND PERFORMANCE STANDARDS MODIFICATION/CHANGE**

If design and performance standards require modification or change, the District will require the District Engineer to process that change. The Governing Board will approve said modifications or changes.

## **ELEMENT 6 - OVERFLOW EMERGENCY RESPONSE PLAN**

This section of the SSMP provides an overview and summary of the RSWD's emergency response documents and procedures for sewer overflow. This section fulfills the Overflow Emergency Response Plan requirements of SWRCB Element 6 SSMP requirements.

### **6.1. SWRCB REQUIREMENTS FOR OVERFLOW EMERGENCY RESPONSE PLAN ELEMENT**

The agency shall develop and implement an overflow emergency response plan that identifies measures to protect public health and the environment. This plan must include the following:

- (1) Proper notification procedures so that the primary responders and regulatory agencies are informed of all SSOs in a timely manner;
- (2) A program to ensure an appropriate response to all overflows;
- (3) Procedures to ensure prompt notification to appropriate regulatory agencies and other potentially affected entities (e.g. health agencies, Regional Water Boards, water suppliers, etc.) of all SSOs that potentially affect public health or reach the waters of the State in accordance with the Monitoring and Reporting Program (MRP). All SSOs shall be reported in accordance with this MRP, the California Water Code, other State Law, and other applicable Regional Water Board WDRs or National Pollutant Discharge Elimination System (NPDES) permit requirements. The SSMP should identify the officials who will receive immediate notification;
- (4) Procedures to ensure that appropriate staff and contractor personnel are aware of and follow the Emergency Response Plan and are appropriately trained;
- (5) Procedures to address emergency operations, such as traffic and crowd control and other necessary response activities; and
- (6) A program to ensure that all reasonable steps are taken to contain and prevent the discharge of untreated and partially treated wastewater to waters of the United States and to minimize or correct any adverse impact on the environment resulting from the SSOs, including such accelerated or additional monitoring as may be necessary to determine the nature and impact of the discharge.

### **6.2. ELEMENT 6 APPENDIX**

Supporting information for Element 6 includes the following compliance documents:

1. Running Springs Water District Sanitary Sewer Overflow Emergency Response Plan (**Appendix F1**)
2. Running Springs Water District Sanitary Sewer Overflow Emergency Response Training (**Appendix F2**)
3. Running Springs Water District Reported Sanitary Sewer Overflows Since May 2010 (**Appendix F3**)

### **6.3. OVERVIEW OF SANITARY SEWER OVERFLOW RESPONSE PROGRAM**

RSWD's SSO emergency response program includes the elements of Response, Notification, Reporting, Impact Mitigation and Training, pursuant to the requirements of the Order.

#### **6.3.1. SUMMARY OF OVERFLOW EMERGENCY RESPONSE PLAN**

The element of Response, Notification, Reporting and Impact mitigation are detailed in the Running Springs Water District Sanitary Sewer Overflow Response Plan (**Appendix F1**) and its appendices. This plan is divided into nine sections, as follows:

- (1) Authority
- (2) Introduction, including plan objectives
- (3) Overflow Emergency Response Team
- (4) Overflow Response Procedure
- (5) Public Advisory Procedure
- (6) Regulatory Agency Notification Procedure
- (7) Sanitary Sewer Overflow Record Keeping
- (8) Media Notification Procedure
- (9) Distribution and Maintenance of this Plan

The objectives of RSWD's overflow response plan are to:

- Protect public health, water, the environment and beneficial uses of receiving waters;
- To mitigate any adverse impacts on the public and to the environment;
- Insure a timely response to uncontrolled release of untreated or partially treated wastewater;
- Establish a basis for corrective action to prevent uncontrolled release of wastewater;

- Satisfy regulatory agency requirements and minimize risk of enforcement actions against the District.

Additional objectives of the Plan include providing appropriate customer service and protecting District personnel, the collection system and facilities, and private and public property.

#### **6.3.1.1. Overflow Emergency Response Resources**

The section regarding the Overflow Emergency Response Team as listed in the Response Plan, describes the available resources for RSWD's overflow emergency response. This section also clarifies the responsibilities of each team member under emergency situations and the personnel assumed responsibility of the Incident Commander (IC). The appendix to this section provides daytime and after hours telephone number of the response team member.

#### **6.3.1.2. Initial Notification and Response**

The Overflow Response Procedure detailed in the Response Plan covers response procedures from initial notification through field response and internal reporting. An Overflow Emergency Response Flow Chart is presented in the appendix to this section. Subsections include the following:

- (1) Receipt of Information Regarding an SSO: provides for the chain of communication for receiving overflow reports. Refer to Element 2 of this SSMP for a flow chart depicting the chain of communication.
- (2) Dispatch of Appropriate Crews to Site of SSO: details protocols for dispatching appropriate crews and equipment and discusses additional communication between the response crew and supervisors, guidelines for completing and documenting a preliminary damage assessment are provided, and coordination with any hazardous material response is explained.
- (3) Overflow Correction, Containment and Clean-up: describes the responsibilities of the response crew while on-site. Upon arrival, the crew is responsible for determining the cause of the overflow, assessing the need for additional equipment or assistance, notifying the dispatcher if the private property is impacted and if any school is in the vicinity of the affected area, and taking immediate steps to stop the overflow. This subsection also discusses measures that should be taken for containment, sampling and site clean-up.

- (4) Overflow Report: details the information to be included in the field report, including an indication whether the overflow reached surface waters, duration of the overflow, overflow volume, damage assessment, and the description of the actions taken to control, contain and clean up the overflow. A sample of the spill report is presented in the appendix to this subsection.

#### **6.3.1.3. Public Notification**

The Public Advisory Procedure and the Media Notification Procedure described in the Response Plan discuss circumstances under which the public should be notified of an SSO and establish responsibilities for posting notices or contacting the media. Potential public notification measures include temporary signage to indicate any polluted surface water or groundwater due to an SSO and notification through media outlets. The Division Supervisor is responsible for determining whether temporary signage and further notification are necessary. The General Manager is the contact person for all media notification.

#### **6.3.1.4. Agency Reporting and Record Keeping**

The Regulatory Agency Notification Procedure portion of the Response Plan details reporting requirements to the SWRCB, the State Office of Emergency Services (OES), and all other authority agencies. The appendix to this section provides contact information for agencies that may need to be contacted.

The section of Sanitary Sewer Overflow Record Keeping details the mandatory requirements by the Order to keep all SSO records (see **Appendix F3**). All records shall be made available for review upon SWRCB or RWQCB staff's request.

#### **6.3.1.5. Distribution, Update of the Plan**

The section of Distribution and Maintenance of this Response Plan specifies that all departments and staff should receive the plan. This section also provides for annual review and updates of the plan.

### **6.3.2. OVERFLOW EMERGENCY RESPONSE TRAINING PROGRAM**

RSWD reviews and updates, as needed, the various contact persons listed in the response plan, and conducts annual training sessions with appropriate personnel. A sample of the training material in MS PowerPoint file format is presented in the **Appendix E5**.

## **ELEMENT 7 - FATS, OILS AND GREASE CONTROL PROGRAM**

This section of the SSMP discusses RSWD's Fats, Oils and Grease (FOG) control measures, including identification of problem areas, focused cleaning, and source control. This section fulfills the FOG Control requirement of SWRCB Element 7 SSMP requirements.

### **7.1. SWRCB REQUIREMENTS FOR FOG CONTROL ELEMENT**

The agency must prepare and implement a FOG source control program to reduce the amount of these substances discharged to the sanitary sewer system. This plan shall include the following as appropriate:

- (1) An implementation plan and schedule for a public education outreach program that promotes proper disposal of FOG;
- (2) A plan and schedule for the disposal of FOG generated within the sanitary sewer system service area. This may include a list of acceptable disposal facilities and/or additional facilities needed to adequately dispose of FOG generated within a sanitary sewer system service area;
- (3) The legal authority to prohibit discharges to the system and identify measures to prevent SSOs and blockages caused by FOG;
- (4) Requirements to install grease removal devices (such as traps or interceptors), design standards for the removal devices, maintenance requirements, BMP requirements, record keeping and reporting requirements;
- (5) Authority to inspect grease producing facilities, enforcement authorities, and whether the agency has sufficient staff to inspect and enforce the FOG ordinance;
- (6) An identification of sanitary sewer system sections subject to FOG blockages and establishment of a cleaning maintenance schedule for each section; and
- (7) Development and implementation of source control measures for all sources of FOG discharged to the sanitary sewer system for each section identified in (6) above.

### **7.2. ELEMENT 6 COMPLIANCE DOCUMENTS**

Supporting information for Element 7 includes the following compliance documents:

1. Running Springs Water District FOG Ordinance (**Appendix G1**)
2. List of Food Service Establishments in Running Springs (potential grease dischargers, **Appendix G2**)



3. Running Springs Water District FOG Control Program (**Appendix G3**)
4. Fats, Oils and Grease Reduction, A Guidebook for Commercial Kitchens (**Appendix G4**)
5. Residential FOG Public Outreach Poster (**Appendix G5**)
6. Running Springs Water District Grease Trap Inspection Form (**Appendix G6**)
7. Running Springs Water District Grease Trap and Interceptor Maintenance Log (**Appendix G7**)

### **7.3. FOG CONTROL DISCUSSION**

RSWD has determined that a FOG control program is necessary per SSMP requirements. As of May 1, 2017, thirteen (13) food service facilities, which include commercial, camp and school kitchens, were located within RSWD's area limits which discharge to District controlled sewers. Operations and maintenance staff have also noted the tendency for grease buildup in specific sewer lines. This section discusses measures RSWD takes to control FOG.

Pursuant to SWRCB Element 7 SSMP requirements, RSWD's FOG control program (as presented in **Appendix G3**) consists of identification and cleaning of grease-prone areas, legal authority to prohibit grease discharge and to require a grease removal device, facility inspection, and FOG public education outreach program.

#### **7.3.1. IDENTIFICATION AND SEWER CLEANING**

RSWD keeps a list of all food service establishments (FSEs) in the RSWD's service area, as presented in **Appendix G2**. RSWD also inspects manholes and pipelines yearly to locate potential sources of stoppages or spills caused by accumulation of FOG, roots or debris. Observations are recorded; debris type and severity will be noted and will be compared with previous inspection reports. The problem areas will be labeled as hot spots in the system. Areas with several restaurants or grease-producing facilities are also considered likely potential grease problem areas. If the source of the grease in a lateral can be identified, RSWD contacts that restaurant or source of grease.

The gravity section of the interceptor system is hydro-cleaned and videoed (CCTV) by Assessment District as determined by the collections staff. Cleaning and inspection schedules are adjusted when visual or CCTV inspection identifies a problem area. At this time, the cleaning schedule appears sufficient to prevent FOG overflows.

### **7.3.2. PLAN AND SCHEDULE OF DISPOSAL OF FOG GENERATED**

The nearest facility for restaurant-generated FOG is the Running Springs Water District's wastewater treatment plant (WWTP). Disposal is to occur at the headworks or to other areas in the WWTP as directed by WWTP staff; FOG shall not be discharged into any upstream manhole. Residents may also obtain a list of where to dispose of grease and cooking oil at the RWQCB (Regional Water Quality Control Board) during normal business hours.

### **7.3.3. LEGAL AUTHORITIES**

Legal measures available to RSWD to control sources of FOG are included in the RSWD's Resolution 14-10 (FOG Ordinance, as presented in **Appendix G1**). Legal authorities include the authority to prohibit discharges, the requirements of grease removal device, and enforcement measures, as appropriate.

#### **7.3.3.1. Authority to Prohibit Discharges**

The Ordinance prohibits all FSEs to discharge of FOG into the sewer system which may accumulate and/or cause or contribute to blockages in the sewer system or at the sewer system lateral. The Ordinance also regulates or prohibits:

- The installation of food grinders in the plumbing system of new construction of FSEs;
- The introduction of any additives into a FSEs wastewater system for the purpose of emulsifying FOG;
- The disposal of cooking oil into drainage pipes;
- The discharge of wastewater from dishwashers to any grease trap or grease interceptor;
- The discharge of wastewater with temperatures in excess of 140°F to any grease control device;
- The use of biological additives for grease remediation or as a supplement to interceptor maintenance;
- The discharge of waste from toilets, urinals, washbasins, and other fixtures containing fecal materials to sewer lines intended for grease interceptor service;
- The discharge of any waste including FOG and solid materials removed from the grease control device to the sewer system;
- Dishwashers and food waste disposal units connected to or discharged into any grease trap;

- Operation of grease interceptors with FOG and solids accumulation exceeding 25% of the design hydraulic depth of the grease interceptor.

### **7.3.3.2. Requirement of Grease Removal Device**

The Ordinance requires that all FSEs shall implement best management practices (BMPs) in their operation, and all newly constructed FSEs, or existing FSEs undergoing remodeling or a change in operations, or existing FSEs that currently are or have the reasonable potential to adversely impact the sewer system shall install grease removal devices prior to commencing the discharge of wastewater to the sewer system.

Grease interceptors shall be constructed in accordance with the design approved by the FOG control program manager and in accordance with the California Plumbing Code (CPC) design requirements and shall have a minimum of two (2) compartments with fittings designed for grease retention.

All grease interceptors and grease traps shall be operated in accordance with the manufacturer's specifications and shall be maintained in efficient operating condition by periodic removal of the full contents of the interceptor. The maintenance records shall be maintained for a minimum two (2) years and shall be provided to the District upon written request.

### **7.3.3.2. Inspection and Enforcement Authorities**

The Ordinance includes authority to allow RSWD to inspect grease producing facilities, and to enforce the Ordinance. The FSE shall allow the District access to the FSE premises, during normal business hours for inspection purpose. The FOG control program manager or his/her designee shall have the right to place or order the placement on the FSEs property such devices as are necessary to conduct sampling or metering operations. Enforcement measures for violations of any sewer protection measure, including grease discharge range from issuance of a notice of non-compliance to criminal penalties.

### **7.3.4. PUBLIC EDUCATION OUTREACH**

RSWD recognizes that its ability to be proactive and effective is also dependent upon public outreach and education. RSWD's outreach activities include newsletters and working with other local agencies to bring about regulations that "make sense" to FSEs and the community.

RSWD's interaction with FSEs occurs on a day-to-day basis, as part of the daily operation of the FOG Control Program. Additionally, RSWD has a brochure entitled "*Fats, Oils and Grease Reduction, A Guidebook for Commercial Kitchens*" (as presented in **Appendix G4**) mailed to all of the FSEs in the RSWD's service area along with the copies of FOG Ordinance and RSWD FOG Control Program. This brochure includes important information on general BMPs, kitchen BMPs, food service waste reduction, and design, operation and maintenance guidelines for grease interceptors.

RSWD has produced a residential FOG public outreach poster targeted to all residents. This poster is displayed at RSWD office and provided to FSEs and residents who are affected by a blockage or backup. A copy of the poster is included in **Appendix G5**.

## **ELEMENT 8 - SYSTEM EVALUATION AND CAPACITY ASSURANCE PLAN**

This section of the SSMP discusses RSWD's System Evaluation and Capacity Assurance Plan to provide hydraulic capacity of key sewer system elements under peak flow conditions. This section fulfills the System Evaluation and Capacity Assurance Plan requirement of SWRCB SSMP Element 8.

### **8.1. SWRCB REQUIREMENTS FOR SYSTEM EVALUATION AND CAPACITY ASSURANCE PLAN ELEMENT**

The agency has prepared and will implement a Capital Improvement Plan (CIP) through the wastewater master plan which provides hydraulic capacity of key sanitary sewer system elements for dry weather peak flow conditions, as well as wet weather events. At a minimum, the plan must include:

- (1) Evaluation: Actions needed to evaluate the sanitary sewer system that may experience or contribute to an SSO discharge caused by hydraulic deficiency. The evaluation provides estimates of peak flows (including flows from SSOs that escape from the system) associated with conditions similar to those which may cause overflow events; estimates of the capacity of key system components; hydraulic deficiencies (including components of the system with limiting capacities); and the major sources that contribute to the peak flows associated with overflow events;
- (2) Design Criteria: Where design criteria did not exist or were deficient, the evaluation identified in (1) above was used to establish appropriate design criteria; and
- (3) Capacity Enhancement Measures: The steps needed to establish a short- and long-term CIP which addresses identified hydraulic deficiencies, and includes prioritization, alternatives analysis, and schedules for the CIP. The CIP may include increases in pipe size, I / I reduction programs, increases and redundancy in pumping capacities, and storage facilities. The CIP includes an implementation schedule and identifies funding sources.
- (4) Schedule: The agency has developed a schedule of completion dates for all portions of the capital improvement program developed in (1)-(3) above. This schedule shall be reviewed and updated consistent with the SSMP review and update requirements.

### **8.2. ELEMENT 8 APPENDIX**

Supporting information for Element 8 is included the following compliance document:

1. Running Springs Water District System Evaluation and Capacity Assurance Plan (**Appendix H1**).
2. Running Springs Water District Standards for Sewer Facilities (**Appendix H2**)

### **8.3. SYSTEM EVALUATION AND CAPACITY ASSURANCE PLAN DISCUSSION**

Running Springs Water District's Sanitary Sewer System Evaluation and Capacity Assurance Plan evaluate the impact of additional flows from growth within the service area in both the near and distant future. If the evaluation determines that capacity problems exists or will develop in the future, then a pipeline capacity Capital Improvement Plan (CIP) may be developed per District's Standards for Sewer Facilities (**Appendix H2**) to construct the needed facilities.

This Sanitary Sewer System Evaluation and Capacity Assurance Plan includes the projection of the future (to the year of 2028) sewer loads in Running Springs area, the review of the existing RSWD sewer system data, the description of the sewer model development, the evaluation of the sewer system capacities for the existing and future sewer loads, and recommended Capacity Improvement Projects.

#### **8.3.1. Existing and Projected Sewer Flows**

This section describes the approach for the projection of sewer flows (for both dry weather and wet weather) over the next 20 years.

Sewer flows are composed of three components: (1) Sanitary base flow generated by homes, businesses, etc., sanitary base flows are roughly equal to a certain percentage of the water demand which approximates the customers' water demand which is returned to the sanitary sewer; (2) Infiltration due to normal groundwater levels (dry weather infiltration); and (3) Infiltration/inflow (I / I) due to rainfall and high groundwater levels (rainfall-dependent I/I, or RDI / I)

The projection of sanitary base flow is based on the projection of the water demand. A disaggregated method was used in the Plan to compute the future water demands in the Running Springs Area. The disaggregated method separated water demands into more uniform groups of users as the basis for future projections. This approach was paired with land use information and water duties to develop water demands. It provided more accuracy and flexibility in analyzing the future water demands (accordingly sanitary base flows) and

allowed us to build conservatism into the sizing of facilities and piping in the latter stages of the planning process, thereby minimizing the amount of rework required to update plans and proposed improvement projects.

The planned land use types and acreage information were obtained from San Bernardino County General Land Use Map. Based on the land use information, the average day water demand of the entire District service area is expected to increase from 0.552 mgd (2008) to 0.742 mgd under buildout conditions. It should be noted that while there exists fewer than 300 buildable lots within the District's Boundaries, we cannot know or predict upstream contribution due to upstream developmental growth. As such, we have used Census Data for projected population growth in the Running Springs area as a conservative estimate to account for this upstream growth and contribution.

Historical sewer flow rates at the Wastewater Treatment Plant were carefully reviewed in order to estimate the GWI and percentage rate of water consumption returning to the sanitary sewer.

The historical data indicated that the components of sewer flows in the area were significantly different in dry weather months (June to November) than the wet weather months (December to May). During wet weather months, rainfall-dependent infiltration / inflow had considerable contribution to the WWTP sewer flows. It is estimated that the amount of water consumed when combined with the GWI rate is estimated to be 100 gpdidm.

Average daily sewer flow during the dry weather months is expected to increase from 0.458 mgd (2008) to 0.508 mgd under buildout conditions. The projected average daily sewer flows in dry weather months for the Year 2013, 2018, 2023, 2028 are 0.483 mgd, 0.507 mgd, 0.523 mgd and 0.530 mgd, respectively.

Peak day sewer flow during the wet weather months is expected to increase from 0.892 mgd (2006) to 0.951 mgd under buildout conditions. The projected peak day sewer flows in wet weather months for the Year 2013, 2018, 2023, 2028 are 0.908 mgd, 0.923 mgd, 0.932 mgd and 0.937 mgd, respectively.

Peak hour sewer flow during the wet weather months was expected to increase to 1.489 mgd under buildout conditions. The projected peak hour sewer flows in wet weather months for the Year 2013, 2018, 2023, 2028 are 1.504 mgd, 1.519 mgd, 1.528 mgd and 1.533 mgd, respectively.

### **8.3.2. Collection System Modeling**

This section describes the process of H2OMap Sewer hydraulic modeling development for the sewer collection system evaluation, and the resultant collection system deficiencies identified by the model.

The sewer system model was obtained and based on an inventory of sewer piping and facilities identified in RSWD's system map (LINKS). Pipes in the model were represented by line segments and were defined by an upstream manhole, a downstream segment of pipe and a downstream manhole. The model considered manholes, cleanouts and wet wells as "nodes", and pipes, force mains and lift stations as "links".

RSWD's sewer planning and design criteria were used as the evaluation basis to assess the sewer collection system and to plan future improvements, upgrades, and expansions of facilities. RSWD's planning and design criteria proposed for use in this Plan were comparable to the criteria used by similar agencies in the region. The criteria include elements of pipe roughness, slope, diameter etc.

A series of hydraulic model simulations were conducted in the H2OMap Sewer model to evaluate the sewer system capacity under various scenarios (dry weather average daily flow, wet weather peak day flow and wet weather peak hour flow) for the Years 2008, 2013, 2018, 2023, 2028 and through buildout conditions. Projected sewer loads including sanitary base flow, GWI, RDI / I were allocated to each manhole, based on land use type and acreage.

Sewer pipes and lift stations must be able to deliver wet weather peak hour flow, thus wet weather peak hour flow was considered as the design and evaluation basis for sewer pipes and lift stations. The model simulations indicated that under all scenarios, all 9 lift stations have adequate capacities for the peak hour flows. The model simulations also identified surcharging gravity pipelines and suggested diameters for replacement pipes. For the worst situation (buildout and wet weather peak hour flow conditions), the total length of failed or undersized sewer gravity pipelines is approximately 2,485 linear feet. There exist 13,337 feet of 6-inch diameter pipe which may need to be upgraded to a minimum 8-inch diameter pipe in order to satisfy requirements under current District Standards.

### **8.3.3. Treatment System Capacity Evaluation and Improvements**

This section evaluates the treatment capacity of RSWD's wastewater treatment plant (WWTP). The purpose of the evaluation was to ensure the treatment plant had adequate capacity to treat or store wastewater under peak conditions in order to prevent an SSO occurrence at the plant.



RSWD's wastewater treatment facility is equipped and is designed to produce a tertiary treated effluent utilizing a Microfiltration Membrane Bioreactor (MBR) system. The effluent from the WWTP is discharged to ponds in the US Forrest Service (USFS) lands and for spray irrigation of a green belt adjacent to the treatment plant.

With the existing EQ basin and the existing MBR treatment capacity of 1.0 mgd, the treatment plant can treat any instantaneous flows under 1.0 mgd; flows in excess of the 1.0 mgd may cause the system to overload. Utilizing the equalization basin, the District can defer treatment for up to 5.9 hours until the peak instantaneous flows have subsided to a more manageable rate.

In 2016, the District expanded the MBR system to 1.0 mgd and the treatment plant can defer treatment by utilizing the equalization basin for up to 9.7 hours until the peak instantaneous flows have subsided.

Under the worst situation, the plant can employ more options to trim off the peak flow including using the Anaerobic / Flow Equalization Tanks as a buffer with each tank of 80,000 gal capacity, temporarily using Aerobic Digestion Chamber to store the influent, and using the peak capacity of the MBR itself.

#### **8.3.4. Costs and Schedule for Recommended Improvements**

This section summarizes the costs and schedules for recommended wastewater CIP improvements. The total cost of the CIP till the year of 2028 is estimated to be \$1,600,000.

## **ELEMENT 9 - MONITORING, MEASUREMENT, AND PROGRAM MODIFICATIONS**

This section of the SSMP discusses RSWD's Monitoring, Measurement, and Program Modifications of SSMP. This section fulfills the Monitoring, Measurement, and Program Modifications requirement of SWRCB SSMP Element 9.

### **9.1. SWRCB REQUIREMENTS FOR MONITORING, MEASUREMENT, AND PROGRAM MODIFICATION ELEMENT**

The agency shall:

- (1) Maintain relevant information that can be used to establish and prioritize appropriate SSMP activities;
- (2) Monitor the implementation and, where appropriate, measure the effectiveness of each element of the SSMP;
- (3) Assess the success of the preventative maintenance program;
- (4) Update program elements, as appropriate, based on monitoring or performance evaluations; and
- (5) Identify and illustrate SSO trends, including: frequency, location, and volume.

### **9.2. ELEMENT 9 APPENDIX**

Supporting information for Element 9 is included the following compliance document:

1. Running Springs Water District Reported Sanitary Sewer Overflows Since May 2010  
(Appendix F3)

### **9.3. MONITORING, MEASUREMENT, AND PROGRAM MODIFICATION DISCUSSION**

#### **9.3.1. SSO Database**

RSWD keeps all operation and maintenance records of the sewer system. RSWD also has developed database files to document SSOs. For each SSO, the following information was recorded:

- Event date;
- Event location;
- Total SSO volume;
- Contained SSO volume;
- Response time;
- The reason causing the SSO including roots, grease, debris, pipe failure, pump station failure, capacity and other.

The locations of each SSO were marked in the Sewer System Map in AutoCAD.

### **9.3.2. Effectiveness of the SSMP**

With the record files and the Sewer System Map, the District is able to track each SSO and sewer stoppage, and conduct periodic statistical analyses on SSO trends. Some examples of these statistics may include:

- Number of SSOs over the past 12 months, distinguishing between dry and wet weather overflows;
- Volume distribution of SSOs (e.g. number of SSOs <100 gallons, 100 to 999 gallons, 1,000 to 9,999 gallons, and >10,000 gallons);
- Volume of SSOs that was contained in relation to total volume of SSOs;
- SSOs by cause (e.g. roots, grease, debris, pipe failure, pump station failure, capacity, other);
- Number of stoppages over the past 12 months;
- Average time to respond to an SSO;
- Relationship of capacity-related SSOs to storm event return frequency;
- Ratio of planned sewer cleaning to unplanned sewer cleaning;
- Backlog of repair, rehabilitation, and replacement projects;
- Plans and/or implementation of activities to target specific problems identified, such as roots, structural deficiencies, or fats, oil, and great (FOG).

The statistics will be used to monitor the implementation of SSMP and evaluate the effectiveness of each elements of the SSMP.

### 9.3.3. SSMP Update

The elements of the SSMP are updated at periodic interval based on the monitoring or performance evaluations. There are several ways for RSWD to keep the SSMP updated in order to meet the requirements.

- Obtain specific funding to carry out periodic reviews and to participate in any related coordinating meetings;
- Assign staff to review the SSMP periodically to check effectiveness and timeliness;
- Check with the collection system staff at periodic intervals to review the effectiveness and identify potential areas for improvement, either individually or through meetings;
- Prepare progress reports documenting effectiveness, potential changes, and / or a summary of program activities on a periodic basis;
- Obtain internal approval to update the SSMP with specific revisions;
- Solicit peer review by another sewer collection system agency.

As this is meant to be a “living document,” there will be necessary revisions and updates to RSWD’s Sewer System Management Plan; major changes may need to be approved by the Board of Directors. If changes are identified for implementation in the SSMP, other related documentation may also be affected which may need to be revised as well.

The last update of this SSMP was in May 2017.

## **ELEMENT 10 - SSMP PROGRAM AUDITS**

This section of the SSMP discusses the RSWD's internal audit covering the agency's compliance with all SSMP requirements. This section fulfills the SSMP Program Audits requirement of SWRCB SSMP Element 10.

### **10.1. SWRCB REQUIREMENTS FOR SSMP PROGRAM AUDITS ELEMENT**

The agency shall conduct periodic internal audits, appropriate to the size of the system and the number of SSOs. At a minimum, these audits must occur every two years and a report must be prepared and kept on file. This audit shall focus on evaluating the effectiveness of the SSMP and the agency's compliance with the SSMP requirements, including the identification of any deficiencies in the SSMP and outlining necessary steps to correct them.

### **10.2. ELEMENT 10 APPENDIX**

Supporting information for Element 10 included the following compliance documents, some of the documents are presented in **Appendix I1**:

1. Running Springs Water District Sanitary System Management Plan Internal Audit Finding Form and Guidance (**Appendix I1**)

### **10.3. SSMP PROGRAM AUDIT DISCUSSION**

#### **10.3.1. RSWD's Internal Audit Program**

Running Springs Water District is required to conduct an appropriate internal SSMP audit and submit a report of the audit, with an evaluation of the SSMP and RSWD's compliance, including what deficiencies have been encountered and what steps have been taken to correct them. The audit programs are used to provide controls for ensuring that all elements of the SSMP are being implemented and managed appropriately by RSWD. The audit outcomes should provide information about challenges and success implementing the SSMP and identify any program or policy changes which are required to ensure the effectiveness of SSMP implementation.

### **10.3.2. Internal Audit Program Requirements**

The requirements for the internal audit program include the following:

- Development of an audit find form (**Appendix I1**);
- Assigning staff to perform the internal audit program. Staff will need to focus on the internal audit program and be fairly removed from the day-to-day activities;
- The internal audit person will have enough authority to carry out all necessary data gathering. RSWD will fully support and authorize the audit procedures;
- The auditor will submit the findings and reports to the District's management personnel.

### **10.3.3 Roles and Responsibilities of the Auditors**

The positions, roles, and responsibilities of the audit staff are as follows:

- The auditor has the responsibility of scheduling and conducting audits, or using a third party to conduct the audits.
- Any deficiencies identified as a result of the audits will be brought to the attention of each responsible RSWD division / staff.
- Deficiencies and corrective actions will be identified, verified, and documented by the auditor using the Audit Finding Form.

At a minimum, audits will be conducted every two years; a report of the findings must be prepared and kept on file. Strategies to correct deficiencies, if identified, will be developed by the responsible RSWD staff member(s). The audit will identify any deficiencies in RSWD's SSMP programs and include steps to correct the issue.

## **ELEMENT 11 - COMMUNICATION PROGRAM**

This section of the SSMP discusses RSWD's communication program which allows input from interested parties with respect to the development, implementation and performance of the SSMP. This section fulfills the Communication Program requirement of SWRCB SSMP Element 11.

### **11.1. SWRCB REQUIREMENTS FOR COMMUNICATION PROGRAM ELEMENT**

The District shall communicate on a regular basis with the public on the development, implementation, and performance of its SSMP. The communication system shall provide the public the opportunity to provide input to the District as the program is developed and implemented.

The agency shall also create a plan of communication with systems that are tributary and / or satellite to the District's sanitary sewer system, i.e., CSA79 and Arrowbear Park County Water District.

### **11.2. ELEMENT 11 APPENDIX**

Supporting information for Element 11 is included the following compliance documents:

1. Fats, Oils and Grease Reduction, A Guidebook for Commercial Kitchens (**Appendix G5**)
2. Residential FOG public outreach poster (**Appendix G6**)

### **11.3. COMMUNICATION PROGRAM DISCUSSION**

RSWD's General Manager is the individual who will be responsible for the development of the communication program.

The District recognizes that its ability to be proactive and effective is also dependent upon public outreach. RSWD has identified the key stakeholders who may be interested in the SSMP as in Table 11-1.

The Running Springs Water District's primary customers are the residential and commercial customers that connect to the sewers located within the District's area. In addition, two neighbor agencies, APCWD and CSA79, contribute flow to the Running Springs Water

District sanitary sewer collection system. The primary customers of the neighbor agencies are also the residential and commercial customers that connect to the collector sewers located within the service areas of each of the contributing agencies.

**Table 11-1.** Running Springs Water District SSMP Key Stakeholders.

<b>Stakeholder Group</b>	<b>Potential Issues of Interest</b>
Ratepayers and local neighborhood associations	Proposed rate increase, FOG program, local impacts from capital program
Food Service Establishments	FOG Program
County of San Bernardino / Law Enforcement.	Emergency response plans, SSMP program audits
Engineering consultants	Design standards, capital programs, consulting opportunities
Contractors	Capital programs, proposed contracting of maintenance activities
Governing board	SSMP progress, costs, public impacts, communication program
APCWD and CSA79	Operating parameters, capacity management, I / I reduction programs

### **11.3.1. Communications with Contributing Neighbor Agencies**

The District has developed and implemented a communications program with its contributing agencies (upstream users). The plan has established a collaborative approach to communicate with contributing agencies and work together during the development and implementation of, and future improvements, to the SSMP. Subsequent meetings will be held periodically with representatives who are responsible for development and maintenance of the SSMP at each contributing agency.

### **11.3.2. Communications with and Outreach to Customers and the General Public.**

Running Springs Water District provides public outreach and education to residents and businesses related to sanitary sewer overflows, preventing grease blockages and Best Management Practices for handling of grease waste. Residential education includes targeted



advertisements and public service announcements, distribution of information at community events and water bills inserts. For example, in the past years, after identifying a common cause of facility pump failures in Running Springs was sanitary wipes dumped to the sanitary sewer system by the residents, the District has included knowledge of “preventing clogs in the sewer system” in quarterly newsletters mailed to all residents. The District also periodically mails information flyers to all residential and business property owners and tenants describing the negative impacts of discharging fats, oil and grease into the sanitary sewer system. Additionally, the District inspects food service facilities in the service area periodically for compliance with Best Management Practices and grease removal device maintenance, and distributes educational materials during these inspections.

## **APPENDICES**

## LIST OF APPENDICES

- Appendix A1 California State Water Resources Control Board Order No. 2006-0003-DWQ
- Appendix A2 SSMP Development Plan and Schedule
- Appendix A3 California State Water Resources Control Board Order No WQ 2013-0058-Exec
- Appendix B1 California Regional Water Quality Control Board Santa Ana Region Order No. 87-8 Waste Discharge Requirements for Running Springs Water District San Bernardino County
- Appendix C1 Table of District Sewer Staff/Consultant's Names and Phone Numbers
- Appendix C2 Running Springs Water District Ordinance No. 47, Adopting a Rate Methodology, Terms and Conditions for Transportation, Treatment and Disposal of Wastewater Received from Arrowbear Park County Water District and from San Bernardino County Service Area No. 79
- Appendix D1 Running Springs Water District Ordinance No. 23 Regulating the Use and Construction of Public Sewer Facilities
- Appendix E1 Running Springs Water District Water District Collection System 11" x 17" Map Album
- Appendix E2 Running Springs Water District Lift Station Information
- Appendix E3 Running Springs Water District Sewer System Preventive Operation and Maintenance Program
- Appendix E4 Running Springs Water District Sewer System Rehabilitation and Replacement Program Capital Improvement Plan
- Appendix E5 Running Springs Water District Sewer System Operation and Maintenance Training Program
- Appendix E6 Running Springs Water District Sewer System Contingency Equipment and Replacement Inventory
- Appendix F1 Running Springs Water District Sanitary Sewer Overflow Emergency Response Plan
- Appendix F2 Running Springs Water District Sanitary Sewer Overflow Emergency Response Training

- Appendix F3 Running Springs Water District Reported Sanitary Sewer Overflows Since  
May 2010
- Appendix G1 Running Springs Water District Resolution 14-10 (the FOG Ordinance)
- Appendix G2 List of Food Service Establishments in the RSWD's Service Area
- Appendix G3 Running Springs Water District FOG Control Program
- Appendix G4 Fats, Oils and Grease Reduction A Guidebook for Commercial Kitchens
- Appendix G5 Residential FOG Public Outreach Poster
- Appendix G6 Running Springs Water District Grease Trap Inspection Form
- Appendix G7 Running Springs Water District Grease Trap and Interceptor Maintenance  
Log
- Appendix H1 Running Springs Water District System Evaluation and Capacity Assurance  
Plan
- Appendix H2 Running Springs Water District Standards for Sewer Facilities
- Appendix I1 Running Springs Water District Sanitary System Management Plan Internal  
Audit Finding Form and Guidance

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** Joan Eaton, Board Secretary/Administration Supervisor/Treasurer  
Ryan Gross, General Manager

**SUBJECT:** CONSIDER ACCEPTING PROPOSAL FOR FISCAL YEAR  
2016/17 FINANCIAL AUDIT SERVICES

**RECOMMENDATION**

It is recommended that the Board of Directors consider approving the attached proposal for Fiscal Year 2016/17 financial audit services.

**REASON FOR RECOMMENDATION**

To conduct the District's Fiscal Year 2016/17 financial audit.

**BACKGROUND INFORMATION**

Van Lant & Fankhanel (VLF) has conducted the District's last fiscal year audit. The principals of VLF have also worked on the District's last three fiscal year audits. A copy of VLF's proposal is attached.

**FISCAL INFORMATION**

VLF has proposed a fee of \$22,500 which is the same fee as last year.

**ATTACHMENTS**

Attachment 1 – VLF Proposal

April 28, 2017

Board of Directors and Management  
Running Springs Water District  
31242 Hilltop Blvd.  
Running Springs, California 92382

We are pleased to confirm our understanding of the services we are to provide Running Springs Water District (District) for the year ending June 30, 2017. We will audit the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ending June 30, 2017. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Pension Related Schedules
- 3) Budgetary Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole.

- 1) Combining Statements

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information

- 1) Transmittal Letter and Other Introductory Section Information

## **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of District's financial statements. Our report will be addressed to Management and the Board of Directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We will also provide a report on agreed upon procedures performed on the District's calculation of its annual appropriations limit as required by Article XIII B of the California State Constitution. We will perform the procedures in the Article XIII B Appropriations Limit Uniform Guidelines as published by the League of California Cities. This report will include a statement that the report is intended solely for the information and use of management, District Board and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

## **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our

responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Other Services**

We will also assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

#### **Management Responsibilities**

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during



the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles, as applicable. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Van Lant & Fankhanel, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of California or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Van Lant & Fankhanel, LLP personnel. Furthermore, upon request, we may provide copies of selected audit

documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in July/August of 2017 and to issue our reports no later than November 2017. Brett Van Lant is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$22,500, plus an additional \$2,500 if a single audit is required (same as prior year). These fees are based on the current audit scope, and the assumption the single audit will include no more than one major program. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended through the date of termination.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

**VAN LANT & FANKHANEL LLP**



Brett Van Lant  
Certified Public Accountant

**RESPONSE:**

This letter correctly sets forth the understanding of Running Springs Water District.

Management signature:

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Title:

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Date:

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**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** Joan Eaton, Administration Division Supervisor  
Randy Bobroff, Water Division Supervisor  
Ryan Gross, General Manager

**THROUGH:** Finance Committee

**SUBJECT:** CONSIDER DRAFT FISCAL YEAR 2017/18 WATER AND  
ADMINISTRATION DEPARTMENT BUDGETS

**RECOMMENDED BOARD ACTION**

Consider providing staff any additional direction on the draft fiscal year 2017/18 Water and Administration Department Budgets.

**REASON FOR RECOMMENDATION**

Staff has prepared and the Finance Committee has reviewed the draft budgets.

**BACKGROUND INFORMATION**

On April 25, 2017 the Finance Committee met to review the draft version of the Fiscal Year 2017/18 Water and Administration Budgets.

Staff is providing the attached draft version of these budgets for review by the Board of Directors. The input received from the Finance Committee has been incorporated into the attached updated version of the draft budgets. The Water and Administration Budgets will remain in draft form until all three division budgets are reviewed by the Finance Committee and the full Board of Directors. The final budgets would then be recommended for approval by the full Board in June. The reason for this is that we have not received final budget numbers for certain expenses and as these numbers come in we will be able to refine the draft budgets to reflect more accurate estimates of revenue and expenses.

**ATTACHMENTS**

Attachment 1 – Draft Fiscal Year 2017/2018 Water and Administration Budget



# Administration & Water Division

Fiscal Year 2017/2018

Draft Budget

May 17, 2017

Board of Directors Review

Administration Services Vision: The Running Springs Administration Department will provide exceptional customer service to the community and support services to all District departments in a manner that demonstrates professionalism, utilizing advanced levels of technology.

**Administration Division Core Functions & FY 2017/2018 Goals & Objectives**

Core Functions	Fiscal Year 2017/2018 Goals & Objectives
<b>General Administration</b>	
Administrative Costs (District-Wide) <ul style="list-style-type: none"> <li>• Administrative Support to all Divisions</li> <li>• Professional Services (Engineering &amp; Financial Consultants, Legal Counsel)</li> <li>• Automated Data Processing (Payroll)</li> <li>• Public Notices</li> <li>• Copiers/Phone/Postage/Equipment Lease &amp; Purchase</li> <li>• Insurance/Property Liability/Workers Comp</li> <li>• Computer Technical Support</li> <li>• Office Supplies &amp; Materials/Furniture &amp; Equipment</li> <li>• Printing &amp; Publications</li> <li>• Memberships &amp; Subscription</li> <li>• Office Utilities &amp; Janitorial Service</li> </ul> Legal Compliance Staffing Plans Manage Consultants Project Coordination	<ul style="list-style-type: none"> <li>• Review &amp; Update District Policies</li> <li>• Develop &amp; Maintain Short &amp; Long Range Plans</li> <li>• Obtain Funds to Support Plans</li> <li>• Evaluate Outside Funding &amp; Grant Options</li> </ul>
<b>Board Administration</b>	
<ul style="list-style-type: none"> <li>• Public Records Act Requests</li> <li>• Board Meeting Administration</li> <li>• Form 700 Statements of Economic Interest</li> <li>• Maintain Resolutions, Ordinances &amp; Minutes</li> <li>• Registrar of Voters/Board Election Coordination</li> </ul>	<ul style="list-style-type: none"> <li>• Records Management/Retention Program</li> <li>• Implement &amp; Enforce Board Policy</li> <li>• Recommend New Policies &amp; Procedures</li> <li>• Records Retention Implementation</li> </ul>
<b>Customer Service</b>	
<ul style="list-style-type: none"> <li>• Customer Relations</li> <li>• Customer Correspondence</li> <li>• Customer Payments</li> <li>• Billing</li> <li>• Accounts Payable</li> <li>• Accounts Receivable</li> <li>• Customer Account Analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to Improve Customer Service</li> <li>• Cross Training Staff</li> <li>• Refine &amp; Document all Administration Procedures</li> <li>• Records Retention Implementation</li> </ul>

**Administration Division Core Functions & FY 2017/2018 Goals & Objectives (continued)**

Core Functions	Fiscal Year 2017/2018 Goals & Objectives
<b>Public Outreach &amp; Information</b>	
<ul style="list-style-type: none"> <li>• Provide Public Outreach Support to all Divisions</li> <li>• Design/Distribution of Public Outreach</li> <li>• Materials/District Newsletters</li> <li>• District Representation at Community Events</li> </ul>	<ul style="list-style-type: none"> <li>• Fine Tune District Website</li> <li>• Inform Customers on District Core Functions</li> </ul>
<b>Budget &amp; Finance</b>	
<ul style="list-style-type: none"> <li>• Prepare Annual Budget</li> <li>• Annual Financial Audit</li> <li>• Payroll Processing</li> <li>• Accounts Payable</li> <li>• Accounts Receivable</li> <li>• Investment &amp; Fund Balance Administration</li> <li>• Availability/Standby Charges to Tax Roll</li> <li>• Maintain General Ledger</li> <li>• Billing</li> <li>• Cash Management &amp; Projections</li> <li>• Financial Reporting &amp; Analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Improve Financial Reporting Capabilities</li> <li>• Continue to Explore Investment Options</li> <li>• Refine Budget &amp; Investment Policies</li> <li>• Recommend/Develop Policies &amp; Procedures</li> <li>• Records Retention Implementation</li> <li>• Refine allocation of Administrative Costs</li> </ul>
<b>Personnel &amp; Risk Management</b>	
<ul style="list-style-type: none"> <li>• Human Resources</li> <li>• Succession Planning</li> <li>• Benefits Administration</li> <li>• Medical Reimbursement Administration</li> <li>• Health/Life/Disability Insurance Admin.</li> <li>• Property &amp; Liability Insurance Admin.</li> <li>• Workers Compensation Administration</li> <li>• CalPERS (Pension Administration)</li> <li>• Risk Management &amp; Loss Control</li> <li>• Employee Recruitment &amp; Retention</li> <li>• Employee Development, Orientation &amp; Training</li> <li>• Employee &amp; Labor Relations</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to Administer Employee/Labor Relations &amp; Benefits</li> <li>• Records Retention Implementation</li> </ul>
<b>Information Technology</b>	
<ul style="list-style-type: none"> <li>• Administer Computer Support Services</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to Administer Support Services/Liaison for Computer Technical Issues and Upgrades</li> </ul>

Water Services Vision: The Running Springs Water Division will provide excellent water quality that consistently meets or exceeds regulatory and customer requirements and water quantity that recognizes the limited availability of supply in our area yet satisfies the essential needs of our customers.

**Water Division Core Functions & FY 2017/2018 Goals & Objectives**

Core Functions	Fiscal Year 2017/2018 Goals & Objectives
<b>Operations &amp; Maintenance Administration</b>	
<ul style="list-style-type: none"> <li>• Manage safe &amp; reliable water supplies</li> <li>• Operation &amp; Maintenance (O&amp;M) of over 43 miles of water pipelines</li> <li>• Manage security in the distribution system</li> <li>• Public health protection</li> <li>• Maintain a good relationship with customers &amp; employees</li> <li>• Operate efficiently &amp; meet customer expectations</li> <li>• Technical advice &amp; training of system operators</li> <li>• Day to day management of the system</li> <li>• Reporting to State &amp; Local regulatory agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Improve safety &amp; emergency response programs</li> <li>• Manage backflow prevention &amp; cross connection program for 60 devices</li> <li>• Access source &amp; storage facilities to meet today's standards</li> <li>• Reduce power for pumping costs</li> </ul>
<b>Regulatory Compliance</b>	
<ul style="list-style-type: none"> <li>• Monitor State Health regulatory requirements</li> <li>• Monitor South Coast Air Quality Management District (AQMD) requirements</li> <li>• Monitor Certified Unified Program Agency (CUPA) requirements</li> <li>• Monitor disinfection, treatment, sampling &amp; lab analysis</li> <li>• Update, revise &amp; review safety practices &amp; programs within the District</li> </ul>	<ul style="list-style-type: none"> <li>• Continue monitoring updates &amp; requirements from State &amp; Local regulatory agencies to maintain compliance in the District</li> </ul>
<b>Repair &amp; Maintenance</b>	
<ul style="list-style-type: none"> <li>• Preventative maintenance of water system</li> <li>• Annual valve maintenance</li> <li>• Leak detection program &amp; repairs</li> <li>• Service orders, closing reads, collections, repairs &amp; investigating customer complaints</li> <li>• Annual dead end main flushing program</li> <li>• Conduct weekly distribution sampling</li> </ul>	<ul style="list-style-type: none"> <li>• Review emergency response program</li> <li>• Replace old steel mains</li> <li>• Underground Service Alert (USA)</li> <li>• Complete Automatic Meter Reading (AMR) project</li> </ul>

**Water Division Core Functions & FY 2017/2018 Goals & Objectives (continued)**

Core Functions	Fiscal Year 2017/2018 Goals & Objectives
<b>Groundwater Wells</b>	
<ul style="list-style-type: none"> <li>• O&amp;M of 11 vertical &amp; 16 horizontal groundwater wells</li> <li>• O&amp;M of 5 remote treatment plants</li> <li>• Monitor well head protection</li> <li>• Monitor source water protection plan</li> <li>• Conduct weekly sampling of sources</li> </ul>	<ul style="list-style-type: none"> <li>• Continue researching sources for future water well development</li> </ul>
<b>Pump Stations &amp; Storage Tanks</b>	
<ul style="list-style-type: none"> <li>• O&amp;M of 8 booster pump stations</li> <li>• O&amp;M of 11 water storage tanks</li> <li>• O&amp;M of 5 fore bays &amp; 2 hydro-pneumatic systems</li> <li>• O&amp;M of 3 standby generators</li> </ul>	<ul style="list-style-type: none"> <li>• Annual inspection &amp; cleaning of a minimum of two water storage tanks</li> <li>• Improve security, safety &amp; access to storage tanks</li> <li>• Installation of fire flow valve in Rimwood</li> </ul>
<b>SCADA System</b>	
<ul style="list-style-type: none"> <li>• O&amp;M of Supervisory Control &amp; Data Acquisition (SCADA) system for remote management of storage tanks &amp; pump stations</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade system to include remote controlled fire flow valves at Rimwood Booster Station, Enchanted Forest Tank &amp; Booster station #9</li> </ul>
<b>Vehicle Maintenance</b>	
<ul style="list-style-type: none"> <li>• Maintain safe operating vehicles for all weather conditions</li> <li>• O&amp;M of snow cat &amp; backhoe</li> <li>• O&amp;M of main office generator &amp; portable emergency generator</li> </ul>	<ul style="list-style-type: none"> <li>• Continue current maintenance schedule</li> </ul>
<b>Safety, Training &amp; Certifications</b>	
<ul style="list-style-type: none"> <li>• Maintain required certifications</li> <li>• Emergency operations training</li> <li>• Safety training</li> </ul>	<ul style="list-style-type: none"> <li>• Provide opportunities for training &amp; classes to maintain District approved certifications</li> <li>• Provide monthly, bi-annual &amp; annual training for emergency response &amp; preventative maintenance</li> <li>• Provide safety training at least weekly to minimize injuries &amp; to ensure a safe work environment</li> <li>• Work closely with District Compliance Safety Officer to improve Safety Program</li> </ul>



Running Springs Water District  
Water Fund Projection  
4/25/2017

Revenue Increase %	6.0%	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense Increase %	-1.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

Description	3/31/2017 YTD	2018	2019	2020	2021	2022	2023	2024	2025
Monthly Service Charges	791,070	1,105,050	1,160,303	1,160,303	1,160,303	1,160,303	1,160,303	1,160,303	1,160,303
Usage	550,781	752,748	790,385	790,385	790,385	790,385	790,385	790,385	790,385
IR&R	49,781	66,326	66,326	66,326	66,326	66,326	66,326	66,326	66,326
Other Revenue	111,895	151,832	151,832	151,832	151,832	151,832	151,832	151,832	151,832
Revenue	1,503,527	2,075,956	2,168,846	2,168,846	2,168,846	2,168,846	2,168,846	2,168,846	2,168,846
Expense	(1,412,581)	(1,575,757)	(1,638,787)	(1,704,338)	(1,772,512)	(1,843,412)	(1,917,149)	(1,993,835)	(2,073,588)
Depreciation	(157,029)	(240,456)	(302,212)	(310,971)	(320,080)	(329,554)	(339,407)	(349,654)	(360,311)
<b>Change in Net Assets</b>	<b>(66,083)</b>	<b>259,743</b>	<b>227,847</b>	<b>153,537</b>	<b>76,254</b>	<b>(4,121)</b>	<b>(87,710)</b>	<b>(174,643)</b>	<b>(265,053)</b>
<b>Beginning Cash</b>		464,968	864,849	1,276,072	1,535,810	1,650,158	1,666,318	1,738,381	1,731,321
Depreciation - Non Cash		240,456	302,212	310,971	320,080	329,554	339,407	349,654	360,311
Capital Expenditure		(50,000)	(50,000)	(132,000)	(207,000)	(232,000)	(100,000)	(100,000)	(100,000)
Capital Expenditure - AMR		(800,000)							
Proceeds from capital debt - AMR Loan		800,000							
Principal paid on capital debt		(50,318)	(68,836)	(72,769)	(74,986)	(77,273)	(79,634)	(82,071)	(18,690)
<b>Ending Cash</b>		464,968	864,849	1,276,072	1,535,810	1,650,158	1,666,318	1,738,381	1,707,888
Water Capital Improvement Project Reserve	145,891	195,891	277,891	352,891	377,891	245,891	245,891	245,891	145,891
Water System Connection & Capacity Charges	5,382	5,382	5,382	5,382	5,382	5,382	5,382	5,382	5,382
Water IR&R Reserve (MFC & CWSRF Debt Reserve)	65,341	65,341	89,341	89,341	89,341	89,341	89,341	89,341	89,341
Water Operating Reserve	248,354	598,235	903,458	1,088,196	1,177,545	1,325,705	1,397,767	1,390,707	1,467,274
<b>Total Reserve Funds</b>	<b>464,968</b>	<b>864,849</b>	<b>1,276,072</b>	<b>1,535,810</b>	<b>1,650,158</b>	<b>1,666,318</b>	<b>1,738,381</b>	<b>1,731,321</b>	<b>1,707,888</b>
<b>Operating Reserve:</b>									
Water Operating Reserve	248,354	598,235	903,458	1,088,196	1,177,545	1,325,705	1,397,767	1,390,707	1,467,274
<b>Recommended Operating Reserve Fund Target (4 Months Operating Expenses)</b>	<b>530,659</b>	<b>525,252</b>	<b>546,262</b>	<b>568,113</b>	<b>590,837</b>	<b>614,471</b>	<b>639,050</b>	<b>664,612</b>	<b>691,196</b>
Operating Reserve Surplus / (Shortfall)	(282,305)	72,983	357,196	520,083	586,708	711,234	758,717	726,095	776,078

Administration & Water Division Fiscal Year Budget Analysis

Description	FY 2013/2014 Actual	FY 2014/2015 Actual	FY 2015/2016 Actual	FYTD 2016/2017 Actual	FY 2016/2017 Budget	Budget Variance	%	PROPOSED FY 2017/2018 Budget
<b>Water Division Revenue</b>								<b>6%</b>
Monthly Fixed Water Service Charges	874,317	958,401	1,005,844	878,209	1,040,337	(162,128)	-15.6%	1,105,050
Metered Water Sales	675,621	673,242	627,198	595,909	698,640	(102,731)	-14.7%	752,748
Meter Turn-on & Shut-off Charges	13,700	13,510	10,510	8,710	17,000	(8,290)	-48.8%	17,000
Delinquent Charges & Service Fees	40,582	45,085	40,587	31,399	40,000	(8,601)	-21.5%	40,000
Water Service Standby/Availability Charges	53,453	47,846	44,467	38,968	44,000	(5,032)	-11.4%	46,150
Connection & Capacity Charges	633	13,017	5,382	10,565	10,764	(199)	-1.9%	10,764
Interest Income	1,483	1,107	1,631	2,568	1,700	868	51.1%	2,000
DWR Loan Repayment Charge	1,950	2,613	0	0	0	0		0
Infrastructure R&R Charges	0	68,999	67,547	55,379	69,000	(13,621)		66,326
Leasing Revenue	9,275	10,246	10,432	8,852	10,636	(1,784)	-16.8%	10,918
Miscellaneous Income	11,684	26,051	41,299	15,661	22,000	(6,339)	-28.8%	25,000
<b>Total Water Division Revenue</b>	<b>1,682,697</b>	<b>1,860,117</b>	<b>1,854,896</b>	<b>1,646,221</b>	<b>1,954,077</b>	<b>(307,857)</b>	<b>-15.8%</b>	<b>2,075,956</b>
<b>Water Division Expenses</b>								
Administrative Salaries	304,604	318,016	0	0	0	0		
Operating Salaries	362,044	384,029	450,841	631,658	429,887	201,772	46.9%	466,016
Office Salaries	0	0	275,312	0	312,460	(312,460)		328,118
Medicare Tax (FICA)	10,881	11,011	10,053	10,228	10,866	(638)	-5.9%	11,515
Workers Comp Insurance	18,451	18,519	13,608	13,513	13,000	513	3.9%	13,186
Group Insurance	59,929	78,638	92,356	80,224	87,691	(7,466)	-8.5%	95,181
CalPERS Retirement	146,297	203,541	209,219	224,471	235,159	(10,688)	-4.5%	233,716
Uniform Allowance	2,497	1,391	1,353	1,169	1,725	(556)	-32.2%	1,850
Unemployment Benefit Payments	1,140	0	0	0				
Community Relations	1,013	529	1,626	688	1,350	(662)	-49.0%	2,450
Deposits Over & Short	(35)	(75)	10	(2)	0	(2)		0
Depreciation Expense	243,698	225,356	230,706	174,271	206,456	(32,186)	-15.6%	240,456
Director's Compensation	2,469	916	2,343	1,645	2,850	(1,205)	-42.3%	8,550
Education & Seminars	1,914	2,602	2,176	1,940	3,500	(1,560)	-44.6%	3,000
Copier Lease Purchase Payments	379	0	0	0	0	0		0
Fuel & Oil	9,348	6,996	8,136	4,083	9,270	(5,187)	-55.9%	9,270
Liability Insurance	20,504	21,293	18,691	19,501	24,000	(4,499)	-18.7%	20,621
Memberships & Subscriptions	6,767	3,787	5,164	3,850	6,026	(2,176)	-36.1%	6,860
Miscellaneous Supplies, Tools & Expenses	10,059	3,176	3,944	3,008	5,586	(2,578)	-46.2%	5,586
Fees & Permits	16,280	13,379	12,866	19,323	22,313	(2,990)	-13.4%	23,526
Professional Services	107,434	90,299	86,550	85,334	107,276	(21,942)	-20.5%	69,150
Repair/Maintenance (Fuel Storage Tanks)	144	1,803	672	329	700	(371)	-53.0%	700
Repair/Maintenance (Office Equipment)	10,710	10,433	11,052	7,979	12,710	(4,731)	-37.2%	17,445
Repair/Maintenance (Source of Supply)	17,922	27,866	12,808	6,023	21,046	(15,023)	-71.4%	21,446
Safety Equipment & Clothing	0	51	0	140	0	140		0
Office Supplies & Expenses	49,554	46,221	51,104	39,833	56,366	(16,533)	-29.3%	38,935
Uncollectible Accounts	176	939	(28)	2,025	0	2,025		0
Utilities (Telephone, Heat & Lights)	17,048	14,993	14,074	10,889	18,052	(7,163)	-39.7%	14,052
Utilities (Electricity)	57,081	46,348	48,101	43,903	74,100	(30,197)	-40.8%	72,450
Vehicle & Equipment Repair & Maintenance	6,969	1,605	5,611	8,020	6,200	1,820	29.4%	6,600
Purchased Water	275,245	283,543	218,965	163,131	149,880	13,251	8.8%	202,780
Water Quality Testing	22,907	20,265	22,562	22,641	33,214	(10,573)	-31.8%	36,531
Loss on Assets - Water	43,133	466	0	0	0	0		0
Cost of Assessing Availability Charges	92	0	0	0	0	0		0
Interest Expense	35,651	5,573	17,470	16,691	16,691	0		15,023
Interdepartmental Reimbursement	(67,708)	(67,880)	(69,754)	(57,786)	(69,939)	12,153	-17.4%	(148,799)
<b>Total Water Division Expenses</b>	<b>1,794,598</b>	<b>1,775,630</b>	<b>1,757,591</b>	<b>1,538,723</b>	<b>1,798,434</b>	<b>(259,711)</b>	<b>-14.4%</b>	<b>1,816,213</b>
<b>Total Water Division Net Income (Loss)</b>	<b>(111,900)</b>	<b>84,487</b>	<b>97,305</b>	<b>107,498</b>	<b>155,644</b>	<b>(48,145)</b>	<b>-30.9%</b>	<b>259,743</b>

**RUNNING SPRINGS WATER DISTRICT WATER DEPARTMENT FISCAL YEAR 2017/2018 BUDGET**

**REVENUE AND EXPENSE SUMMARY**

	<b>Budgeted 2017-2018</b>		<b>Budgeted 2016-2017</b>	<b>% Change</b>
<b>OPERATING REVENUES:</b>				
Monthly Fixed Water Service Charges	\$1,105,050		\$1,040,337	6%
Metered Water Sales (16.84 MCF x \$.0447)	\$752,748		\$698,640	8%
Meter Turn-on & Shut-off Charges	\$17,000		\$17,000	
Delinquent Charges & Service Fees	\$40,000		\$40,000	
<b>Total Operating Revenue:</b>	<b>\$1,914,798</b>		<b>\$1,795,977</b>	<b>7%</b>
<b>OPERATING EXPENSES:</b>				
Wages & Benefits	\$1,149,582		\$1,069,771	
Operations & Maintenance	\$559,952		\$575,455	
Administrative Expense Reimbursements (4% of WW & FD Operating Expenses)	(\$148,799)		(\$69,939)	
Capital Replacement (Refer to Page 29 & FY 17/18 Depreciation Schedule)	\$240,456		\$206,456	
<b>Total Operating Expenses:</b>	<b>\$1,801,191</b>		<b>\$1,781,743</b>	<b>1%</b>
<b>NET OPERATING INCOME:</b>	<b>\$113,607</b>		<b>\$14,234</b>	
<b>NON-OPERATING REVENUE:</b>				
Water Service Standby/Availability Charges	\$46,150		\$44,000	
Connection & Capacity Charges	\$10,764		\$10,764	
Interest Income	\$2,000		\$1,700	
Miscellaneous Income	\$25,000		\$22,000	
San Bernardino County Library Leasing Revenue	\$10,918		\$10,636	
Infrastructure Repair & Replacement Charges (\$1.88/Month/Customer)	\$66,326		\$69,000	
<b>Total Non-Operating Revenue:</b>	<b>\$161,158</b>		<b>\$158,100</b>	<b>2%</b>
<b>NON-OPERATING EXPENSES:</b>				
Interest Expense on Long Term Debt (Groundwater Well Loan)	\$15,023		\$16,691	
<b>Total Non-Operating Expenses:</b>	<b>\$15,023</b>		<b>\$16,691</b>	
<b>CHANGE IN NET POSITION (NET INCOME):</b>	<b>\$259,743</b>		<b>\$155,643</b>	
<b>TOTAL WATER REVENUES:</b>				
	\$2,075,956		\$1,954,077	6%
<b>TOTAL WATER EXPENSES:</b>				
	\$1,816,213		\$1,798,434	1%
<b>NET INCOME:</b>	<b>\$259,743</b>		<b>\$155,643</b>	
<b>CASH CONSIDERATIONS:</b>				
Net Income	\$259,743		\$155,643	
Depreciation	\$240,456		\$206,456	
Groundwater Well Loan Principal Payment to Municipal Finance Corporation	(\$50,318)		(\$48,650)	
Capital Projects & Fixed Assets	(\$20,500)		(\$175,500)	
<b>CHANGE IN CASH BALANCE:</b>	<b>\$429,381</b>		<b>\$137,950</b>	

**RUNNING SPRINGS WATER DISTRICT WATER DEPARTMENT FISCAL YEAR 2017/2018 BUDGET**

**OPERATION AND MAINTENANCE ACCOUNTS**

**WAGES & BENEFITS**

<b>ACCOUNT NUMBER</b>	<b>DESCRIPTION</b>	<b>REQUESTED THIS YEAR</b>	<b>APPROVED LAST YEAR</b>	<b>% CHANGE</b>	<b>DETAIL PAGE #</b>
200-50100	Salaries & Wages (Water)	\$466,016	\$429,887	8%	4
200-50100	Salaries & Wages (Admin)	\$328,118	\$312,460	5%	5
200-50120	Medicare Tax (FICA)	\$11,515	\$10,866	6%	6
200-50130	Workers Comp Insurance	\$13,186	\$13,000	1%	7
200-50140	Group Insurance	\$95,181	\$87,691	9%	8
200-50150	CalPERS Retirement	\$233,716	\$235,159	-1%	9
200-50160	Uniforms	\$1,850	\$1,725	7%	10
<b>WAGES &amp; BENEFITS SUB-TOTAL:</b>		<b>\$1,149,582</b>	<b>\$1,090,786</b>	<b>5%</b>	

**SERVICES & SUPPLIES ACCOUNTS**

<b>ACCOUNT NUMBER</b>	<b>DESCRIPTION</b>	<b>REQUESTED THIS YEAR</b>	<b>APPROVED LAST YEAR</b>	<b>% CHANGE</b>	<b>DETAIL PAGE #</b>
200-52300	Community Relations	\$2,450	\$2,550	-4%	11
200-53120	Director's Compensation	\$8,550	\$8,550	0%	12
200-53200	Education & Seminars	\$3,000	\$3,500	-14%	13
200-54100	Fuel & Oil	\$9,270	\$9,270	0%	14
200-54300	Property/Liability Insurance	\$20,621	\$24,000	-14%	15
200-56100	Memberships & Subscriptions	\$6,860	\$6,026	14%	16
200-56150	Miscellaneous Supplies, Tools & Expenses	\$5,586	\$5,586	0%	17
200-57100	Fees & Permits	\$23,526	\$22,313	5%	18
200-57141	Professional Services	\$69,150	\$100,376	-31%	19
200-57312	Repair/Maintenance (Fuel Storage Tanks)	\$700	\$700	0%	20
200-57313	Repair & Maintenance (Main Office)	\$17,445	\$12,710	37%	21
200-57314	Repair & Maintenance (Water System)	\$21,446	\$21,046	2%	22
200-57440	Office Supplies & Expenses	\$38,935	\$56,366	-31%	23
200-58250	Utilities (Telephone, Heat & Lights)	\$14,052	\$18,052	-22%	24
200-58253	Utilities (Electricity)	\$72,450	\$74,100	-2%	25
200-58300	Vehicle & Equipment Repair & Maintenance	\$6,600	\$6,200	6%	26
200-59100	Purchased Water	\$202,780	\$149,880	35%	27
200-59200	Water Quality Testing	\$36,531	\$33,214	10%	28
<b>SERVICES &amp; SUPPLIES SUB-TOTAL:</b>		<b>\$559,952</b>	<b>\$554,439</b>	<b>1%</b>	
<b>TOTAL OPERATING EXPENSES:</b>		<b>\$1,709,534</b>	<b>\$1,645,226</b>	<b>4%</b>	

**RUNNING SPRINGS WATER DISTRICT WATER & ADMIN DEPARTMENT FISCAL YEAR 2016/2017 BUDGET**

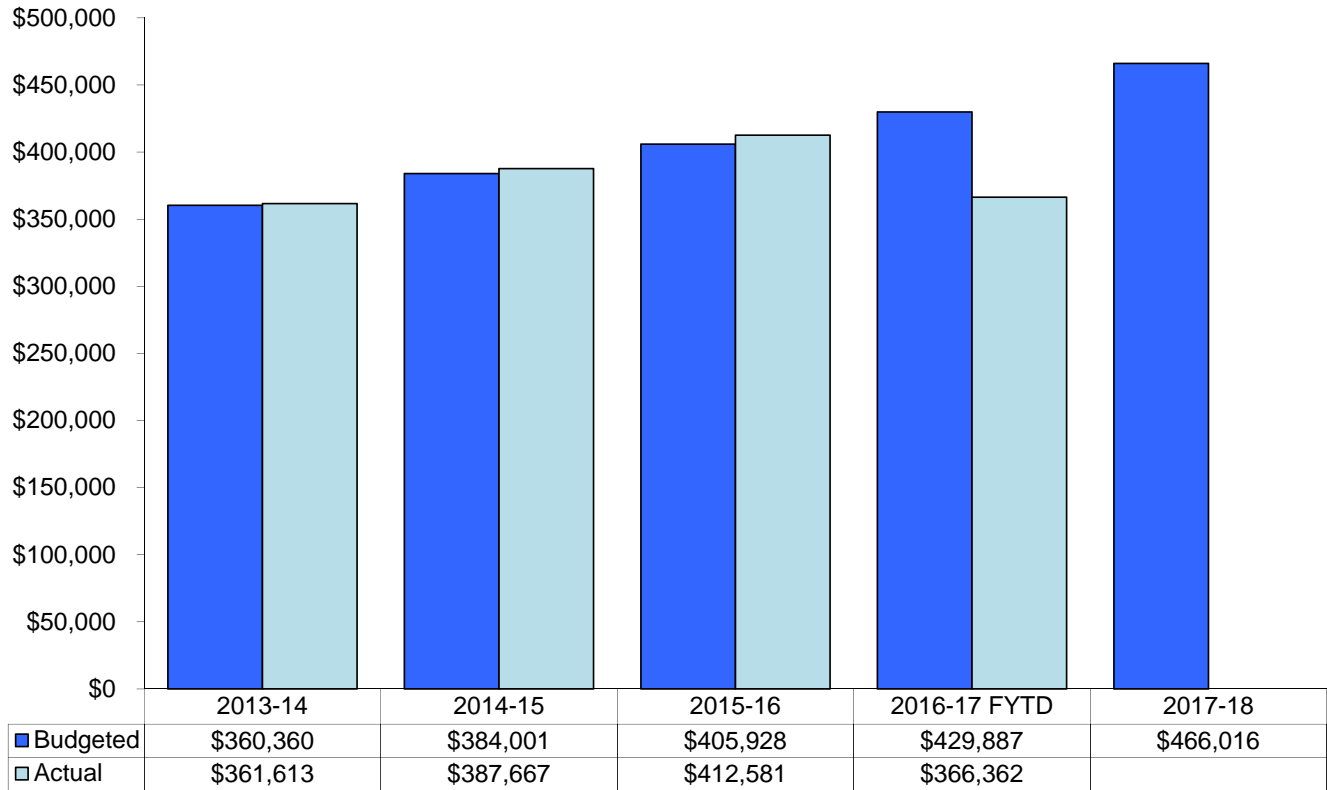
**CAPITAL IMPROVEMENT ACCOUNTS**

<b>ACCOUNT NUMBER</b>	<b>DESCRIPTION</b>	<b>REQUESTED THIS YEAR</b>	<b>PRIOR YEAR BUDGETED</b>	<b>BUDGETED % CHANGE</b>	<b>DETAIL PAGE #</b>
200-13000	Water Department Inventory	\$7,500	\$7,500	0%	29
200-16400	Pumping Equipment	\$10,000	\$10,000	0%	29
200-16200	Water Main Improvements	\$0	\$0		29
200-16400	Office Furniture & Equipment	\$3,000	\$3,000	0%	29
200-16400	Special Purpose Equipment	\$0	\$175,000	-100%	29
<b>TOTAL CAPITAL IMPROVEMENTS:</b>		\$20,500	\$195,500		

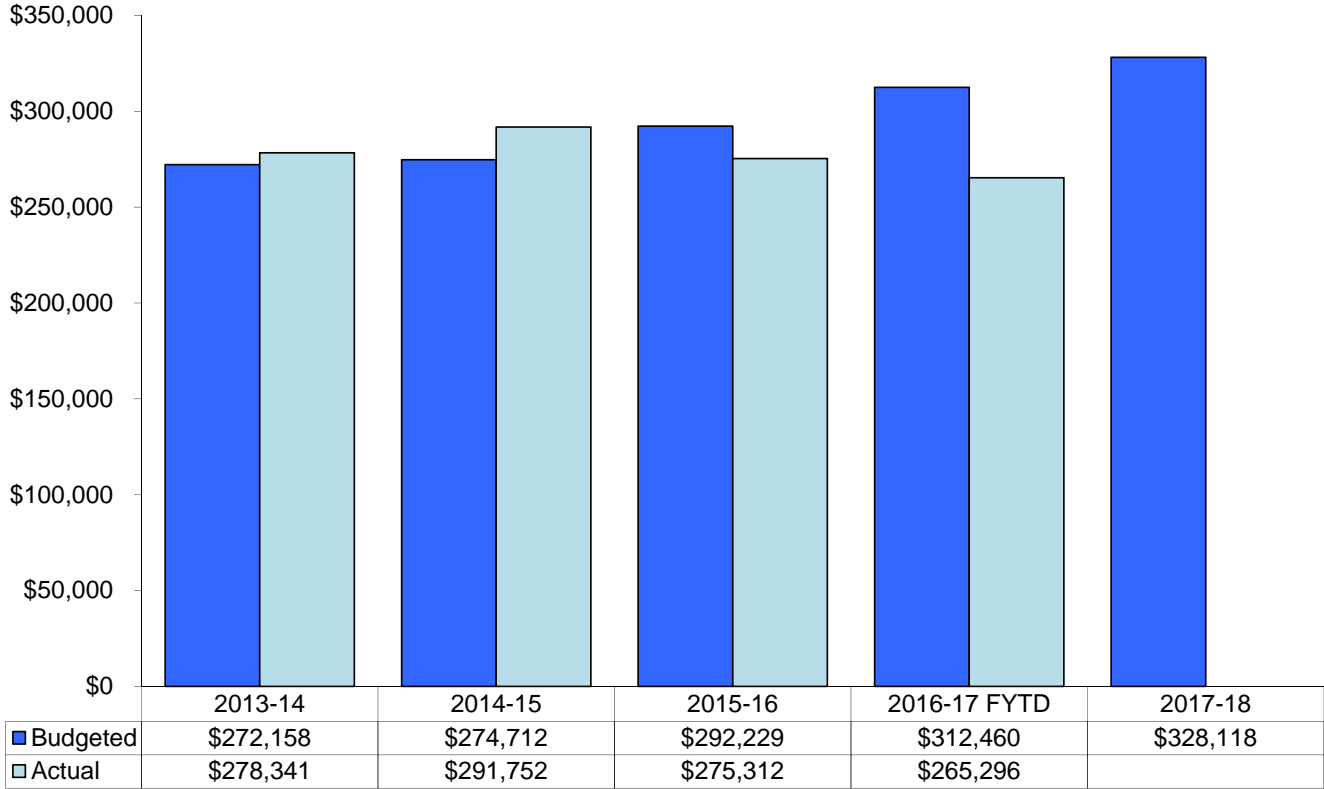
**RESTRICTED, DESIGNATED & RESERVE FUNDS**

<b>ACCOUNT NUMBER</b>	<b>DESCRIPTION</b>		<b>12/31/16 FUND BALANCE</b>
	Water Operating Reserve Target =	\$520,245	\$303,928
	Water Capital Improvement Reserve Fund		\$143,181
609-27100	Assessment District No. 9 Construction Funds	Restricted	\$40,076
610-27100	Assessment District No. 10 Construction Funds	Restricted	\$26,421
610-27100	Assessment District No. 10 O&M Funds	Restricted	\$167,269
220-72100	Water Facility Capacity Fees & Charges	Restricted	\$5,382
200-75600	Water Infrastructure R&R Reserve	AA Debt Reserve	\$65,341
<b>TOTAL DESIGNATED RESERVE FUND BALANCE:</b>			\$751,598

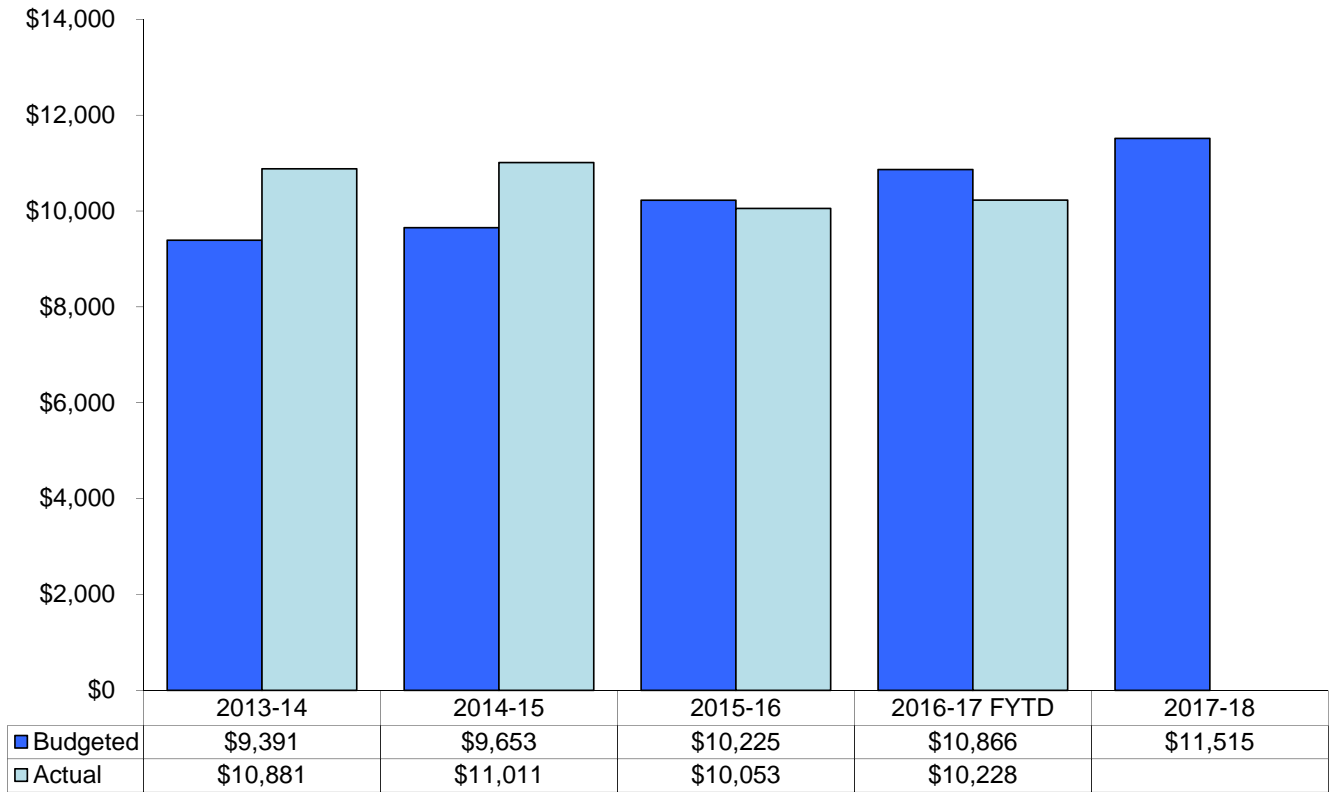
ACCOUNT NUMBER 200-50100	DESCRIPTION Salaries & Wages (Water)	BUDGET REQUEST \$466,016
<b>SUMMARY OF REQUEST</b>		
Division Supervisor, Four Operators* & 3/16 (18.75%) of General Manager Salary (base salary + certification incentives)		\$427,405
On-Call Time (292 Days X 1Hr. Ea. Night X Avg. OT Rate)	Average OT Rate	\$13,873
Holiday Coverage (13 Days X 3 Hrs. X Avg. OT Rate)	\$47.51	\$1,853
Weekend Coverage (83 Days X 3 Hrs. X Avg. OT Rate)		\$11,830
After Hours and Emergency Call-Outs (100Hrs. X Avg. OT Rate)		\$4,751
Accrued Time Off Buy Back & Telecom Pay		\$6,305
Certification Incentive Pay = \$0.50 per hour for each approved certificate		
Wages include 3.9% Cost of Living Adjustment (2% to offset elimination of EPMC plus 1.9% CPI-W)		
Performance based merit increases where appropriate		
*Does Not Include Estimated Wages (\$7,000) Paid by Fire and Wastewater Departments.		
	Total:	\$466,016



ACCOUNT NUMBER 200-50100	DESCRIPTION Salaries & Wages (Admin)	BUDGET REQUEST \$328,118
<b>SUMMARY OF REQUEST</b>		
Administration Supervisor/Board Secretary/Treasurer, Three Administration Staff & 3/16 (18.75%) of General Manager Salary		\$327,118
Overtime (Administration Staff)		\$1,000
Wages include 3.9% Cost of Living Adjustment (2% to offset elimination of EPMC plus 1.9% CPI-W)		
Performance based merit increases where appropriate	Total:	\$328,118

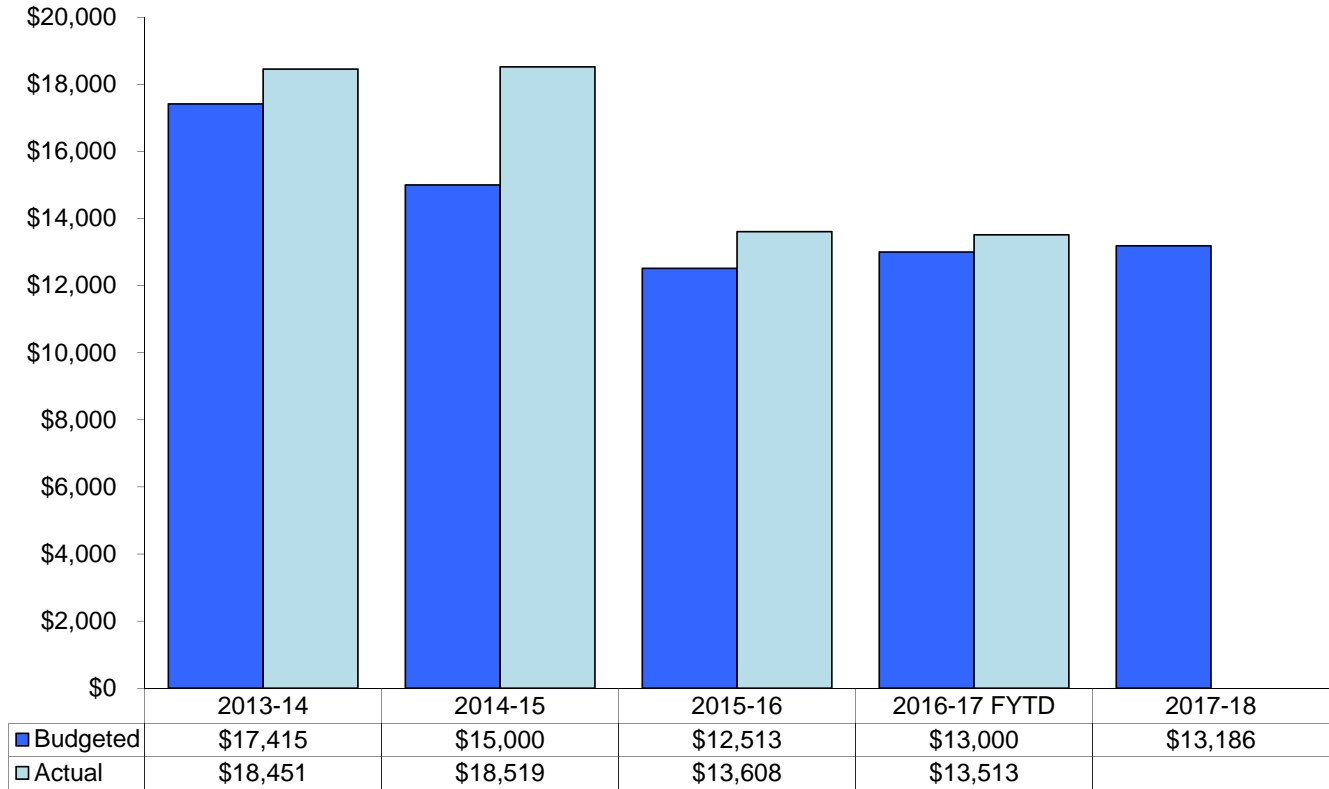


ACCOUNT NUMBER 200-50120	DESCRIPTION Medicare Tax (FICA)	BUDGET REQUEST \$11,515
<b>SUMMARY OF REQUEST</b>		
Federal Requirement for Employees Hired After April 1986 (FICA). FICA Rate is 1.45% of Payroll (Includes Base Pay and All Overtime) 1.45% x \$794,134		\$11,515





ACCOUNT NUMBER 200-50130	DESCRIPTION Workers Comp Insurance	BUDGET REQUEST \$13,186
<b>SUMMARY OF REQUEST</b>		
SDRMA Estimated Premiums for Workers Compensation Insurance		\$13,186



ACCOUNT NUMBER 200-50140	DESCRIPTION Group Insurance	BUDGET REQUEST \$95,181
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**SUMMARY OF REQUEST**

Medical, Dental and Vision <sup>1</sup>	Compensation for Calculating LTD	\$87,000
Long Term Disability <sup>2</sup> (0.62%)	\$754,523	\$4,678
Accidental Death and Dismemberment <sup>3</sup> (0.048%)	Compensation for Calculating ADD & Life	\$667
Life Insurance <sup>4</sup> (0.204%)	\$1,390,000	\$2,836
	Total	\$95,181

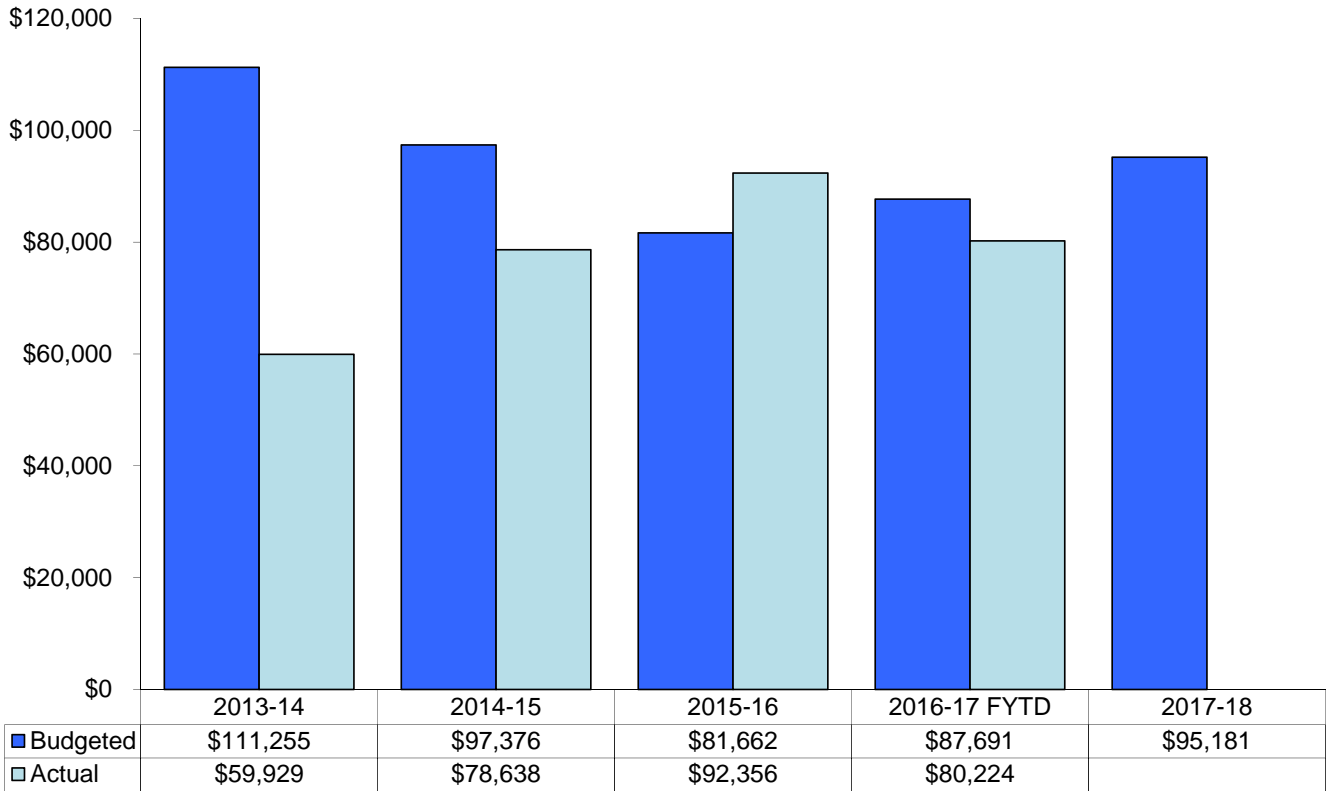
<sup>1</sup> Maximum Monthly Cap on Medical, Dental and Vision Premiums (5.43% increase) = \$9,937 x 12 = \$119,244.  
 Budgeted amount based on past 3 years actual and a 5.43% increase in the cap which is half of the 10.86% CalPERS Medical Premium increase.  
 Deviation in budget to actual due to unused Medical Reimbursement Plan balances.

<sup>2</sup> 0.62% of annual base salaries plus certification incentive pay.

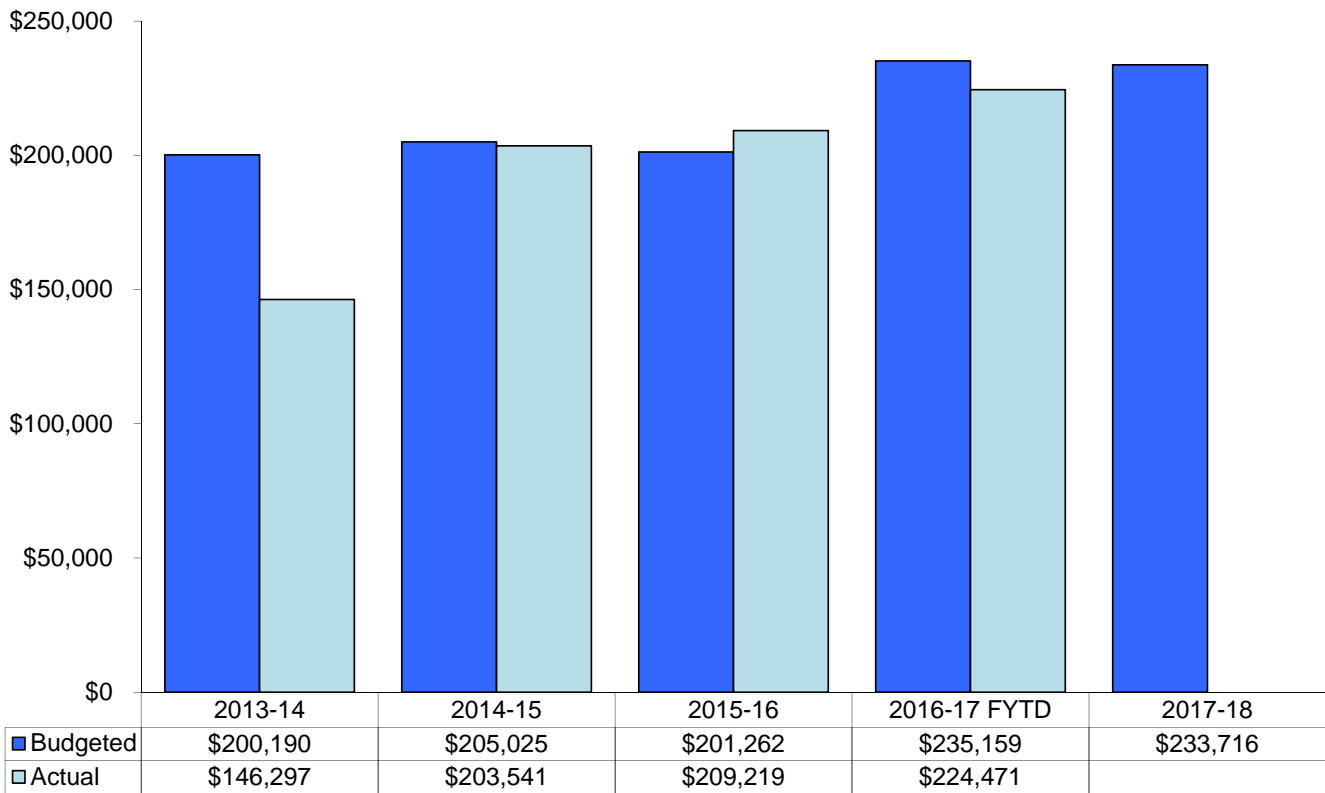
<sup>3</sup> 0.048% of annual base salaries plus certification incentive pay x 2 + \$25,000, rounded to the nearest thousand up to a max of \$175,000 per employee.

<sup>4</sup> 0.204% of annual base salaries plus certification incentive pay x 2 + \$25,000, rounded to the nearest thousand up to a max of \$175,000 per employee.

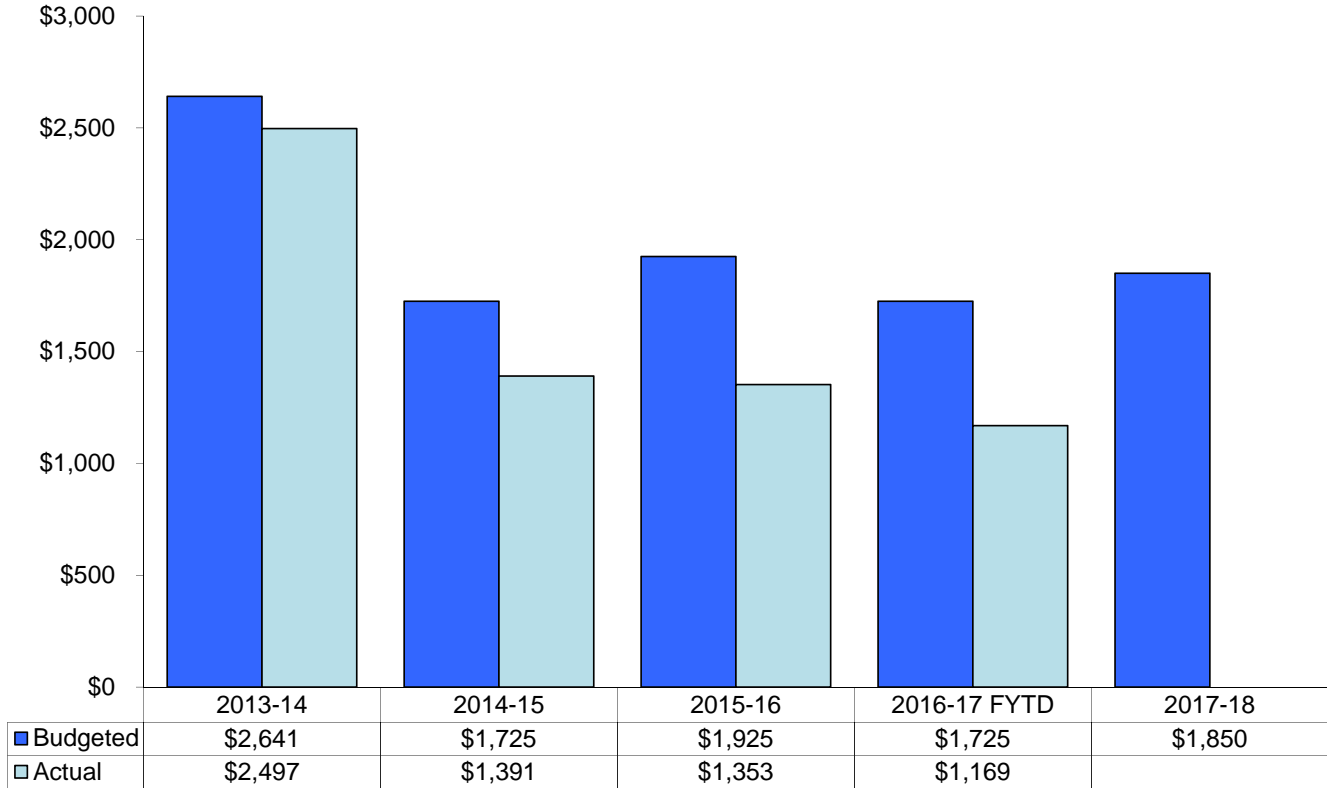
Difference between budgeted and actual in prior years due to unused Medical Reimbursement funds and transfer of employee.



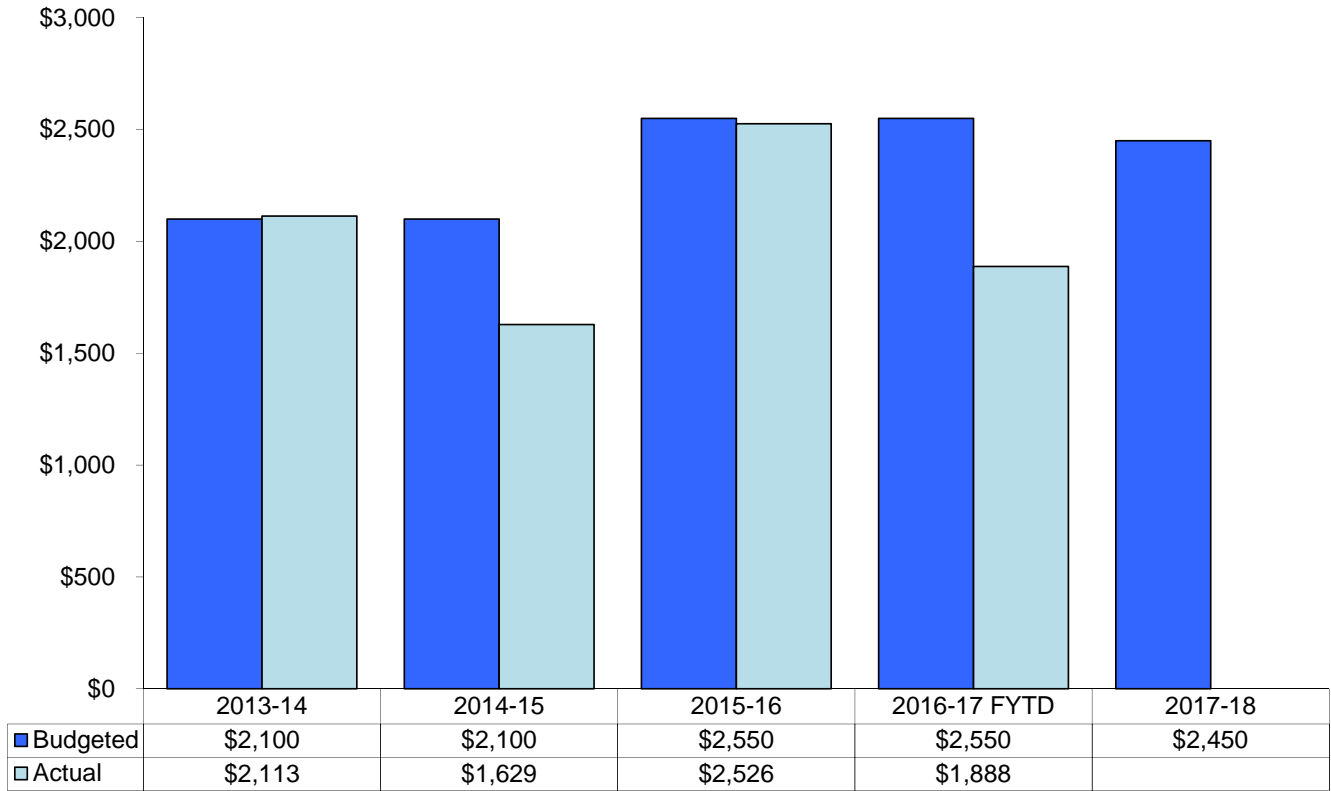
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-50150	CalPERS Retirement	\$233,716
<b>SUMMARY OF REQUEST</b>		
Classic Miscellaneous Members <sup>1</sup>	Compensation for Calculating Benefit	
District's Contribution Percentage (11.675% of Salary)	\$664,669	\$77,600
District's Monthly Employer Unfunded Accrued Liability Payment (12 x \$10,599)		\$127,188
Reduced Employer Paid Member Contribution (EPMC) (2% of Salary)		\$13,293
Paying and Reporting the Value of EPMC (0.04% of Salary)		\$266
Survivor Benefit (\$0.93 per employee per pay period)		\$177
New Miscellaneous Members District's PEPRAs Contribution Percentage (6.533% of Salary)		\$5,991
Employee Replacement Benefit Fund		\$9,200
	Total	\$233,716
<sup>1</sup> Includes: 3/8 General Manager's Salary Base, Certification and Holiday Portions of Water Division Supervisor and 4 Operator's Wages Base and Certification Portions of Administration Supervisor and 2 office staff's Wages Deviation from Budget to Actual due to Side Fund Interest Expense Reclassification.		



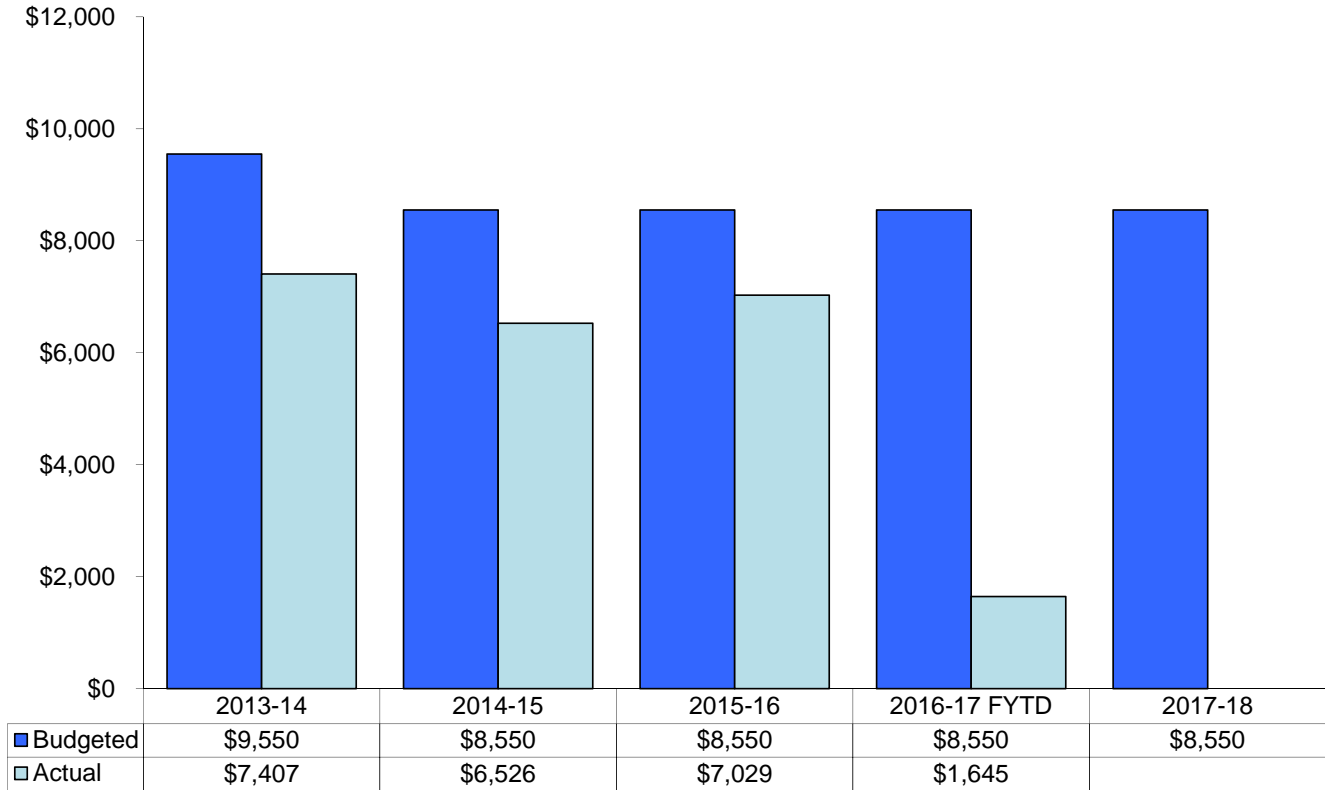
ACCOUNT NUMBER 200-50160	DESCRIPTION Uniforms	BUDGET REQUEST \$1,850
<b>SUMMARY OF REQUEST</b>		
Uniform Allowance (5 employees x \$250 annually)		\$1,250
District Shirts (5 T-shirts per employee x \$20/shirt x 5 employees)		\$500
District Hats (5 baseball caps w/ RSWD logo x \$20/cap)		\$100
	Total:	\$1,850



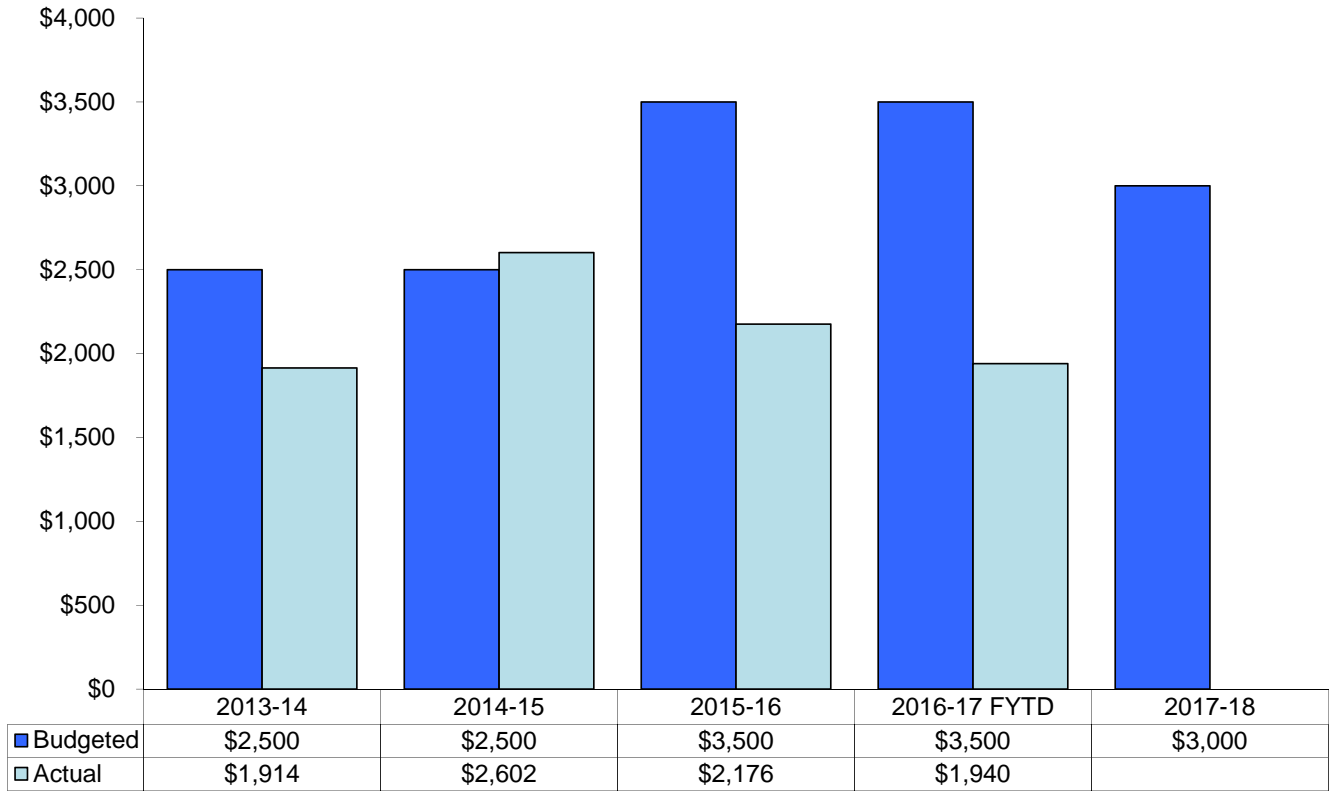
ACCOUNT NUMBER 200-52300	DESCRIPTION Community Relations	BUDGET REQUEST \$2,450
<b>SUMMARY OF REQUEST</b>		
Water Conservation Handout Materials & Other Public Outreach Related Expenses		\$500
Employee Recognition		\$1,950
	Total:	\$2,450



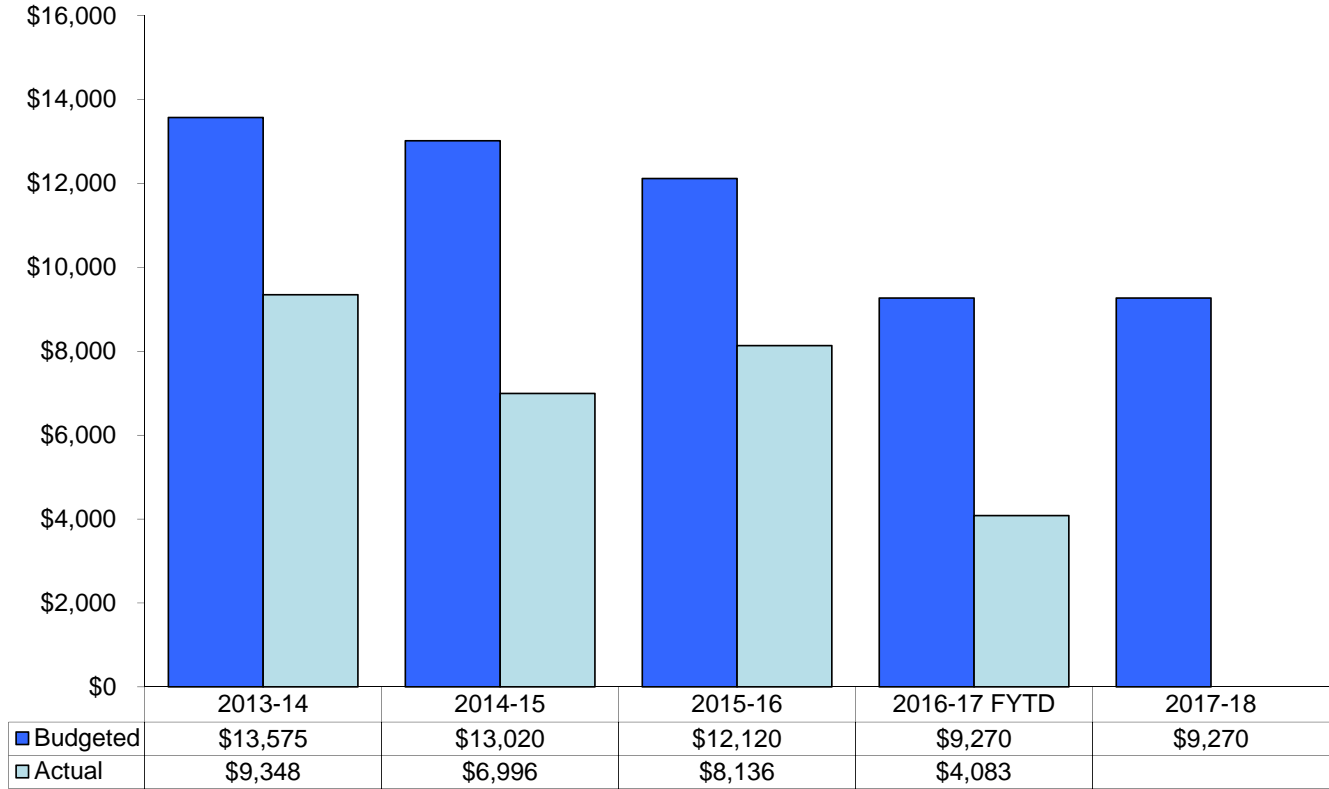
ACCOUNT NUMBER 200-53120	DESCRIPTION Director's Compensation	BUDGET REQUEST \$8,550
<b>SUMMARY OF REQUEST</b>		
Fourteen (14) Board Meetings annually x 5 Directors x \$100 each		\$7,000
Eleven (11) Special District meetings x 1 Director x \$50		\$550
Five (5) Committee meetings x 2 Directors x \$100		\$1,000
	Total	\$8,550



ACCOUNT NUMBER 200-53200	DESCRIPTION Education & Seminars	BUDGET REQUEST \$3,000
<b>SUMMARY OF REQUEST</b>		
Travel, lodging, meals, parking and registration expenses for various conferences and training		\$2,000
Education Expense Reimbursement		\$1,000
	Total	\$3,000

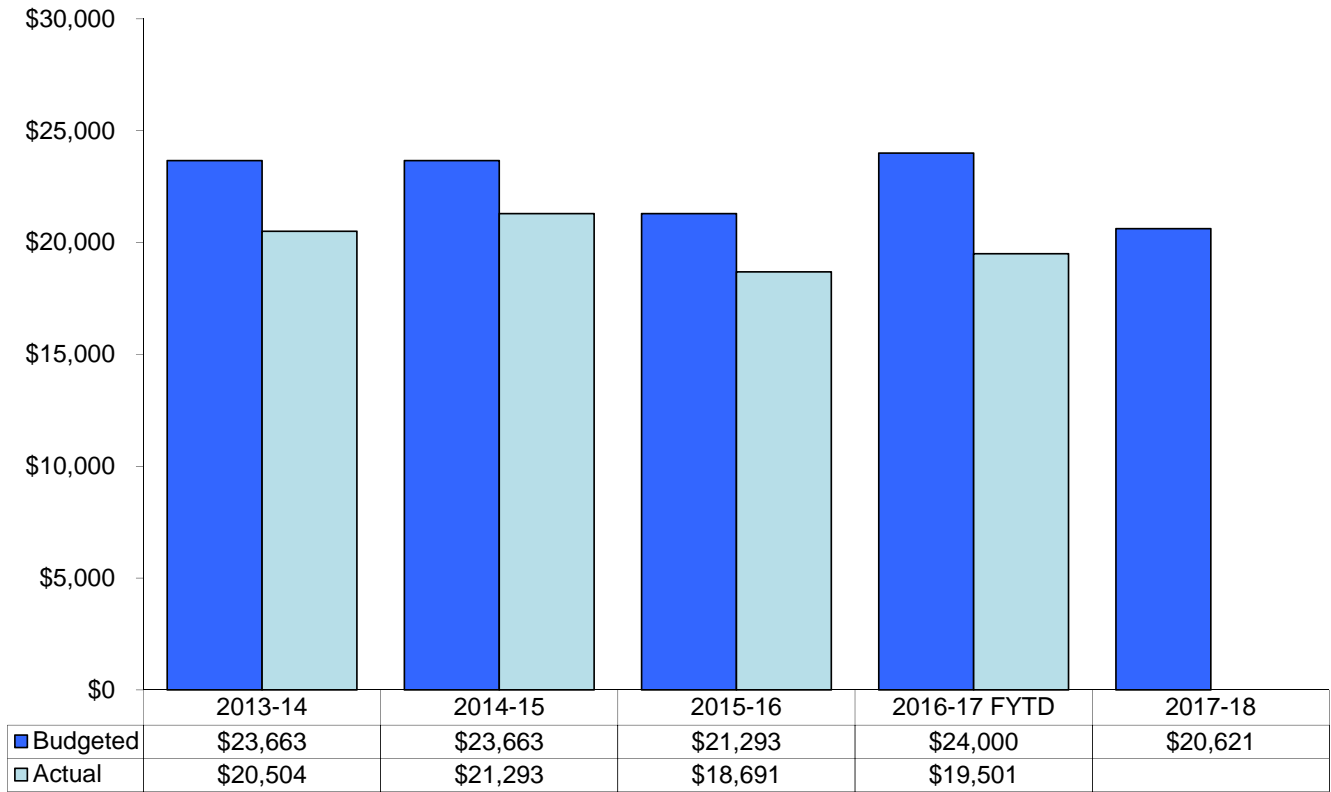


ACCOUNT NUMBER 200-54100	DESCRIPTION Fuel & Oil	BUDGET REQUEST \$9,270
<b>SUMMARY OF REQUEST</b>		
2,500 Gallons of 87 Octane Gas @\$3.00/Gal.		\$7,500
300 Gallons Diesel Fuel for Backhoe & Generators @\$3.00/Gal.		\$900
50 Gallons 15/40W Motor Oil @ \$15/Gal.		\$750
10 Gallons Hydraulic Fluid (Tractors) @ \$60/5Gal.		\$120
	Total:	\$9,270

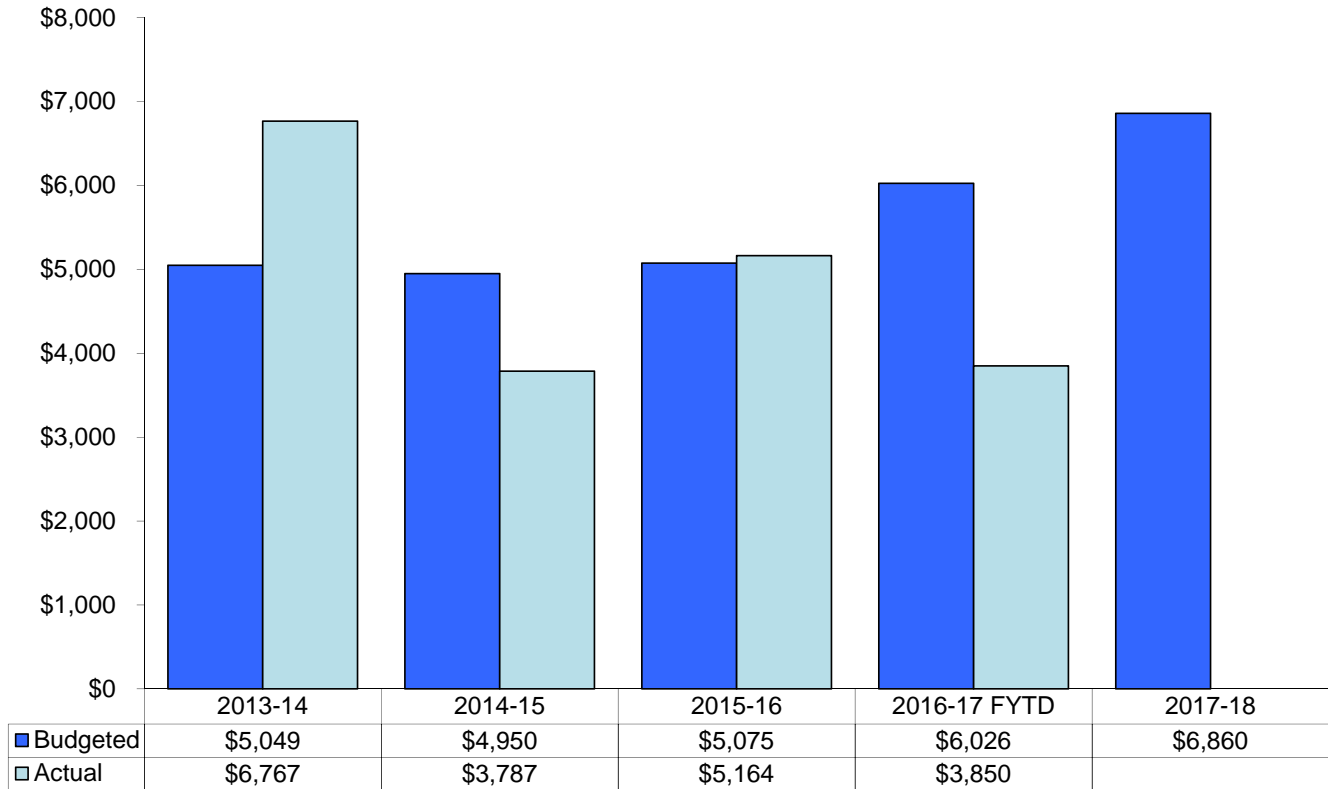




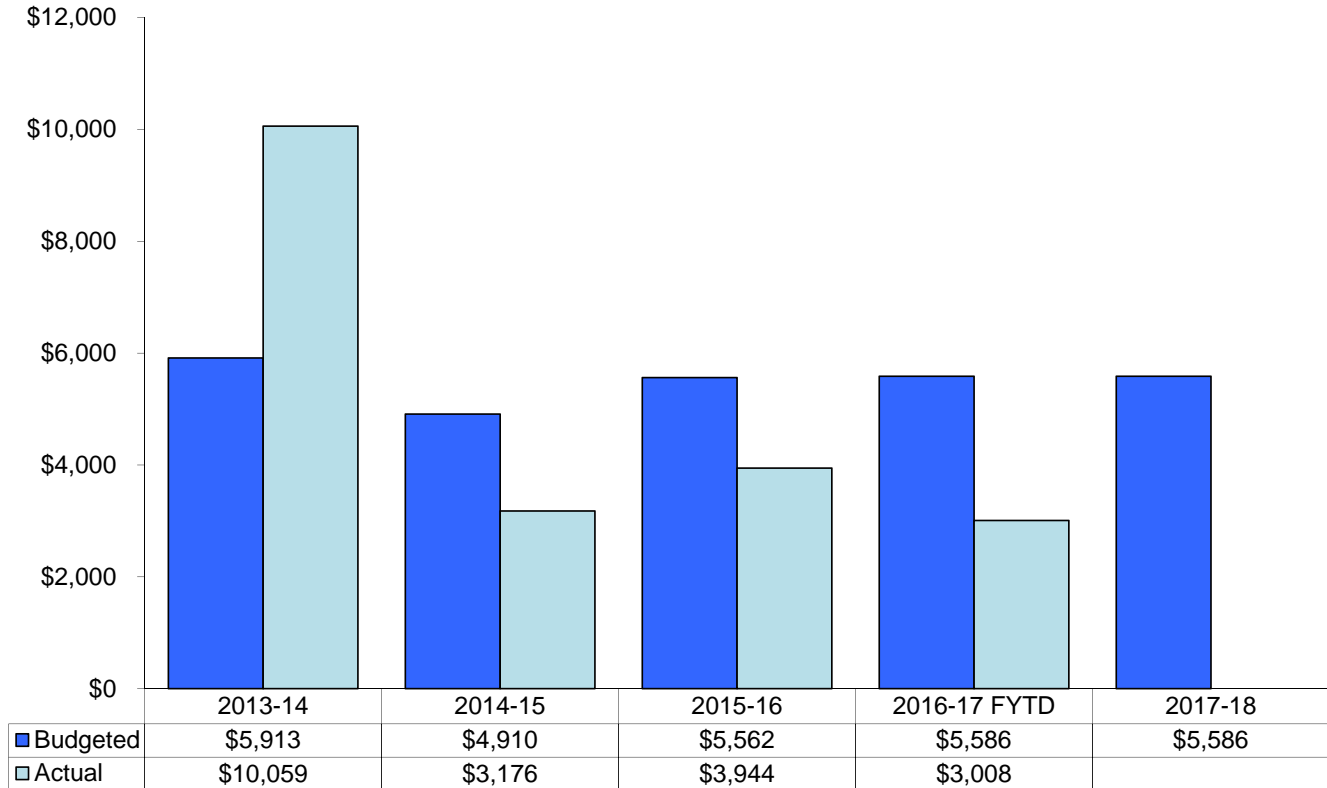
ACCOUNT NUMBER 200-54300	DESCRIPTION Property/Liability Insurance	BUDGET REQUEST \$20,621
<b>SUMMARY OF REQUEST</b>		
Special District Risk Management Authority (SDRMA) General Liability and Property Insurance Coverage		\$20,621



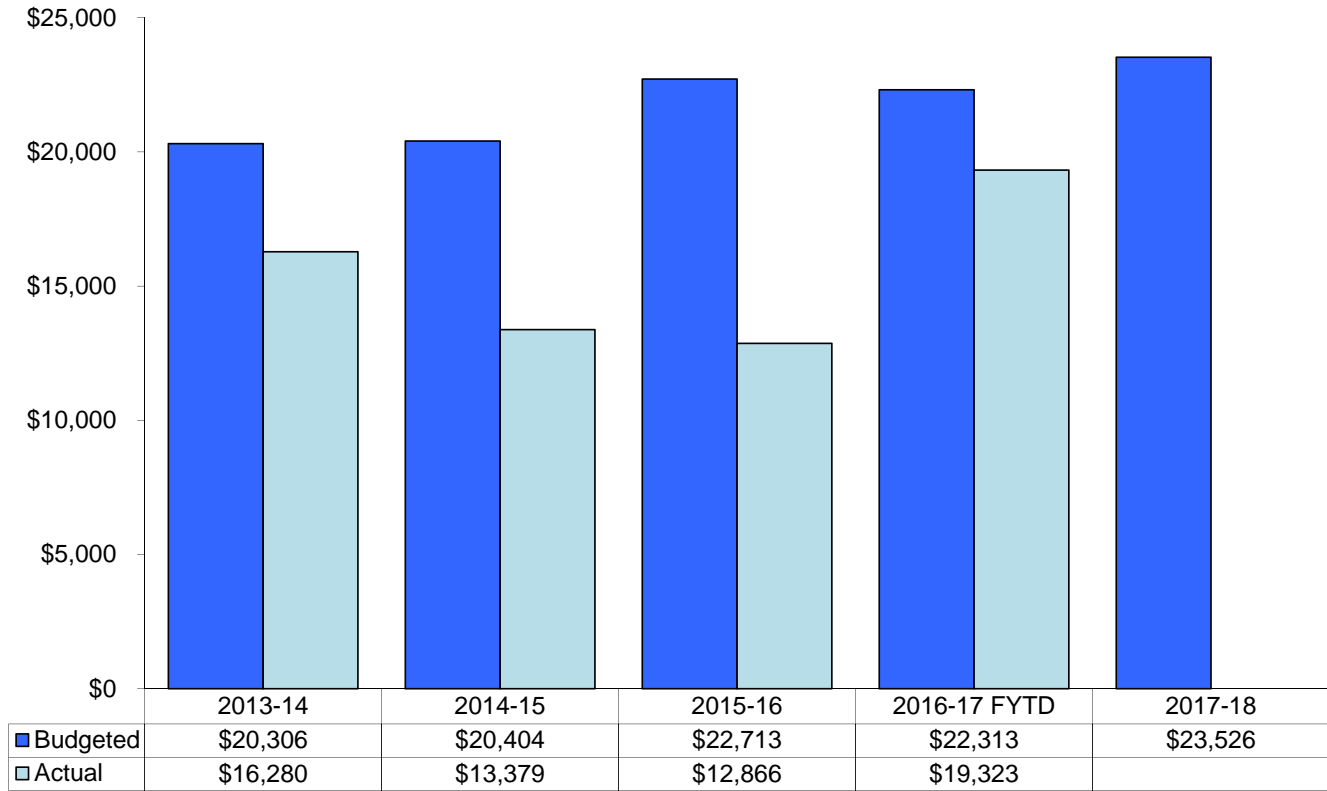
ACCOUNT NUMBER 200-56100	DESCRIPTION Memberships & Subscriptions	BUDGET REQUEST \$6,860
<b>SUMMARY OF REQUEST</b>		
Chamber of Commerce		\$125
American Waterworks Association (AWWA)		\$500
California Special Districts Association (\$7,800/3 Departments)		\$2,600
San Bernardino County Special Districts (\$840/3 Departments)		\$280
AWWA Publications Standards Updating		\$450
Cross-Connection Control Foundation		\$125
Alpenhorn & Mountain Newspaper Legal Notices		\$150
Top Health & Top Performance Newsletter		\$130
Employee Health Club Memberships		\$2,500
	Total:	\$6,860



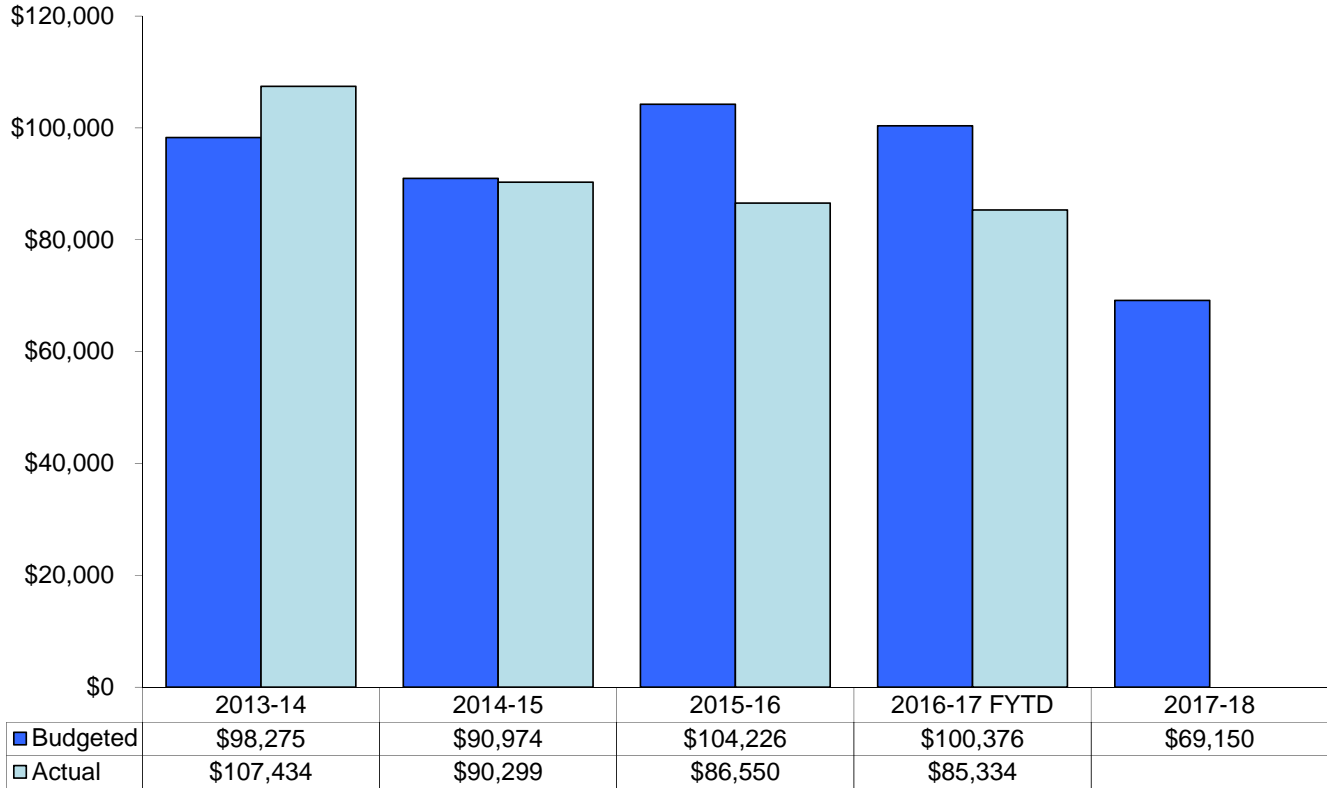
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-56150	Miscellaneous Supplies, Tools & Expenses	\$5,586
SUMMARY OF REQUEST		
Miscellaneous Supplies, Business Meeting Expenses, Etc.		\$200
Miscellaneous Supplies Purchased at Home Depot, Costco, Etc.		\$800
Trash Pick Up and Disposal Fees (\$88 x 12 months)		\$1,056
Miscellaneous Hand Tools, Wrenches, Shovels, Pry Bars, Hand Pumps, Etc.		\$800
Leather Work Gloves (35 Pair x \$12 Ea.)		\$420
Steel Toed Safety Boots (6 x \$100 Ea.)		\$600
Employee Radiation Detection Badges		\$310
Additional Safety Items		\$750
Annual Fire Extinguisher Inspection		\$150
Miscellaneous Equipment - Barricades, Batteries, Flashlights, Etc.		\$500
	Total:	\$5,586



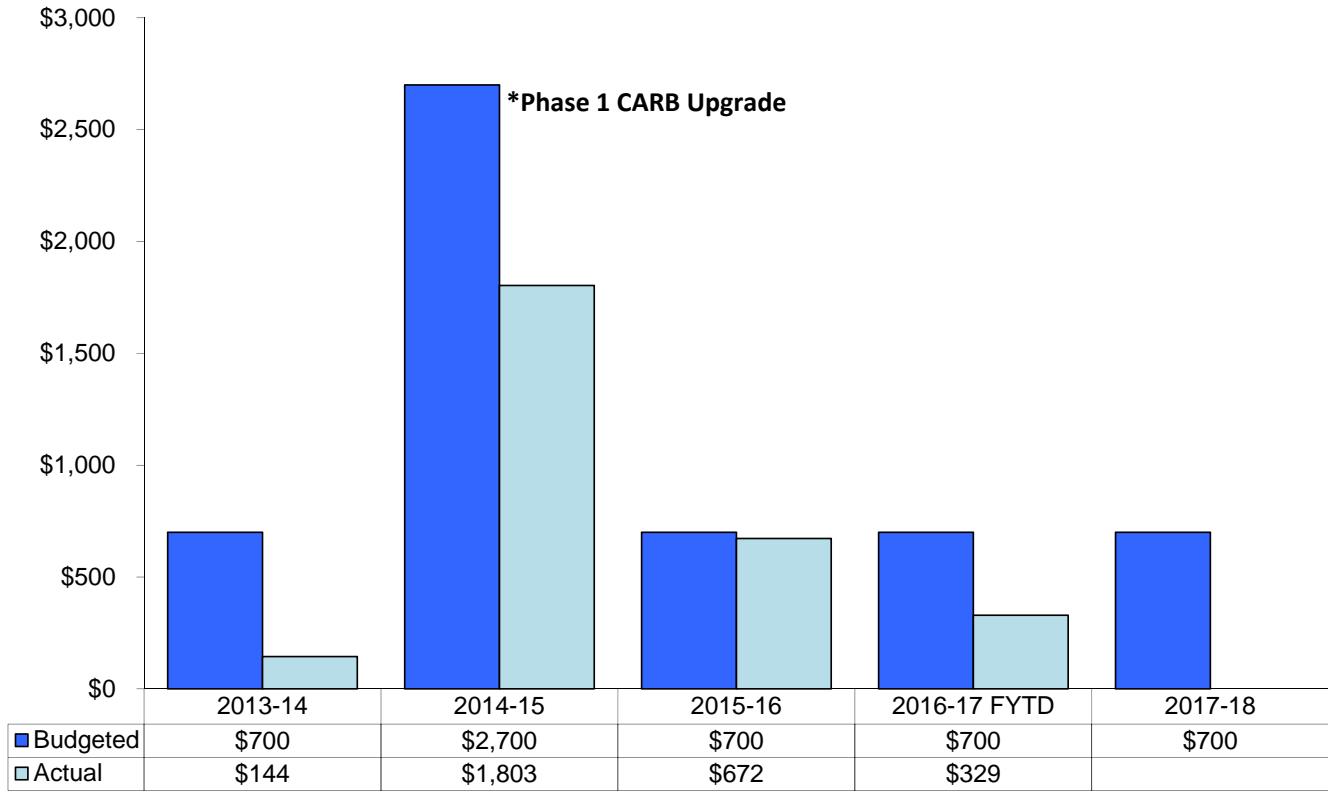
ACCOUNT NUMBER 200-57100	DESCRIPTION Fees & Permits	BUDGET REQUEST \$23,526
<b>SUMMARY OF REQUEST</b>		
San Bernardino County Fire Dept. Permit Fees (Generators, Hazardous Waste, Fuel Dispensing)		\$1,832
South Coast Air Quality Management District (AQMD)		\$2,300
Excavating Permit - San Bernardino County Road Department (\$150/2 departments + Inspection fees 6 x \$445)		\$2,745
State Water Resources Control Board Permits and System Service Fees		\$12,790
San Bernardino County LAFCO Funding - Estimated at \$10,000/3 Depts.		\$3,333
San Bernardino County Assessors Data		\$204
San Bernardino County Unpaid Assessments Report		\$322
	Total:	\$23,526



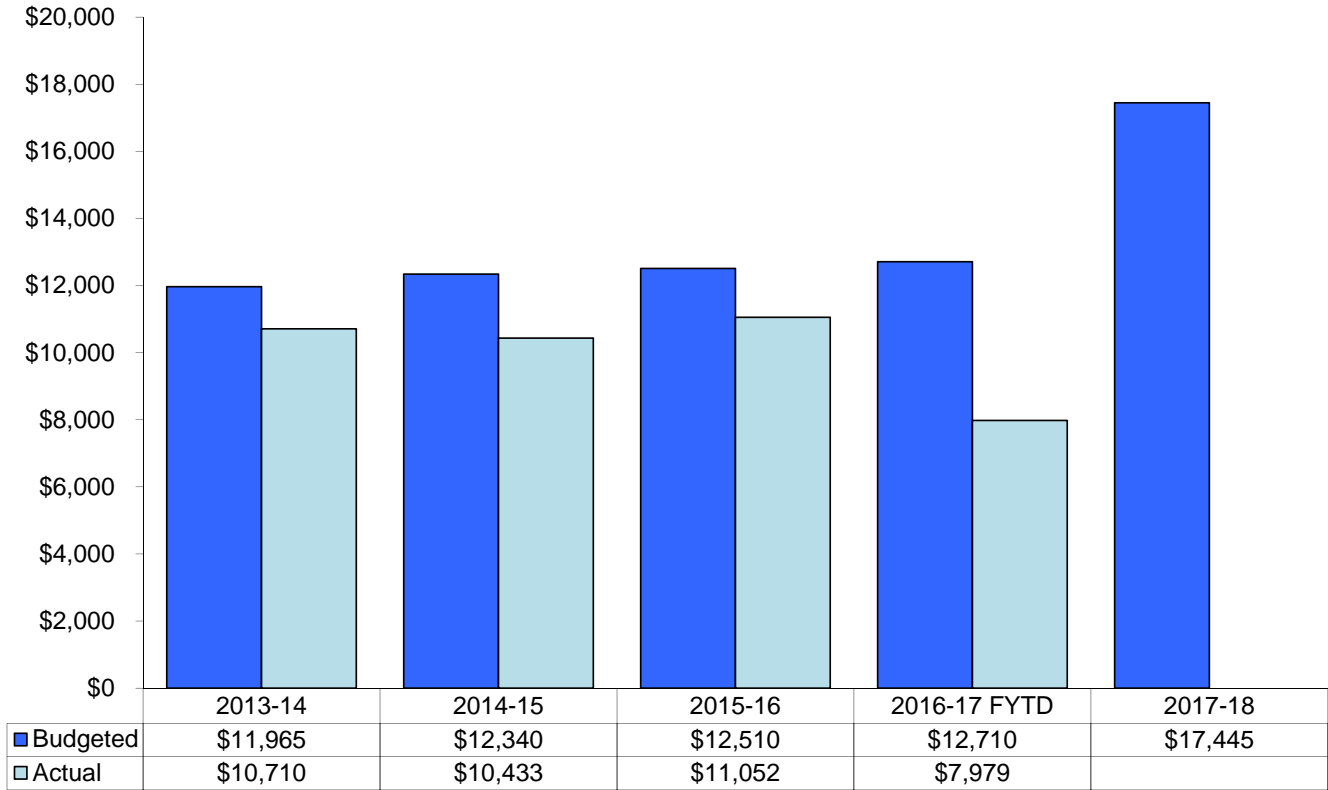
ACCOUNT NUMBER 200-57141	DESCRIPTION Professional Services	BUDGET REQUEST \$69,150
<b>SUMMARY OF REQUEST</b>		
Accounting Services		\$20,000
ACH Debit Fee \$25/Mo.		\$300
After Hours Telephone Answering Service		\$700
Financial Auditing Services		\$8,000
Information Technology (IT) & Computer Technical Support		\$12,000
Legal Counsel		\$20,000
Payroll Processing		\$2,000
Recording Lien Fees		\$150
Tyler/Incode Accounting Software Support		\$3,000
Zenner Automatic Meter Reading (AMR) Support Services		\$3,000
	<b>Total:</b>	\$69,150



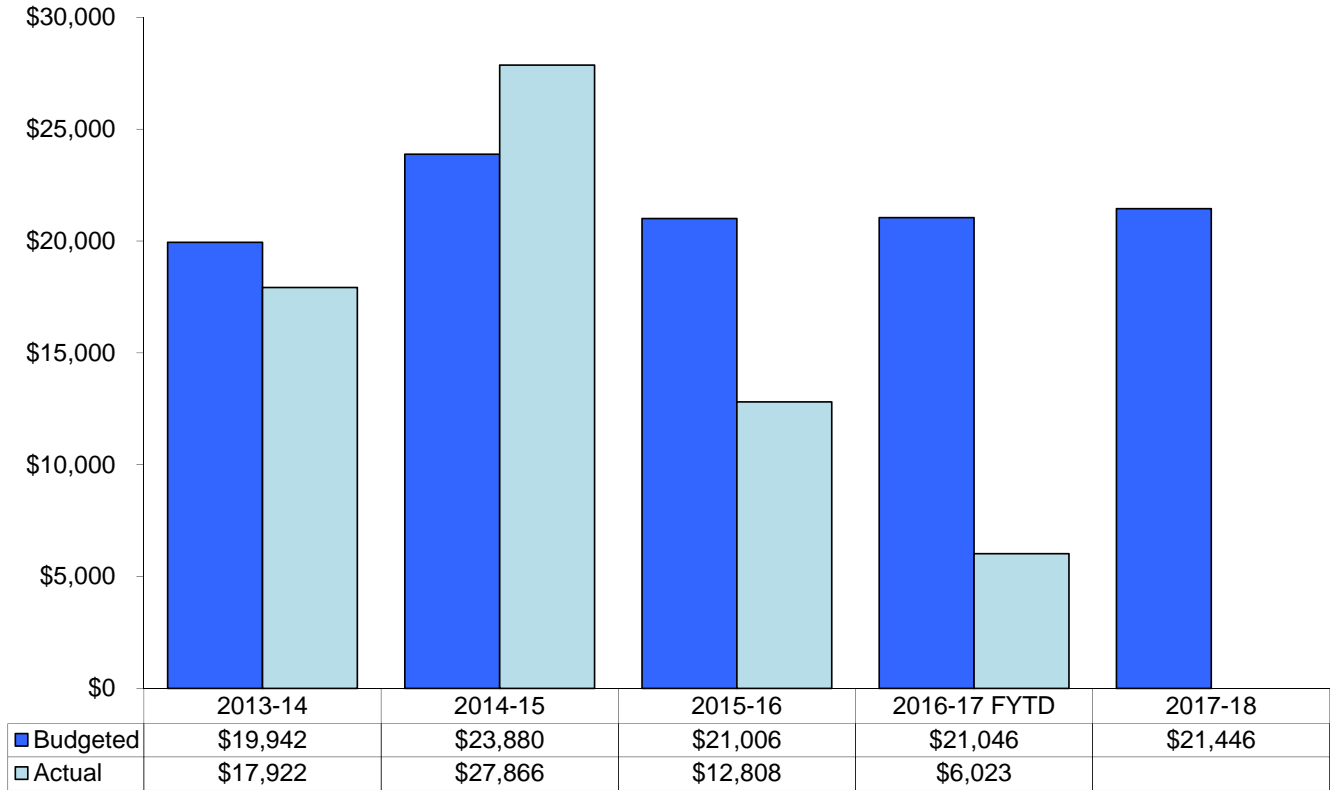
ACCOUNT NUMBER 200-57312	DESCRIPTION Repair/Maintenance (Fuel Storage Tanks)	BUDGET REQUEST \$700
<b>SUMMARY OF REQUEST</b>		
Miscellaneous Repairs & Maintenance		\$500
Annual Tank Testing		\$200
	Total:	\$700



ACCOUNT NUMBER 200-57313	DESCRIPTION Repair & Maintenance (Main Office)	BUDGET REQUEST \$17,445
<b>SUMMARY OF REQUEST</b>		
Miscellaneous Repairs to Office Equipment		\$500
Sensus Metering System Maintenance Agreement		\$1,600
Priority Mail Systems three station folder, inserter, billing machine parts & labor		\$1,700
Janitorial Services to clean District office		\$5,820
Annual Carpet Cleaning		\$400
Annual Window Cleaning		\$250
Monitoring of District Office Alarm System		\$375
Maintenance at District Complex (Lights, Landscaping, Miscellaneous Repairs & Supplies)		\$1,800
District Office Roof Repair		\$5,000
	Total:	\$17,445

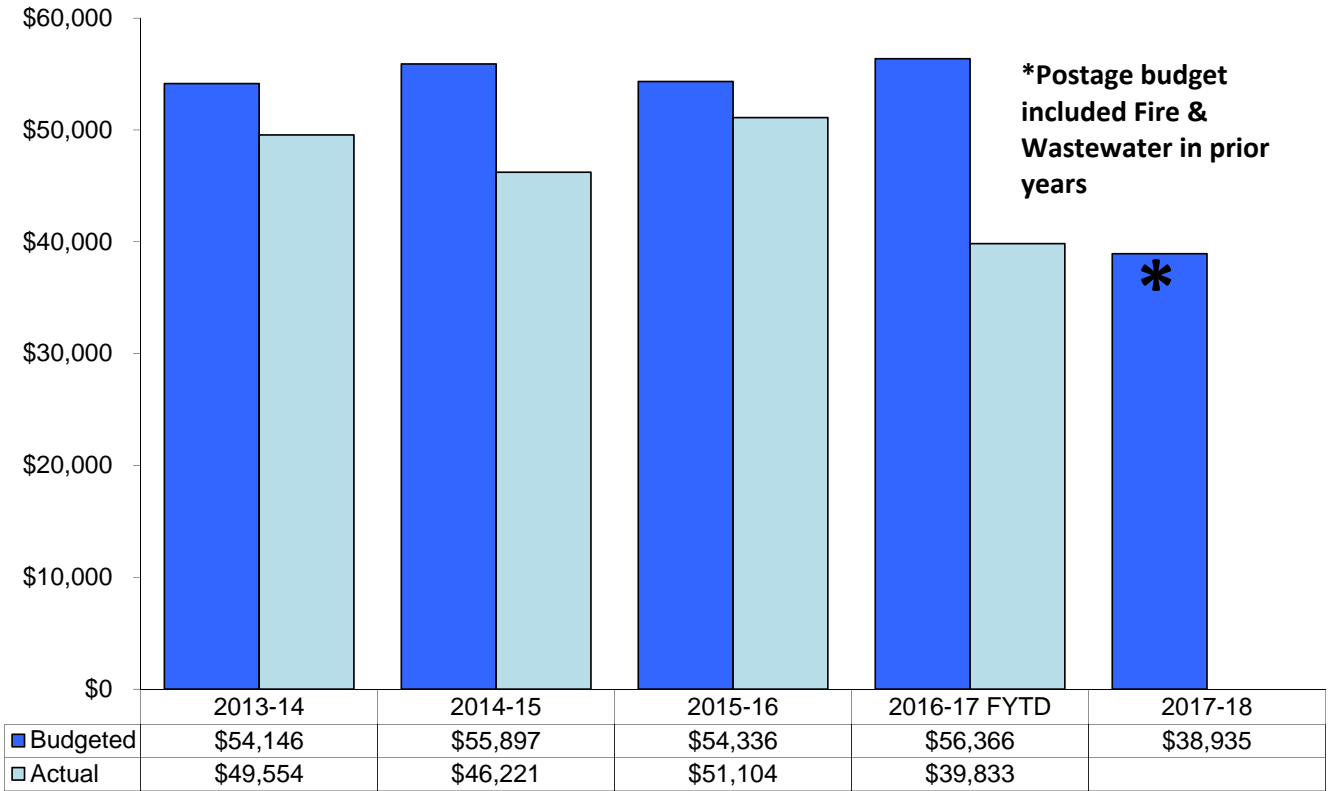


ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-57314	Repair & Maintenance (Water System)	\$21,446
<b>SUMMARY OF REQUEST</b>		
Backflow Assembly Testing (10 x \$40 plus 3 x \$60)		\$580
Miscellaneous Repairs & Maintenance (Distribution)		\$2,500
Miscellaneous Repairs & Maintenance (Pumps & Motors)		\$2,000
Miscellaneous Repair & Maintenance (Pump Buildings)		\$1,000
Miscellaneous Repairs & Maintenance (SCADA System)		\$2,000
WIN 911 SCADA Alarm Annual Support (shared with Collections 50% of \$753)		\$377
Wonderware SCADA Software Annual Support (shared with Collections 50% of \$879)		\$440
Repair Costs for Pressure Regulating Valves		\$750
Marking Paint for USA Location Requests (6 cases x \$50/case)		\$300
Wet Inspection and Cleaning of Two Tanks		\$4,500
Miscellaneous Repairs to Storage Tanks		\$1,000
Routine Paving, Service Installations, Main Repairs (600 SF x \$5/SF Trench Repair Rate)		\$3,000
Temporary Asphalt Material		\$1,000
Hydrant Repair Parts, Gaskets, Caps, Couplings, Flanges, Bolts, Paint, Etc.		\$1,000
Underground Service Alert Location Request Charges:		\$50
Miscellaneous Meter Repairs (Gaskets, Meter Chambers, Registers, etc.)		\$500
Repairs to Existing Services for Erosion and Meter Protection		\$200
Padlocks for Locking Meters		\$250
	<b>Total:</b>	<b>\$21,446</b>

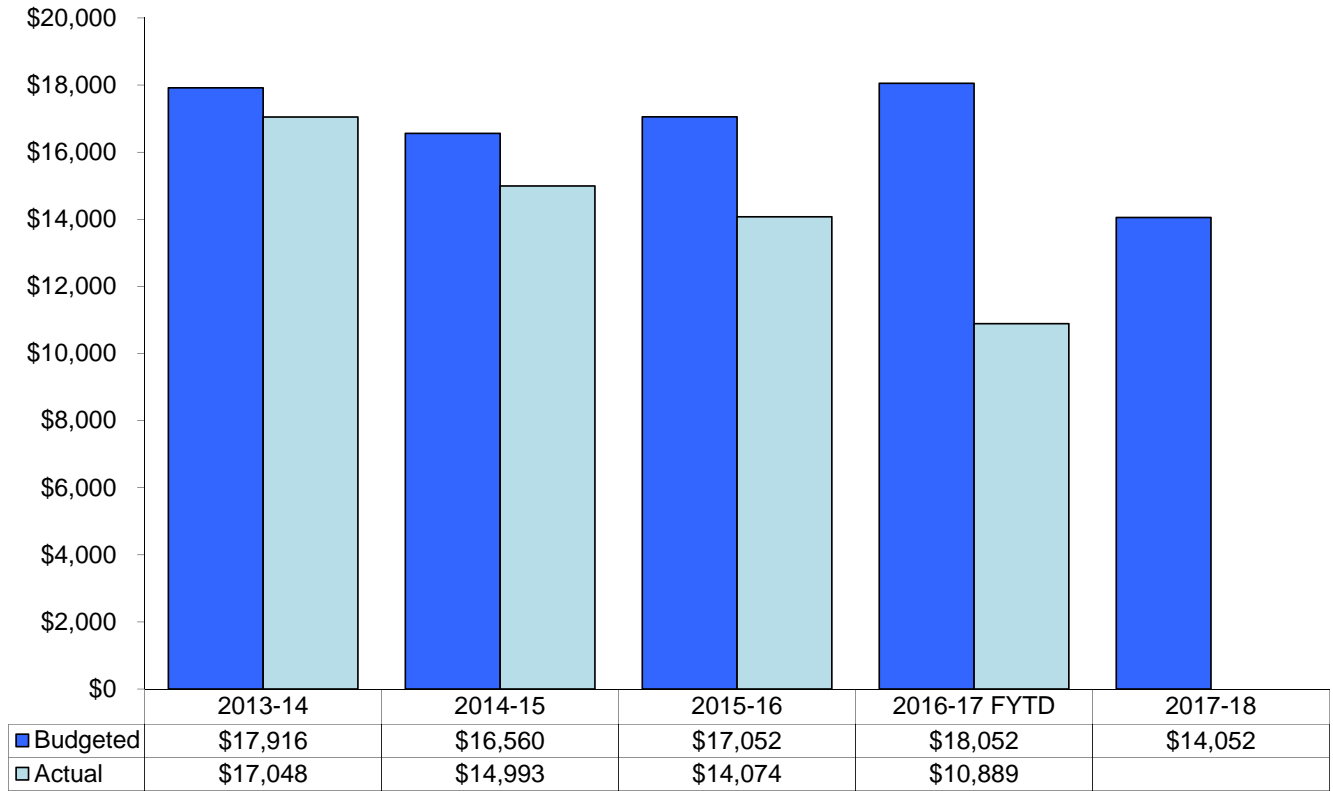




ACCOUNT NUMBER 200-57440	DESCRIPTION Office Supplies & Expenses	BUDGET REQUEST \$38,935
<b>SUMMARY OF REQUEST</b>		
Copier Metered Usage Charge		\$3,800
Lease of Copier for 12 Months		\$3,200
Legal Advertisements & Classified Advertisements		\$500
Letterhead Stationery, Envelopes, Service Applications, Door Tags, Business Cards & Special Printings, Postage		\$1,250
Monthly Water Bills, Misc, Delinquent and Closing Bills, Meter Postage for Misc. Mailings		\$10,985
Paper, Printer Cartridges, Water Bills, Envelopes & Miscellaneous Office Supplies		\$17,000
Postage Machine Lease		\$1,500
Pre-Printed Checks		\$700
	Total	\$38,935



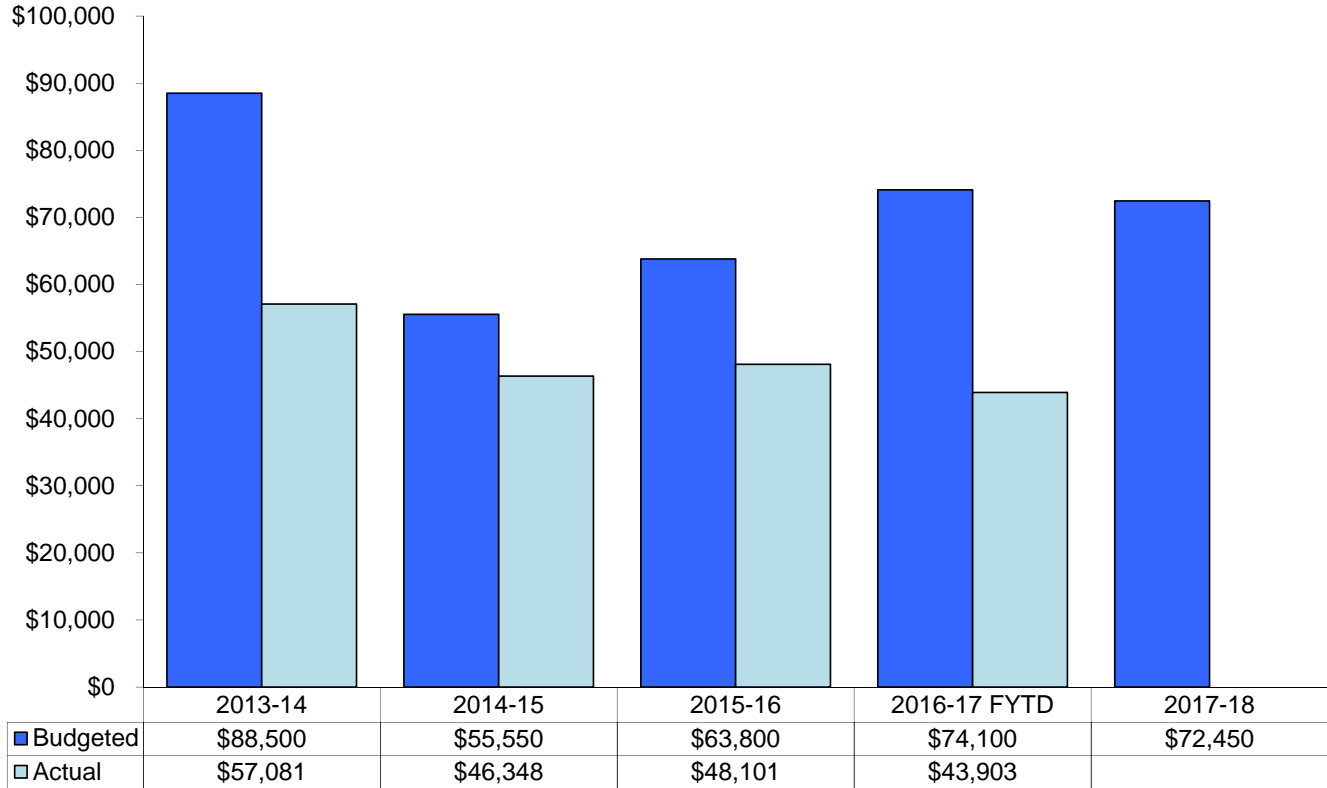
ACCOUNT NUMBER 200-58250	DESCRIPTION Utilities (Telephone, Heat & Lights)	BUDGET REQUEST \$14,052
<b>SUMMARY OF REQUEST</b>		
Heat and Lights for District Office and Shops		\$9,000
Charter Phone = \$276 x 12 Months		\$3,312
Charter Internet = \$90 x 12 Months		\$1,080
Verizon SCADA Phone Line = \$50 x 12 Months		\$600
Verizon Wireless Cell Phone = \$5 x 12 Months		\$60
	Total	\$14,052



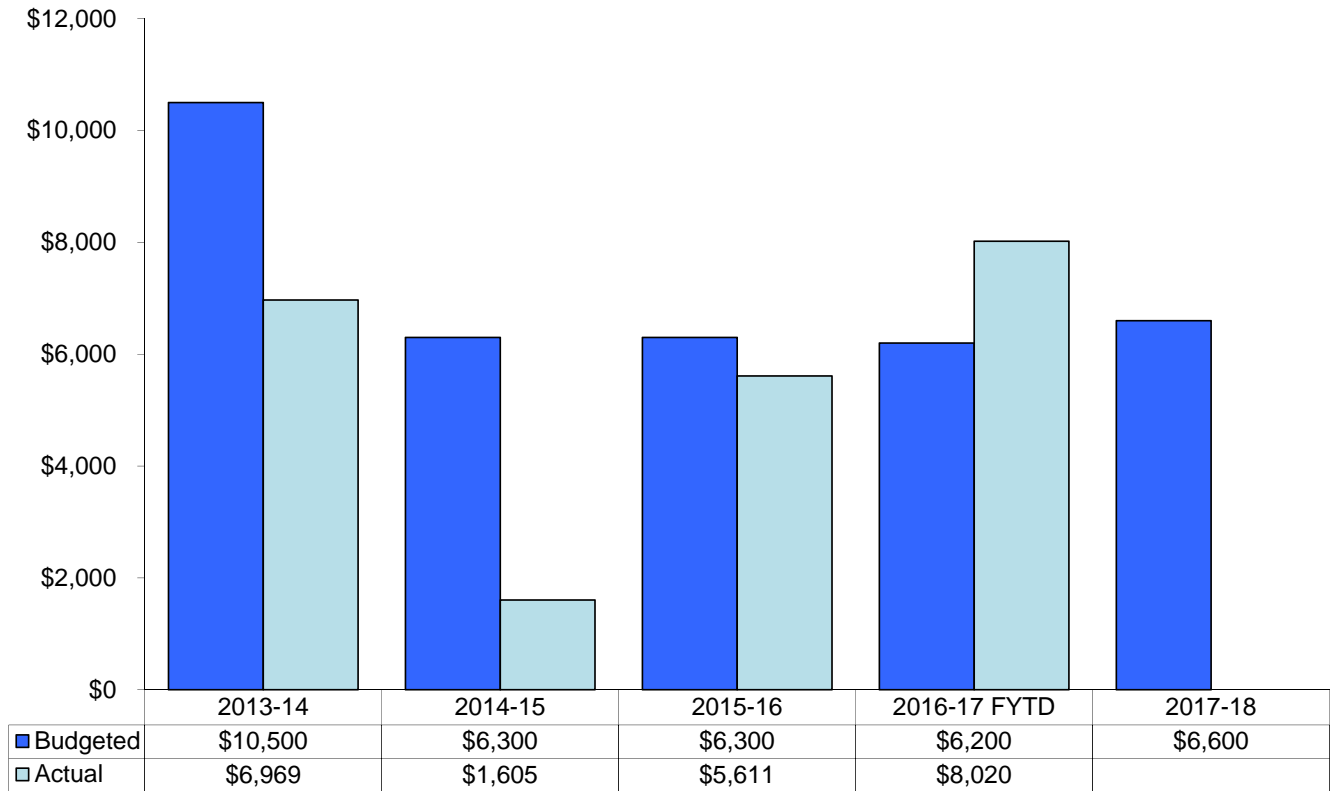
ACCOUNT NUMBER 200-58253	DESCRIPTION Utilities (Electricity)	BUDGET REQUEST \$72,450
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**SUMMARY OF REQUEST**

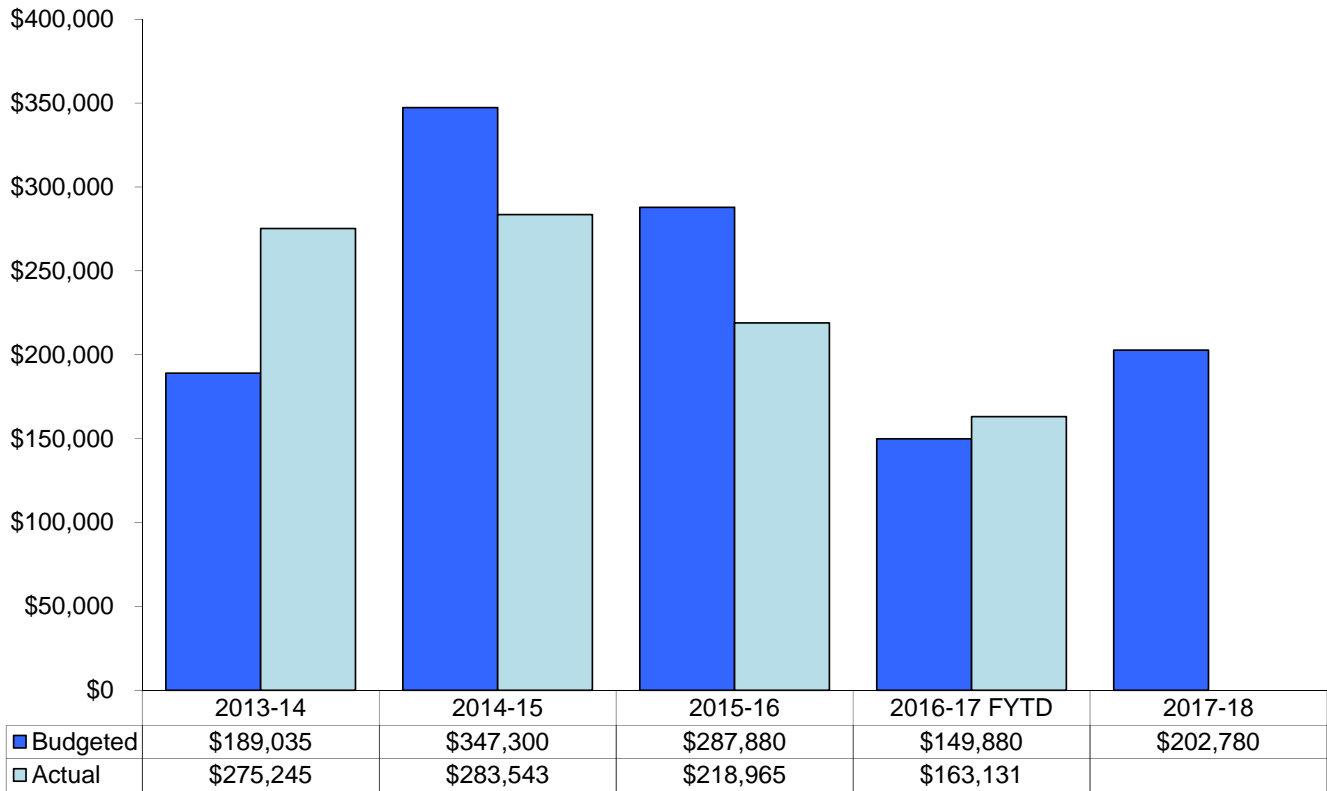
Cost of Power to Operate Pumps at Wells and to Transfer Water in the Distribution System (230AF x \$315/AF) \$72,450  
 Cost of Power in 2016 Per Acre Foot is Approximately: \$293  
 Anticipated Cost Per Acre Foot for 2017-18 is: \$315  
 Estimated District Production for 2017-18 is 230 Acre Feet



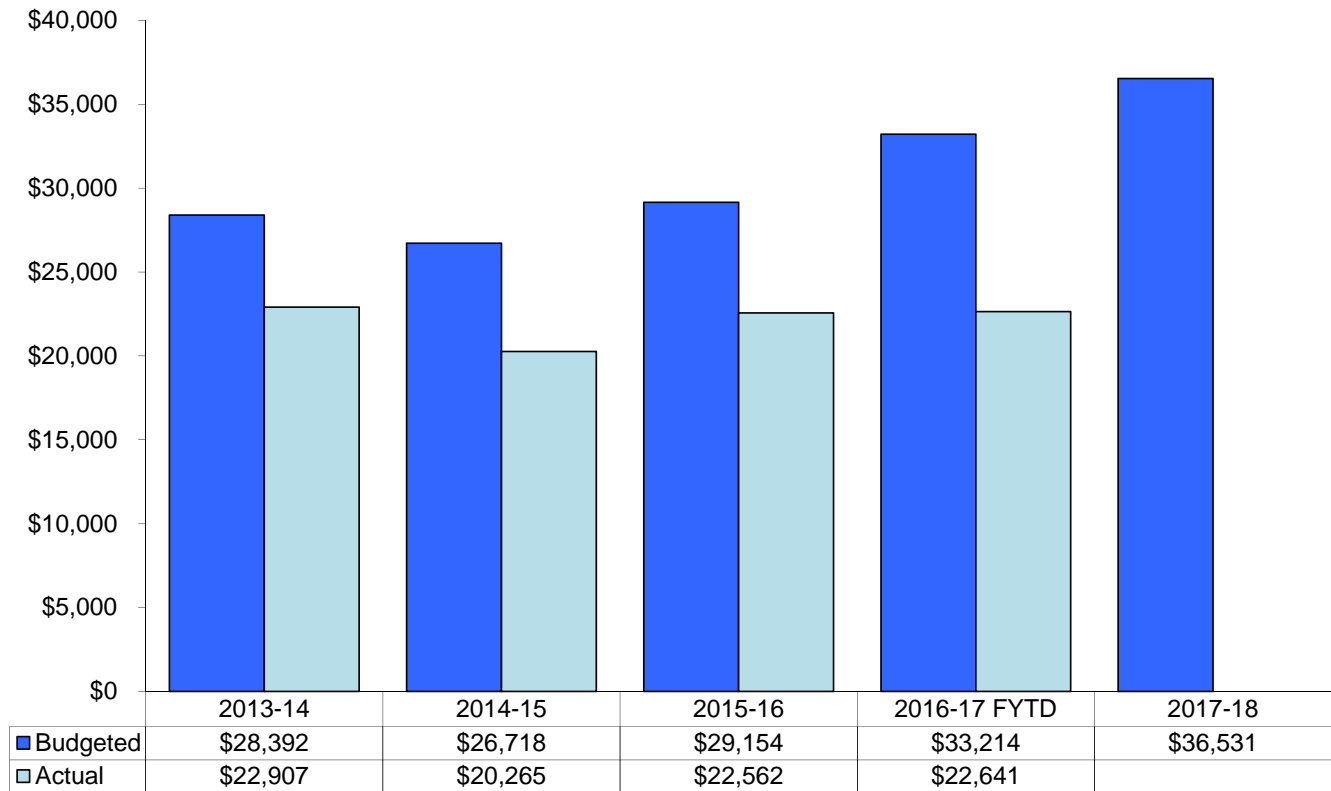
ACCOUNT NUMBER 200-58300	DESCRIPTION Vehicle & Equipment Repair & Maintenance	BUDGET REQUEST \$6,600
<b>SUMMARY OF REQUEST</b>		
12 Tires for Service Trucks		\$2,400
Campbell #2821 Truck Tire Chains (2 sets x \$100 ea.)		\$200
Repairs, Tune-Ups, Servicing and Miscellaneous Repairs		\$2,000
Miscellaneous Repair/Maintenance to Tractors, Thiokol & Equipment (Welder, Jack Hammers, Compressor, etc.)		\$2,000
	Total:	\$6,600



ACCOUNT NUMBER 200-59100	DESCRIPTION Purchased Water	BUDGET REQUEST \$202,780
<b>SUMMARY OF REQUEST</b>		
2017-18 Estimated Water Demand = 416 Acre Feet (AF) All District Sources: 230 AF Purchased Water: 186 AF    CLAWA: 146 AF X \$1,150/AF= Arrowbear: 40 AF x \$871/AF= 2016-17 Estimated Purchased Water - 140 AF 2016-17 Estimated District Production - 260 AF 2016-17 Total Estimated Water Demand - 400 AF (1) CLAWA Rate Estimated to Remain Unchanged at \$1,150/AF (+0%) (2) APCWD Rate Estimated to Remain Unchanged at \$871/AF (+0%)		
	Total:	\$167,900 \$34,880 \$202,780



ACCOUNT NUMBER 200-59200	DESCRIPTION Water Quality Testing	BUDGET REQUEST \$36,531
<b>SUMMARY OF REQUEST</b>		
Routine Bac-t System Samples (24 Samples/Wk. x 52/Wks. x \$7 Ea.)		\$8,736
Bac-t Rechecks/Special Samples (60 Samples x \$7 Ea.)		\$420
General Physical System Samples (10 Samples/Mo.x 12 Mo. x \$4 Ea. Plus 5 Sources x \$4 Ea.)		\$500
SOC Samples (4 x \$1600 Ea. For new well)		\$6,400
VOC Samples (5 x \$150 Ea.)		\$750
Gross Alpha Samples (30 Samples/Year x \$40 Ea.)		\$1,200
Nitrate as NO3 (9 x \$10 Ea.)		\$90
Uranium Samples (51 x \$75 Ea.)		\$3,825
Inorganic Samples (5 x \$140 Ea.)		\$700
General Mineral Samples (5 x \$90 Ea.)		\$450
Rimwood & Weiss Canyon Well Chemical Treatment for Corrosivity		\$3,600
Liquid Chlorine (500 Gallons x \$3.50/Gal.)		\$1,750
TTHM Samples (8 x \$30 Ea.)		\$240
Radium 226 Samples (12 x \$115 Ea.)		\$1,380
Corrosivity (28 x \$40 Ea.)		\$1,120
HAA5 (8 x \$100 Ea.)		\$800
Additional Unanticipated Sampling		\$2,500
Replacement Chemical Injection Pumps		\$1,750
EDB/DBCP Samples (8x\$40 Ea.)		\$320
	<b>Total:</b>	<b>\$36,531</b>



ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-53100	Depreciation Expense	\$240,456
<b>SUMMARY OF REQUEST</b>		
Depreciation expense for Water Division		\$240,456
<p>Operating expenses for enterprise funds include the cost of depreciation on capital assets. Depreciation expense was not included in the District's budget until the 2014/2015 fiscal year per the District's Cash Reserve Policy and advice from Financial Advisors and Consultants. The minimum annual allocation amount for the Capital Improvement Fund for each division or department should equal the amount of annual budgeted depreciation specific to that division or department plus 10% for cost increases. This represents the total annual contribution that should be made to this fund, not the minimum balance. This will allow funds to build over time and eventually replace the existing facilities. Not adequately budgeting for depreciation could eventually have the effect of eroding the organization's net assets.</p>		
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-13000	Water Department Inventory	\$7,500
<b>SUMMARY OF REQUEST</b>		
Miscellaneous Fittings, Clamps & Replacement Parts for Water System		\$7,500
Total:		\$7,500
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-16400	Pumping Equipment	\$10,000
<b>SUMMARY OF REQUEST</b>		
Replacement Pumps, VFD's and Equipment for Groundwater Wells		\$10,000
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-16200	Water Main Improvements	\$0
<b>SUMMARY OF REQUEST</b>		
Relocate Back Lot Meters (80 Total)		\$0
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-16400	Office Furniture & Equipment	\$3,000
<b>SUMMARY OF REQUEST</b>		
Ink Jet 6500 Printer & Ink Cartridges (2 x \$200)		\$400
Computer Tablet For Daily Water Operations		\$600
Replace Computer Workstations		\$2,000
Total:		\$3,000
ACCOUNT NUMBER	DESCRIPTION	BUDGET REQUEST
200-16400	Special Purpose Equipment	\$400,000
<b>SUMMARY OF REQUEST</b>		
Phase 2 Automatic Meter Reading (AMR ) Technology Upgrade Project. CWSRF Loan for \$800,000 1.8% interest, 20 year term with 50% principle forgiveness.		\$400,000
Total:		\$400,000

**RUNNING SPRINGS WATER DISTRICT**

**DIVISION SUPERVISORS**

**2017-18 HOURLY WAGE SCHEDULE**

Exempt Positions

CLASSIFICATION		STEP					
		A	B	C	D	E	F
<b>DIVISION SUPERVISOR</b>							
SUPERVISOR 3	Hourly	\$52.55	\$55.19	\$57.95	\$60.73	\$63.77	\$67.09
	Monthly	\$9,109	\$9,566	\$10,045	\$10,527	\$11,053	\$11,629
	Annual	\$109,304	\$114,795	\$120,536	\$126,318	\$132,642	\$139,547
SUPERVISOR 2	Hourly	\$39.22	\$41.18	\$43.23	\$45.39	\$47.67	\$50.05
	Monthly	\$6,798	\$7,138	\$7,493	\$7,868	\$8,263	\$8,675
	Annual	\$81,578	\$85,654	\$89,918	\$94,411	\$99,154	\$104,104
SUPERVISOR 1	Hourly	\$29.12	\$30.58	\$32.12	\$33.88	\$35.58	\$37.35
	Monthly	\$5,047	\$5,301	\$5,567	\$5,873	\$6,167	\$6,474
	Annual	\$60,570	\$63,606	\$66,810	\$70,470	\$74,006	\$77,688
Cost of Living Adjustment (COLA):		3.90%	(2% to offset elimination of EPMC plus 1.9% CPI-W)				
Water Division Supervisor (3 CI's)		\$135,762					
Administration Division Supervisor		\$139,547					



**RUNNING SPRINGS WATER DISTRICT**

**ADMINISTRATION DIVISION**

**2017-18 HOURLY WAGE SCHEDULE**

Non-Exempt Positions

CLASSIFICATION		STEP				
		A	B	C	D	E
SENIOR BILLING CLERK	Hourly	\$25.76	\$26.40	\$27.06	\$27.74	\$28.43
	Monthly	\$4,465	\$4,576	\$4,690	\$4,808	\$4,928
	Annual	\$53,581	\$54,912	\$56,285	\$57,699	\$59,134
BILLING CLERK	Hourly	\$22.77	\$23.34	\$23.92	\$24.52	\$25.13
	Monthly	\$3,947	\$4,046	\$4,146	\$4,250	\$4,356
	Annual	\$47,362	\$48,547	\$49,754	\$51,002	\$52,270
ADMINISTRATIVE ASSISTANT 3	Hourly	\$23.89	\$24.49	\$25.10	\$25.73	\$26.37
	Monthly	\$4,141	\$4,245	\$4,351	\$4,460	\$4,571
	Annual	\$49,691	\$50,939	\$52,208	\$53,518	\$54,850
ADMINISTRATIVE ASSISTANT 2	Hourly	\$21.11	\$21.64	\$22.18	\$22.73	\$23.30
	Monthly	\$3,659	\$3,751	\$3,845	\$3,940	\$4,039
	Annual	\$43,909	\$45,011	\$46,134	\$47,278	\$48,464
ADMINISTRATIVE ASSISTANT 1	Hourly	\$18.67	\$19.13	\$19.61	\$20.10	\$20.60
	Monthly	\$3,236	\$3,316	\$3,399	\$3,484	\$3,571
	Annual	\$38,834	\$39,790	\$40,789	\$41,808	\$42,848
Cost of Living Adjustment (COLA):		3.90%				
		(2% to offset elimination of EPMC plus 1.9% CPI-W)				
Senior Billing Clerk (1 CI)	\$60,174					
Administrative Assistant 3 (1 CI)	\$50,731					
Administrative Assistant 1	\$41,808					

RUNNING SPRINGS WATER DISTRICT						
WATER DIVISION						
2017-18 HOURLY WAGE SCHEDULE						
Non-Exempt Positions						
CLASSIFICATION		STEP				
		A	B	C	D	E
COMPLIANCE/SAFETY OPERATOR 3	Hourly	\$32.81	\$33.63	\$34.47	\$35.33	\$36.21
(Grade 3 Distribution & Grade 2 Treatment)	Monthly	\$5,687	\$5,829	\$5,975	\$6,124	\$6,276
	Annual	\$68,245	\$69,950	\$71,698	\$73,486	\$75,317
OPERATOR 3	Hourly	\$29.95	\$30.70	\$31.47	\$32.26	\$33.07
(Grade 3 Distribution & Grade 2 Treatment)	Monthly	\$5,191	\$5,321	\$5,455	\$5,592	\$5,732
	Annual	\$62,296	\$63,856	\$65,458	\$67,101	\$68,786
OPERATOR 2	Hourly	\$26.49	\$27.15	\$27.83	\$28.52	\$29.23
(Grade 3 Distribution & Grade 1 Treatment)	Monthly	\$4,592	\$4,706	\$4,824	\$4,943	\$5,067
	Annual	\$55,099	\$56,472	\$57,886	\$59,322	\$60,798
OPERATOR 1	Hourly	\$23.41	\$23.99	\$24.59	\$25.20	\$25.83
(Grade 2 Distribution & Grade 1 Treatment)	Monthly	\$4,058	\$4,158	\$4,262	\$4,368	\$4,477
	Annual	\$48,693	\$49,899	\$51,147	\$52,416	\$53,726
OPERATOR IN TRAINING	Hourly	\$20.06	\$20.56	\$21.07	\$21.59	\$22.13
(Entry Level / No Certification Required)	Monthly	\$3,477	\$3,564	\$3,652	\$3,742	\$3,836
	Annual	\$41,725	\$42,765	\$43,826	\$44,907	\$46,030
Cost of Living Adjustment (COLA):	3.90%	(2% to offset elimination of EPMC plus 1.9% CPI-W)				
Compliance/Safety Operator 3 (2 CI's)	\$77,397					
Operator 3 (3 CI's)	\$71,906					
Operator 2 (5 CI's)	\$65,998					
Operator 1	\$49,899					

**Water Division Vehicle Replacement Schedule**

Vehicle Description	Year	Mileage / Hours	Use Status	Planned Retirement Date	Estimated Cost of Replacement
Nissan 4x4 Truck Unit #52	1995	74,335	Reserve	2017 (Deferred)	\$ 30,000
Nissan 4x4 Truck Unit #60	1998	62,495	Daily	2017 (Deferred)	\$ 45,000
Ford 555 Backhoe Unit #42	1990	3,645 Hrs.	Treatment Plant	2017 (Deferred)	\$ 120,000
Thiokol - Snow Cat Unit #36	1965	818.1	Winter Activities	2017 (Deferred)	\$ 100,000
Ford 4x4 Ranger Truck Unit #68	2001	72,369	Daily	2019 (18 Yrs. Old)	\$ 35,000
Ford 4X4 Plow Truck Unit #58	1997	125,421	Utility Vehicle	2020 (22 Yrs. Old)	\$ 60,000
Ford 575E Backhoe Unit #59	1998	4,237 Hrs.	Special Projects	2020 (22 Yrs. Old)	\$ 120,000
Ford 4X4 Ranger Truck Unit #76	2007	43,454	Daily	2022 (15 Yrs. Old)	\$ 50,000
Ford 4X4 Ranger Truck Unit #82	2011	25,144	Daily	2026 (15 Yrs. Old)	\$ 35,000
Ford 4X4 Ranger Truck Unit #83	2011	20,040	Daily	2026 (15 Yrs. Old)	\$ 35,000
Portable Compressor	1998	563 Hrs.	Limited	2023 (25 Yrs. Old)	\$ 25,000
Portable Welder	2002	148 Hrs.	Limited	2027 (25Yrs. Old)	\$ 10,000
Portable Cat Generator	1996	176 Hrs.	Limited	2021 (25 Yrs. Old)	\$ 40,000

# Water Division 5-Year CIP Plan

Description	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	DEFERRED PROJECTS	TOTAL PROJECT COST
<b>Water Division Projects</b>							
Installation of 1450 (AMR) Meters *	\$400,000						\$ 400,000
Installation of 1450 (AMR) Meters		\$400,000					\$ 400,000
Relocate Back Lot Meters (80 Total)			\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 128,000
Replace Nob Hill SCADA Communication Building						\$ 200,000	\$ 200,000
Replace Rowco Booster's and Building						\$ 200,000	\$ 200,000
Replace Rowco .1 MG Tanks with one .5 MG Tank						\$ 650,000	\$ 650,000
Nob Hill 1 MG Tank Rehabilitation						\$ 167,000	\$ 167,000
Vehicle & Equipment Storage Building at Harris Property			\$ 30,000				\$ 30,000
Nob Hill 0.133 MG Tank Rehabilitation				\$ 80,000			\$ 80,000
Rowco 0.3 MG Tank Rehabilitation					\$ 90,000		\$ 90,000
Replace 4X4 Vehicle Unit # 60			\$ 45,000				\$ 45,000
Replace 4X4 Vehicle Unit # 68				\$ 35,000			\$ 35,000
Replace 4X4 Vehicle Unit # 58 Flatbed Snowplow					\$ 60,000		\$ 60,000
Replace 4X4 Vehicle Unit # 76						\$ 50,000	\$ 50,000
Replace 1965 Thiokol Snow Cat with Truck Mounted Tracks					\$ 50,000		\$ 50,000
Replace Portable 50Kw Generator						\$ 40,000	\$ 40,000
Replace Portable Compressor and Jackhammer			\$ 25,000				\$ 25,000
Replace Water Mains Identified in 2010 Master Plan						\$ 6,023,079	\$ 6,023,079
Purchase new backhoe tractor shared cost 50%				\$ 60,000			\$ 60,000
<b>Water Division Improvements Subtotal</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$132,000</b>	<b>\$207,000</b>	<b>\$232,000</b>	<b>\$7,362,079</b>	<b>\$ 8,733,079</b>

\*Pending CWSRF financing agreement

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER DRAFT BOARD POLICY MANUAL

**RECOMMENDED BOARD ACTION**

This is an information item only.

**REASON FOR RECOMMENDATION**

This is an information item only.

**BACKGROUND INFORMATION**

The Board of Directors adopted Resolution No. 11-11 on July 20, 2011 which amended and restated the bylaws of the Running Springs Water District. The bylaws have been incorporated into the attached Board Policy Manual for review by the Board of Directors.

Any comments, edits or other suggested revisions by Board members will be incorporated into a final draft for review and considered for adoption in June or July 2017.

**ATTACHMENTS**

Attachment 1 – Draft Resolution and Board Policy Manual

**RESOLUTION NO. XX-17**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
RUNNING SPRINGS WATER DISTRICT AMENDING AND  
RESTATING THE BYLAWS OF THE BOARD AND  
INCORPORATING THE BYLAWS INTO THE BOARD  
POLICY MANUAL**

**WHEREAS**, the Board of Directors of Running Springs Water District has adopted bylaws of the Board, last revised on July 11, 2011 by Resolution No. 11-11; and

**WHEREAS**, the Board of Directors has reviewed its bylaws and wishes to revise the bylaws to make them consistent with current law and current practices of the Board and incorporate them into a Board Policy Manual;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of Running Springs Water District does hereby approve and adopt the amended and restated bylaws and incorporates them into the attached Board Policy Manual hereto and incorporated herein.

**ADOPTED** this **XX** day of **MONTH**, **YEAR**.

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President of the Board of Directors  
Running Springs Water District

ATTEST:

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Secretary of the Board of Directors  
Running Springs Water District

# Running Springs Water District



## Board of Directors Policy Manual

May 17, 2017

**DRAFT VERSION**  
Resolution No. **XX**-17

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**SECTION 1.0**  
**PURPOSE OF BOARD POLICIES**

**1.1 Name and Objective**

**1.1.1** This governmental body shall be known as the "BOARD OF DIRECTORS" of the RUNNING SPRINGS WATER DISTRICT, a multi-service independent special district. In addition to the general and specific purposes set forth in the County Water District Law, this Board of Directors shall pursue the following objectives: to provide Water, Sewer, Fire, Emergency Medical and other services beneficial to the community; the goal of the Board of Directors shall be to do so with the highest level of integrity and ethical principles and in the most efficient manner and cost-effective manner possible. It is the intent of the Board of Directors of the Running Springs Water District to maintain a Board Policy Manual. Contained therein shall be a comprehensive listing of the Board's current policies, being the rules and regulations enacted by the Board from time to time. The Board Policy Manual will serve as a resource for Directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.

**1.1.2** This Board Policy Manual constitutes a compilation of current policies of the District and shall not be deemed to altar the effective date or application of such policies. Any policies newly adopted as a result of adoption of this Board Policy Manual shall be specifically identified as such by separate Board action prior to adoption of this Board Policy Manual.

**1.2 Governing Laws and Authority**

**1.2.1** The Board of Directors shall comply with and shall be guided by applicable provisions of State and Federal law, this Board Policy Manual, and the motions, resolutions, and ordinances adopted by the Board of Directors. Motions, resolutions, and ordinances may be adopted by the Board in accordance with the County Water District Law, which is contained in Division 12 of the California Water Code, Sections 30000 - 33901. The interpretation of this Board Policy Manual shall rest with the Board, upon advice from the District's legal counsel. If any policy or portion of a policy contained within the Board Policy Manual is in conflict with State or Federal law, rules or regulations having authority over the Running Springs Water District, said State or Federal law, rules or regulations shall prevail.

## **SECTION 2.0 GENERAL BOARD POLICIES**

### **2.1 Basis of Authority**

- 2.1.1** The Board of Directors is the unit of authority for establishing policy within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure. The Board of Directors shall act only at regular or special meetings, as provided by State law.
- 2.1.2** Directors do not represent any fractional segment of the community within which the District is located, but are, rather, a part of the body, which represents and acts for the community as a whole. Individual Directors shall have no power to act for the District, or the Board, or to direct the staff of the District, except as provided in this Board Policy Manual or as otherwise authorized by the Board.
- 2.1.3** Except as provided herein, and except with the approval of the Board, individual Board members shall not act independently to direct staff in their performance of their duties or assign projects for staff to perform. This provision is not intended to infringe upon the rights which any Director may have to obtain documents under the California Public Records Act (Government Code Sections 6251 et seq.) or other provisions of law.

### **2.2 Attendance at Meetings**

- 2.2.1** Members of the Board of Directors shall make every effort to attend all regular and special meetings of the Board unless there is good cause for absence.

### **2.3 Board President**

- 2.3.1** The President of the Board of Directors shall serve as Presiding Officer at all Board meetings. He/she shall have the same rights as the other members of the Board with voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 2.3.2** In the absence of the President, the Vice-President of the Board of Directors shall serve as Presiding Officer over all meetings of the Board. If the President and Vice-President of the Board are both absent, the remaining members present shall select one of themselves to act as the presiding officer for that particular meeting. The Vice-President shall serve as one of the members of the Finance Committee and as an alternate delegate to any associations of which the District is a member.

- 2.3.3** The President shall follow the prepared agenda unless the Board concurs in any change, although the President shall be authorized to change the order in which agenda items are considered.
- 2.3.4** The President shall determine all questions of order and parliamentary procedure, unless he or she chooses to submit any such question to the Board for decision.
- 2.3.5** The President shall maintain order and to enforce reasonable rules of decorum.
- 2.3.6** The President shall determine at meetings of the Board, other than public hearings, when members of the public may be heard on particular issues or otherwise be permitted to address the Board and to set reasonable limits upon the length of time and the number of occasions on which a person may speak.
- 2.3.7** The President shall recognize Directors who may wish to be heard and restate, where necessary, and to put to a vote all questions properly brought before the Board and to announce the results of each vote.
- 2.3.8** The President shall terminate debate after there has been reasonable opportunity for full discussion of any issue and further debate would be needlessly repetitive or otherwise not useful, and where proper, to put the matter to a vote.
- 2.3.9** The President shall rule out of order any comments by Directors, staff or members of the public not germane to the issue then before the Board.
- 2.3.10** The President shall respond to inquiries by Directors relating to procedures or to factual information bearing upon the business before the Board.
- 2.3.11** The President shall establish standing or ad hoc committees of the Board, and to appoint the members thereof.
- 2.3.12** The President shall declare the meeting adjourned when the business of the meeting has been concluded or when a quorum of the Board no longer exists.
- 2.3.13** The President shall authenticate by his signature all acts, orders and other proceedings of the Board.
- 2.3.14** The President shall declare a state of emergency when there is a sudden, unexpected occurrence that poses a clear and imminent danger requiring immediate action, and during such emergency to

execute such agreements and authorize such actions as he or she deems necessary to prevent or mitigate the loss or impairment of life, health, property or essential public services.

- 2.3.15** Notwithstanding the delegation of such powers to the President, any action taken by a majority of the Board on any of the foregoing matters shall be determinative thereof.
- 2.3.16** The President shall consult with the General Manager on the preparation of an agenda for each meeting. In addition, any Director shall have the right to place any matter on the agenda, for any meeting, by notifying the General Manager or Secretary of the Board at least 72 hours before the meeting.
- 2.3.17** The President shall act as spokesman for the Board with respect to its actions and policies, and those of the District. This provision, however, shall not preclude any other officer or employee of the District from making appropriate comments within the scope of his or her position, nor any Director from expressing his or her individual views.
- 2.3.18** The President or his or her designee shall represent the Board, where it is appropriate for the Board to appear, at meetings of other public agencies, before public groups, or on other public occasions. However, this provision shall not limit the attendance of any Director or authorized officer or employee of the District.
- 2.3.19** The President shall work through the General Manager, Legal Counsel or other officer of the District, to obtain such information as may be necessary and appropriate to assist the Board in its deliberations, and may direct staff to implement the policies and decisions of the Board.

## **2.4 Members of the Board of Directors**

- 2.4.1** Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Information may be requested from staff or exchanged between Directors before meetings, except as may otherwise be limited or prohibited by California law including, but not limited to, the requirements of the Brown Act/Open Meeting law.
- 2.4.2** Information that is exchanged before meetings shall be distributed through the General Manager, and all Directors will receive all information being distributed. Distribution of information may be limited by time and notice restrictions under the Brown Act/Open Meeting law.
- 2.4.3** Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.

- 2.4.4** Directors shall defer to the President for conduct of meetings of the Board, but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.
- 2.4.5** Directors shall abstain from participating in consideration on any item involving a conflict of interest as set forth in the applicable provisions of California law. Unless such a conflict of interest exists, however, Directors should not abstain from the Board's decision-making responsibilities.
- 2.4.6** Requests by individual Directors for substantive information and/or research from District staff will be channeled through the General Manager.
- 2.4.7** Directors shall serve on all standing or ad hoc committees as appointed.
- 2.4.8** Directors shall become thoroughly familiar with the locations and operations of District facilities and help prepare information about the District's functions to be released through newsletters and/or other media.

## **2.5 Election of Board Officers**

- 2.5.1** At the first Board meeting following each District general election to elect Directors of this Board, the Board shall convene and shall elect one of its members as President and one of its members as Vice-President, with each to serve a two-year term. The President and Vice-President may serve as many consecutive two-year terms as elected by the majority of the Board of Directors.
- 2.5.2** The procedure in this Section shall govern the election of Board President and Vice-President, unless changed by action of the Board. The General Manager shall chair the proceedings for election of the President, which shall be the first order of business after any newly elected Directors have been seated. The newly elected President shall assume office immediately, and shall chair the proceedings for the election of the Vice-President. The President shall call for nominations from the members of the Board. A member need not be recognized by the President in order to make a nomination. No second shall be required for nominations, although one or more members may second a nomination to indicate endorsement. No member may nominate more than one person for the position. The President shall repeat each nomination until all nominations for the office have been made. If an absent member has rendered a nomination by mail, which has been received by the Secretary of the Board prior to opening the meeting for nominations, such nomination shall be read by the President and shall

be valid. Once nominations have been completed, the President shall call for a vote which may be conducted either by a showing of hands or by voice vote. Voting shall be repeated as many times as necessary in order to obtain three votes for a single candidate. Where repeated voting is necessary, the nominee receiving the lowest number of votes shall not be removed from the next ballot unless a motion is duly carried requiring his elimination. The Secretary shall record the results of each vote in the minutes.

## **2.6 Appointed Board Officers**

**2.6.1** The Board shall appoint a General Manager, Board Secretary, Treasurer and Legal Counsel by simple majority. The Board may also appoint such assistants and consultants as it deems necessary to operate the District. A member of the Board shall not serve as General Manager, Secretary or Treasurer of the District.

## **2.7 Oath of Office**

**2.7.1** Newly elected or appointed Board members or officers shall be administered the oath of office in accordance with the provisions of the law. Generally, the oath of office will be administered at a regular Board meeting or at the District office by the Board Secretary.

## **2.8 Board Vacancies**

**2.8.1** Vacancies in the office of Director shall be filled in accordance with the provisions of Section 1780 of the California Government Code. Such procedure permits the remaining members of the Board to fill the vacancy by appointment, provided that the appointment is made within 60 days after the effective date of the vacancy and provided further that notice of the vacancy is given as provided by law. In making such appointment, the Board shall follow the same procedure as provided for the election of its officers. In lieu of making an appointment, the remaining members of the Board may call an election to fill the vacancy.

**SECTION 3.0**  
**BOARD COMMITTEE, WORKSHOP AND REGULAR MEETINGS, MEETING**  
**AGENDAS AND MINUTES**

**3.1 Board Meeting Place**

**3.1.1** All Board meetings will be held at the Board Meeting Room located at 31242 Hilltop Blvd., Running Springs, California, unless otherwise noted.

**3.2 Regular Board Meetings**

**3.2.1** Regular Board meetings will be held on the third Wednesday of each calendar month, with open session beginning at 9:00 a.m.

**3.2.2** Regular Board meetings will be held to conduct regular Board business. Items requiring Board action will be considered at these meetings. Also, the General Manager and Division Supervisors may present monthly reports.

**3.4 Board Committees**

**3.4.1** Standing committees may be created by the Board for a specifically defined purpose. Agenda topics for Committee consideration are to be established by the Board, and additional topics are to be authorized by the Board before being considered.

**3.4.2** Committees are to perform pre-Board work, not sub-Board work. Committees consider matters before the Board does, but only in the capacity as Directors on a Committee and shall not perform work within the authority of staff.

**3.4.3** No action may be taken by a Committee.

**3.4.4** Committees must report to the Board at each regular Board meeting.

**3.4.5** Ad hoc Committees must have a focused agenda and limited life span.

**3.4.6** Standing Committees must conduct business in open session, post agendas, take minutes and otherwise comply with the Brown Act.

**3.4.7** Currently, the Standing Committees are the Finance Committee and Personnel Committee.

**3.5 Non-Emergency Special Board Meetings**

**3.5.1** Non-emergency Special Board meetings may be called by the Board President or by a majority of the Board in accordance with the Brown Act.



- 3.5.2** All Directors, the General Manager, District Counsel, pertinent Division Supervisors and the Board Secretary will be notified of the Special Board Meeting and the purpose for which it is called. Notification shall be in writing, at least twenty-four (24) hours prior to the meeting and shall be noticed and conducted in accordance with the Brown Act.
- 3.5.3** Newspapers of general circulation in the District, organizations, and property owners who have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code §54950 through §54926) shall receive written notice in accordance with the Brown Act.
- 3.5.4** An agenda shall be prepared as specified for regular Board meetings in Section 3.10 herein, and shall be delivered with the notice of the special meeting to those specified above.
- 3.5.5** Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

### **3.6 Emergency Special Meetings**

- 3.6.1** In the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency special meeting without complying with the twenty-four (24) hour notice required in Section 3.5.2. An emergency situation means a disaster which severely impairs public health, safety, or both, as determined by a majority of the members of the Board or work stoppage or other activity which severely impairs public health, safety, or both, as determined by a majority of the members of the Board.
- 3.6.2** Newspapers of general circulation in the District or other members of the media which have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code §54950 through §54926) shall be notified by at least one (1) hour prior to the emergency special meeting. In the event that telephone services are not functioning, the notice requirement of one hour is waived, but the General Manager, or his/her designee, shall notify such newspapers or other members of the media of the fact of the holding of the emergency special meeting, and of any action taken by the Board, as soon after the meeting as possible.
- 3.6.3** No closed session may be held during an emergency special meeting, and all other rules governing special meetings shall be observed with the exception of the twenty-four (24) hour notice. The minutes of the emergency special meeting, a list of persons the General Manager or designee notified or attempted to notify, a copy of any vote(s), and any

actions taken at such meeting shall be posted for a minimum of ten (10) days in a public place at the District office as soon after the meeting as possible.

### **3.7 Adjourned Meetings**

**3.7.1** A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment and less than a quorum may so adjourn from time to time, except that if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place, and he/she shall cause a written notice of adjournment to be given to those specified in Section 3.5.3.

### **3.8 Public Notification of Meetings**

**3.8.1** Agendas for upcoming Board Meetings shall be posted in accordance with the provisions of Section 3.10.4, 3.10.5, and 3.10.6.

**3.8.2** Notice of upcoming meetings may appear in such other places as the local paper, in newsletters sent out with bills and in other places available to the District.

### **3.9 Annual Board Meeting Schedule**

**3.9.1** In November or December of each year, an annual Board Meeting schedule for the next year will be adopted. The annual Board Meeting schedule will identify dates for the regular Board Meetings for the year, which will usually be the third Wednesday of each month, but may vary due to conflicts, holidays, conferences or other meetings.

### **3.10 Board Meeting Agendas**

**3.10.1** The General Manager, in cooperation with the Board President or his/her designee, shall prepare an agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request any item to be placed on the regular meeting agenda at a regular Board meeting or workshop.

**3.10.2** Any member of the public may request that a matter directly related to District business be placed on the agenda of a regularly scheduled meeting of the Board of Directors, subject to the following conditions:

**3.10.2.1** The request must be in writing and be submitted to the General Manager together with supporting documents and information;

- 3.10.2.2** The General Manager may consult with the Board President to consider the request, and may schedule the matter for a future regular meeting, or refer the matter to the whole Board for consideration as to whether to include the matter on the agenda for a future meeting of the Board;
- 3.10.2.3** The Board of Directors may place limitations on the total time to be devoted to a public request issue at any meeting, and may limit the time allowed for any one person to speak on the issue at the meeting.
- 3.10.3** This policy does not prevent the Board from taking testimony at regular and special meetings of the Board, during the public comment portion of the Board meeting, on matters that are not on the agenda, which a member of the public may wish to bring before the Board. However, the Board shall not discuss or take action on such matters at that meeting. However, Directors may briefly respond to statements made or questions posed during public comment portions of a meeting. In addition, on their own initiative, or in response to questions raised by the public, Directors may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Directors may also provide a reference to District staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.
- 3.10.4** At least seventy-two (72) hours prior to the time of all regular meetings, an agenda, which includes but is not limited to all matters on which there may be discussion and/or action by the Board, shall be posted conspicuously for public review at the District office and on the District's website.
- 3.10.5** The agenda for a special meeting shall be posted at least twenty-four (24) hours before the meeting in the same location.
- 3.10.6** In addition to the District Office and the Board Meeting Room, Board meeting agendas will be provided to the media and members of the public who have so requested a copy.

### **3.11 Board Meeting Minutes**

- 3.11.1** Board Meeting Minutes shall be recorded for all Board Committee meetings, Regular and Special Board meetings. Such minutes should be concise, identifying the items considered, and any action taken.
- 3.11.2** If a written report is submitted for the item, then reference should be made to the written report rather than restating the report contents. General reference should be made to discussion of an item, rather than

a detailed description. Action taken should be clearly identified in terms of motions made, who made the motion and second, and the results of the voting.

- 3.11.3** Copies of said minutes shall be made for distribution to Directors with the agenda for the next regular Board meeting.
- 3.11.4** The official minutes of the regular, special and committee meetings of the Board shall be kept in the District office and backed up electronically on the District's server and cloud based back up system.
- 3.11.5** A digital audio recording of regular and special meetings of the Board of Directors may generally be made.
- 3.11.6** The recordings may be destroyed after written meeting minutes are approved by the Board and in accordance with California law and the District's Records Retention Policy which allows such recordings to be erased or destroyed 30 days after the recording.
- 3.11.7** Motions, resolutions or ordinances shall be recorded as having passed or failed, and individual votes will be recorded unless the action was unanimous.
- 3.11.8** All resolutions and ordinances adopted by the Board shall be numbered consecutively starting new at the beginning of each chronological fiscal year and the Board Secretary shall attest to the adopted resolutions and ordinances.
- 3.11.9** The minutes of Board meetings shall be maintained as hereinafter outlined and the Board Secretary shall attest to the adopted minutes.
- 3.11.10** Procedure:
- Date, place and type of each meeting;
  - Directors present and absent by name;
  - Call to order;
  - Arrival of tardy Directors by name;
  - Pre-adjournment departure of Directors by name, or if absence takes place when any agenda items are acted upon;
  - Adjournment of the meeting;
- 3.11.11** Board Actions: The Board shall act only by ordinance, resolution, or motion. Except where action is taken by the unanimous vote of all Directors present and voting, the ayes and noes shall be taken upon the passage of all ordinances, resolutions or motions and shall be entered in the minutes.

- Approval or amended approval of the minutes of preceding meetings;
- Complete information as to each subject of the Board's deliberation;
- Complete information as to each subject including the record of the vote on a motion if not unanimous;
- All Board resolutions and ordinances in complete context, numbered serially for each chronological fiscal year;
- A record of all contracts entered into;
- A record of all bid procedures, including calls for bids authorized, bids received, and other action taken;
- Adoption of the annual budget;
- A record of the General Manager's report to the Board;
- Approval of all policies and Board-adopted regulations; and,
- A record of all visitors and delegations appearing before the Board. However, in accordance with the Brown Act, a member of the public shall not be required, as a condition to attendance, to register his or her name or to provide any other information.

### **3.12 Board Meeting Conduct**

**3.12.1** Meetings of the Board of Directors shall be conducted by the President (or Vice-President in the President's absence, or in the absence of the Vice-President, by the Director selected to be the presiding officer by the remaining Directors) in a manner consistent with the policies set forth herein.

**3.12.2** In accordance with the Brown Act, all Board meetings should commence at the time stated on the agenda and should be guided by the same. The purpose of Board meetings is to enable the Board to conduct the business of the District. As such, the following guidelines should be substantially followed, to the extent practicable, depending on the circumstances surrounding each meeting:

**3.12.2.1** After the Call to Order, Pledge of Allegiance and Public Comment Time, the Board will act on the Consent Agenda; approving these items with one motion unless any are requested to be pulled from Consent by a Board member. In this case, each item pulled will be discussed and voted upon separately.

**3.12.2.2** Each regular agenda item shall then be taken in agenda order unless the order is altered by the Board President. A brief report from the General Manager or other designated staff will be given.

- 3.12.2.3** After hearing the staff report, the Board may ask questions of staff, discuss the issues involved, and comment on the issues. These deliberations shall be guided by the President.
- 3.12.2.4** After Board deliberations are concluded or prior to Board deliberations, the President shall ask the audience for public comment prior to calling for a vote.
- 3.12.2.5** After public comment, the Board shall vote on the matter before them and proceed to the next agenda item.
- 3.12.3** The conduct of meetings shall, to the fullest possible extent, enable Directors to:
  - 3.12.3.1** Consider problems to be solved, weigh evidence related thereto, and make wise decisions intended to solve the problems; and,
  - 3.12.3.2** Receive, consider and take any needed action with respect to reports of accomplishment of District operations.
- 3.12.4** Provisions for permitting any individual or group to address the Board concerning any item on the agenda of a special meeting, or to address the Board at a regular meeting, or to otherwise address the Board on any subject that lies within the jurisdiction of the Board of Directors, shall be as follows:
  - 3.12.4.1** A public comment time, immediately following the pledge of allegiance, is reserved for the public to discuss matters of interest, whether on the agenda or not. Speakers are requested to give their name and address. The Board may take no action on any item brought up at a public comment time except to refer the matter to staff and/or place it on a future agenda.
  - 3.12.4.2** Five (5) minutes may be allotted to each speaker and a maximum of twenty (20) minutes to each subject matter.
  - 3.12.4.3** No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous or disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address to the Board and the President may take such action in accordance with the Brown Act.
- 3.12.5** The District is required to follow certain legal requirements in connection with disclosure of information regarding District employees and personnel matters. Therefore, the Board will conduct any

discussion of personnel matters in compliance with such laws. As a result, it will be the policy of the Board that no oral presentation shall include charges or complaints against any District employee, regardless of whether or not the employee is identified in the presentation by name or by another reference, which tends to identify. All charges or complaints against employees shall be submitted to the General Manager for investigation

- 3.12.6** Willful disruption of any of the meetings of the Board of Directors shall not be permitted. In accordance with the Brown Act, if the President finds that there is in fact willful disruption of any meeting of the Board, he/she may order the room cleared and subsequently conduct the Board's business without the audience present.
- 3.12.7** In such an event, only matters appearing on the agenda may be considered in such a session.
- 3.12.8** After clearing the room, the President may permit those persons who, in his/her opinion, were not responsible for the willful disruption to reenter the meeting room.
- 3.12.9** Duly accredited representatives of the news media, whom the President finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

### **3.13 Brown Act Compliance**

- 3.13.1** This Board remains committed to the public's right to participate meaningfully in meetings, and to review documents used in decision-making at a relevant point in time; the right to confidentially address certain negotiations, personnel matters, claims and litigation; and the right of the press to fully understand and communicate public agency decision-making.

The Board of Directors of Running Springs Water District is committed to applying and complying with the Brown Act, and hereby incorporates the Brown Act and all future amendments to the Brown Act into this Board Policy Manual.

**SECTION 4.0**  
**BOARD MEMBER COMPENSATION AND RULES AND REGULATIONS REGARDING**  
**PAYMENT OF COMPENSATION**

**4.1 Purpose**

**4.1.1** This section establishes compensation for the members of the Board of Directors of the Running Springs Water District as well as rules and regulations regarding payment of compensation.

**4.2 Board Member Compensation**

**4.2.1** Compensation for Board members shall be set at \$100 for each day's attendance by a Director at Board meetings, Committee meetings or for each day's service rendered as a Director at the request of the Board, together with any expenses incurred in the performance of his or her duties required or authorized by the Board, which sum shall not exceed that authorized by law. Compensation for any day of service may be waived by any Board member entitled to such compensation.

**4.3 Authorized Meetings**

**4.3.1** Regular Board meetings, Workshops and Special Board meetings which are properly noticed and at which a quorum of the Board is in attendance. A hearing by or meeting with a legislative or regulatory body for District business as a representative of the Board. The District will not reimburse any travel, lodging, or meal expenses incurred in connection with attending a Board meeting or a Committee meeting conducted within the District's boundaries.

**4.3.2** Standing committee meetings and ad hoc committee meetings held by committees, which are authorized by the Board, and at meeting frequencies that are approved or otherwise authorized by the Board.

**4.3.3** A meeting with representatives of other agencies and entities related to District business or to District adopted or authorized policy positions.

**4.3.4** A meeting of a multi-jurisdictional governmental body on which the Board Member serves as the District's designated representative.

**4.3.5** A meeting of the California Special Districts Association, Special District Risk Management Association or the Association of San Bernardino County Special Districts.

**4.3.6** Attendance at meetings of other organizations, when such attendance is approved by a minute order of the Board at the Regular Board meeting, as described in Section 4.4.



**4.3.7** A conference or organized educational seminar designed to improve the Board Member's skill and information levels on topics related to District business. Attendance at seminars, conferences, or other meetings or events, when such attendance is approved by a minute order of the Board at a Regular meeting, as described in Section 4.4.

**4.3.8** A grievance hearing related to personnel matters.

**4.3.9** Ethics, sexual harassment or other legally mandated training programs.

#### **4.4 Authorization for Attendance at Meetings**

**4.4.1** The Board in open session may pre-approve a stipend of one hundred dollars (\$100) per day of service for attendance at other events not listed in Section 4.3, representation of the District before public agencies when authorized by the Board prior to the occasion, or an event that will further the purposes or responsibilities of the District. Each Board Member's compensation shall not exceed a total of 6 days of service in any calendar month. Compensation under this Policy may be waived by any Board Member entitled to compensation.

#### **4.5 Meeting Attendance Reports**

**4.5.1** A Board member who has attended an authorized meeting, seminar, or conference, as provided for in Section 4.3.3 to 4.3.9 of this Policy, for which the Board member has been compensated, may present a written or verbal report regarding the meeting, seminar, or conference at the next Regular Board meeting following such attendance.

#### **4.6 Meeting and Conference Expense**

**4.6.1** Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board when so authorized in accordance with Section 8.2.1.

**4.6.2** Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of the vehicle usage.

**4.6.3** The District shall reimburse Board Members for actual and necessary vehicle rental expenses incurred in connection with Board Member attendance at approved activities outside of the District's boundaries. The District shall only reimburse for the expense of economy or compact rate vehicles unless (i) such class of vehicle is unavailable; or (ii) such class of vehicles do not accommodate a disability. When a Board Member rents a vehicle, he or she shall obtain insurance for the vehicle at the District's expense.

- 4.6.4** Shuttle, bus, taxi, and public transportation may be used between an airport, hotel and conference site whenever it is available. Board Members are encouraged to use the most efficient mode of transportation available.
- 4.6.5** As necessary for the performance of their official duties, Board Members may use air travel or other mode of common carrier transportation to and from the destination. Board Members are encouraged to use the most efficient means available.
- 4.6.6** Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available. If a group rate is not available, the government rate of the provider of lodging shall be used. If neither the group nor governments rates are available, the most economical rate shall be obtained.
- 4.6.7** The actual costs of meals incurred while attending conferences or other meetings in furtherance of the District's affairs are reimbursable provided the District's Office Administrator is provided with a receipt documenting the expense incurred. If no receipt is available, meal costs shall be reimbursed at an amount not exceeding the greater of seventy-five dollars (\$75) per day or the applicable Internal Revenue Service per diem rate.
- 4.6.8** The District shall not reimburse the cost of transportation, lodging, meals, or other costs of travel when such costs are of a personal nature incurred in conjunction with the performance of District official duties. Personal costs, not reimbursable by the District, shall include, but not be limited to, the following: (i) alcoholic beverages; (ii) parking and traffic violations; (iii) entertainment; (iv) services provided by the provider of lodging; and (v) expenses incurred on behalf of a spouse, dependent, or traveling companion.
- 4.6.9** Board Members shall only receive reimbursement of expenses incurred for travel, lodging, and meals for conferences or other meetings in furtherance of the District's business. No other expense will be reimbursed.
- 4.6.10** The District shall not reimburse any expenses until an expense form is submitted to the District's Office Administrator no later than forty-five (45) days after the expenditure. Reimbursable expenses shall be limited to actual and necessary expenses incurred in attending conferences or other meetings in furtherance of the District's business. Expense forms shall be accompanied by receipts documenting each expense. If no receipt is available, a written explanation of the expenditure is required. Board Members will be required to provide a brief report on the

conference or meeting attended at the next regular meeting of the Board.

**4.6.11** Expenses which do not fall within this Policy or the Internal Revenue Service reimbursable rates must be approved by the Board of Directors in a public meeting before the expense is incurred.

**4.6.12** The forgoing provisions may be reviewed and amended by the Board of Directors.

## **SECTION 5.0 CODE OF ETHICS**

### **5.1 General**

**5.1.1** The Board of Directors of Running Springs Water District is committed to providing excellence in legislative leadership resulting in the provision of the highest quality of services to its constituents. In order to assist in the government of the behavior between and among members of the Board of Directors, the following rules shall be observed.

### **5.2 Priorities and Commitment**

**5.2.1** The dignity, style, values and opinions of each Director shall be respected.

**5.2.2** Responsiveness and attentive listening in communication is encouraged.

**5.2.3** The needs of the District's constituents should be the priority of the Board of Directors.

**5.2.4** The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters and the day-to-day management and operation of the District are within the purview of the professional staff members of the District.

**5.2.5** Directors should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, unkind remarks and other negative forms of interaction.

**5.2.6** Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues should be avoided.

**5.2.7** Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action and not to create barriers to the implementation of said action.

### **5.3 Procedures**

**5.3.1** Directors should practice the following procedures:

**5.3.1.1** In seeking clarification on informational items, Directors may directly approach professional staff members to obtain

information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.

- 5.3.1.2** In handling complaints from residents and property owners of the District, said complaints should be referred directly to the General Manager.
- 5.3.1.3** In handling items related to safety, concerns for safety or hazards should be reported to the General Manager or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
- 5.3.1.4** In presenting items for discussion at Board meetings, see Section 3.10.
- 5.3.1.5** In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development and finances, said concerns should be referred directly to the General Manager.

#### **5.4 Board and Staff Relationships**

- 5.4.1** When approached by District personnel concerning specific District policy, Directors should direct inquiries to the General Manager. The chain of command should be followed.
- 5.4.2** The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- 5.4.3** When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and route their questions through appropriate channels and to responsible management personnel.
- 5.4.4** Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.
- 5.4.5** Directors should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
- 5.4.6** Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

## SECTION 6.0 BOARD ACTIONS AND DECISIONS

### 6.1 Possible Actions

**6.1.1** Actions by the Board of Directors may include but are not limited to the following:

**6.1.1.1** Adoption, rejection, revision or amendment of regulations or policies;

**6.1.1.2** Adoption, rejection, revision or amendment of a resolution;

**6.1.1.3** Adoption, rejection, revision or amendment of an ordinance;

**6.1.1.4** Approval, rejection, revision or amendment of any contract or expenditure;

**6.1.1.5** Approval, rejection, revision or amendment of any proposal which commits District funds or facilities; and,

**6.1.1.6** Approval, disapproval or alteration of matters, which require or may require the District or its employees to take action and/or provide services.

**6.1.2** Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require all three (3) votes to be effective (unless a 4/5 vote is required by policy or other law).

### 6.2 Methods for Taking Action

**6.2.1** A member abstaining in a vote is considered as absent for that vote.

**6.2.1.1** **Example.** If 3 of 5 Directors are present at a meeting, a quorum exists and business can be conducted. However, if 1 Director abstains on a particular action and the other 2 cast “aye” votes, no action is taken because a “majority of the Board” did not vote in favor of the action.

**6.2.1.2** **Example.** If an action is proposed requiring a two-thirds vote and 2 Directors abstain, the proposed action cannot be approved because 4 of the 5 Directors would have to vote in favor of the action.

**6.2.1.3** **Example.** If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, 3 Directors

must vote in favor of the appointment for it to be approved. If 2 of the 4 Directors present abstain, the appointment is not approved.

### **6.3 Informal Action**

- 6.3.1** The Board may give directions, which are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the General Manager.
- 6.3.2** The President shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the President, a voice vote may be requested.
- 6.3.3** A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).
- 6.3.4** Informal action by the Board is still Board action and shall only occur regarding matters, which appear on the agenda for the Board meeting during which said informal action, is taken and for which more formal action is not required.

**SECTION 7.0  
RULES OF ORDER FOR  
BOARD AND COMMITTEE MEETINGS**

**7.1 General**

- 7.1.1** Action items shall be brought before and considered by the Board by motion in accordance with this policy. These rules of order are intended to be informal and applied flexibly. The Board prefers a flexible form of meeting and, therefore, does not conduct its meetings under formalized rules – Robert’s Rules of Order. The intent of these rules of order is to provide guidance for the conduct of meetings and the Board should strive to substantially comply with these rules of order.
- 7.1.2** If a director believes order is not being maintained or procedures are not adequate, then he/she should raise a point of order, not requiring a second, to the President. If the ruling of the President is not satisfactory to the director, then it may be appealed to the Board. A majority of the Board will govern and determine the point of order.

**7.2 Obtaining the Floor**

- 7.2.1** Any director desiring to speak should address the President and, upon recognition by the President, may address the subject under discussion.

**7.3 Motions**

- 7.3.1** Any director, including the President, may make or second a motion. A motion shall be brought and considered as follows:
- 7.3.1.1** A director makes a motion; another director seconds the motion; and the President states the motion.
- 7.3.2** Once the President has stated the motion, it is open to discussion and debate. After the matter has been fully debated, and after the public in attendance has had an opportunity to comment, either during the public comment portion of the meeting or prior to Board action, the President will call for the vote.
- 7.3.2.1** If the public in attendance has had an opportunity to comment on the proposed action, any director may move to immediately bring the question being debated to a vote, suspending any further debate. The motion must be made, seconded, and approved by a majority vote of the Board.
- 7.3.3** Secondary Motions. Ordinarily, only one motion can be considered at a time and a motion must be disposed of before any other motions or



business are considered. There are a few exceptions to this general rule, though, where a secondary motion concerning the main motion may be made and considered before voting on the main motion.

- 7.3.3.1** Motion to Amend. A main motion may be amended before it is voted on, either by the consent of the directors who moved and seconded, or by a new motion and second.
- 7.3.3.2** Motion to Table. A main motion may be indefinitely tabled before it is voted on by motion made to table, which is then seconded and approved by a majority vote of the Board.
- 7.3.3.3** Motion to Postpone. A main motion may be postponed to a certain time by a motion to postpone, which is then seconded and approved by a majority vote of the Board.
- 7.3.3.4** Motion to Refer to Committee. A main motion may be referred to a Board committee for further study and recommendation by a motion to refer to committee, which is then seconded and approved by a majority vote of the Board.
- 7.3.3.5** Motion to Close Debate and Vote Immediately. As provided above, any director may move to close debate and immediately vote on a main motion.
- 7.3.3.6** Motion to Adjourn. A meeting may be adjourned by motion made, seconded, and approved by a majority vote of the Board before voting on a main motion.

## **7.4 Decorum**

- 7.4.1** In accordance with the Brown Act, the President shall take whatever actions are necessary and appropriate to preserve order and decorum during Board meetings, including public hearings. The President may remove any person or persons making personal, impertinent or slanderous remarks, refusing to abide by a request from the President, or otherwise disrupting the meeting or hearing.
- 7.4.2** The President may also declare a short recess during any meeting.

## **7.5 Amendment of Rules of Order**

- 7.5.1** By motion made, seconded and approved by a majority vote, the Board may, at its discretion and at any meeting:
  - a. Temporarily suspend these rules in whole or in part;
  - b. Amend these rules in whole or in part; or,
  - c. Both.

## **7.6 Public Hearings**

**7.6.1** Public hearings shall be called to order by the President at or as soon as practical after the time for which the hearing has been noticed. The President shall interrupt at a reasonable point any business before the Board in order to proceed with such noticed public hearing. The procedure for public hearings shall generally be as follows:

- a) Open the Public Hearing;
- b) Staff presentation and Board inquiry/statements;
- c) Written Public Comment;
- d) Oral Public Comment;
- e) Board member discussions/comments;
- f) Close the Public Hearing;
- g) Vote on item.

## **SECTION 8.0 TRAINING, EDUCATION AND CONFERENCES**

### **8.1 General**

- 8.1.1** Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purpose of such activities is to improve District operation. Hence, there is no limit as to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District. However, Directors should be aware that requirements of the Brown Act may apply depending on the circumstances of any such meeting.
- 8.1.2** “Junkets” (a tour or journey for pleasure at public expense), however, will not be permitted.

### **8.2 Policy**

- 8.2.1** It is the policy of the District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District.
- 8.2.2** The General Manager or his/her designee is responsible for making arrangements for Directors for conference and registration expenses. When appropriate, the District shall also reimburse a Director for meal expenses, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the General Manager or his/her designee, together with validated receipts.

### **8.3 Approval**

- 8.3.1** Attendance by Directors at seminars, workshops, courses, professional organization meetings and conferences shall be approved by the Board of Directors, in accordance with District policy, prior to incurring any reimbursable costs.

### **8.4 Reimbursement**

- 8.4.1** Expenses to the District for Board of Director training, education and conferences should be kept to a minimum by utilizing recommendations for transportation and housing accommodations put forth by the General Manager and by:

**8.4.1.1** Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.

**8.4.1.2** Directors traveling together whenever feasible and economically beneficial.

**8.4.1.3** Requesting reservations sufficiently in advance, when possible, to obtain discounted airfares and hotel rates.

**8.4.2** A Director shall not attend a conference or training event for which there is an expense to the District if it occurs after they have announced their pending resignation, or if it occurs after an election in which it has been determined that they will not retain their seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.

## **8.5 Reporting**

**8.5.1** Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Directors should either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. Said report should detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.

## **SECTION 9.0 AMENDMENTS**

This Board Policy Manual supersedes all former by-laws adopted by the Board and may be repealed or amended in whole or in part by resolution of the Board.

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 17, 2017

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER DRAFT PURCHASING POLICY

**RECOMMENDED BOARD ACTION**

This is an information item only.

**REASON FOR RECOMMENDATION**

This is an information item only.

**BACKGROUND INFORMATION**

All of the various policies and procedures of the District related to purchasing have been incorporated into the attached draft Purchasing Policy.

Any comments, edits or other suggested revisions by Board members will be incorporated into a final draft for review and considered for adoption in June or July 2017.

**ATTACHMENTS**

Attachment 1 – Draft Resolution and Purchasing Policy

**RESOLUTION NO. XX-17**

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

**WHEREAS**, the Board of Directors of Running Springs Water District has adopted various policies and procedures over the years related to purchasing; and

**WHEREAS**, the Board of Directors desires to incorporate all of the various policies and procedures related to purchasing into a Purchasing Policy Manual;

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

**ADOPTED** this **XX** day of **MONTH, YEAR**.

---

President of the Board of Directors  
Running Springs Water District

ATTEST:

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Secretary of the Board of Directors  
Running Springs Water District

# Running Springs Water District



## Purchasing Policy Manual

May 17, 2017

**DRAFT VERSION**

Resolution No. **XX-17**



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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 of 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 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 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 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.

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

- 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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## **2 CFR Part 200 Subpart A**

### **DEFINITIONS**

#### **§200.22 Contract.**

*Contract* means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see §200.92 Subaward).

#### **§200.23 Contractor.**

*Contractor* means an entity that receives a contract as defined in §200.22 Contract.

#### **§200.67 Micro-purchase.**

*Micro-purchase* means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.

#### **§200.88 Simplified acquisition threshold.**

*Simplified acquisition threshold* means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$150,000, but this threshold is periodically adjusted for inflation. (Also see definition of §200.67 Micro-purchase.)

#### **§200.92 Subaward.**

*Subaward* means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments

to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

**§200.93 Subrecipient.**

*Subrecipient* means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

**2 CFR Part 200 Subpart D**

***PROCUREMENT STANDARDS***

**§200.317 Procurements by states.**

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

**§200.318 General procurement standards.**

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-

Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

### **§200.319 Competition.**

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(1) Placing unreasonable requirements on firms in order for them to qualify to do business;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between firms or between affiliated companies;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and

(7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free

competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.320 *Methods of procurement to be followed.***

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:



(i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to

purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

***§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.***

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are allowed, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

**§200.322 Procurement of recovered materials.**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.323 Contract cost and price.**

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

**§200.324 Federal awarding agency or pass-through entity review.**

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified.

Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

**§200.325 Bonding requirements.**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

**§200.326 Contract provisions.**

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

## ***SUBRECIPIENT MONITORING AND MANAGEMENT***

### ***§200.330 Subrecipient and contractor determinations.***

The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The Federal awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section.

(a) *Subrecipients.* A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See §200.92 Subaward. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

- (1) Determines who is eligible to receive what Federal assistance;
- (2) Has its performance measured in relation to whether objectives of a Federal program were met;
- (3) Has responsibility for programmatic decision making;
- (4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
- (5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

(b) *Contractors.* A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:

- (1) Provides the goods and services within normal business operations;
- (2) Provides similar goods or services to many different purchasers;
- (3) Normally operates in a competitive environment;
- (4) Provides goods or services that are ancillary to the operation of the Federal program; and
- (5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

(c) *Use of judgment in making determination.* In determining whether an agreement between a pass-through entity and another non-Federal entity casts

the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

***APPENDIX II TO PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS***

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the

acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387).



Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

RSWD Total Water Production (Acre-Feet)																		
	2013			2014			2015				2016				2017			
	Precipitation (Inches)	(AF)	(gallons)	Precipitation (Inches)	(AF)	(gallons)	Precipitation (Inches)	(AF)	(gallons)	% Reduction from 2013	Precipitation (Inches)	(AF)	(gallons)	% Reduction from 2013	Precipitation (Inches)	(AF)	(gallons)	% Reduction from 2013
January	3.90	44	14,348,960	1.75	30	9,793,223	1.20	31	10,139,995	29%	7.05	31	10,167,367	29%	24.35	30	9,938,312	31%
February	3.60	34	11,222,900	3.75	26	8,419,752	3.00	25	8,175,163	27%	4.10	27	8,927,377	20%	6.25	27	8,916,787	21%
March	2.40	33	10,897,679	8.05	30	9,716,033	1.25	31	9,951,542	9%	4.55	26	8,552,646	22%	1.60	29	9,560,030	12%
April	0.35	33	10,743,916	2.85	32	10,347,929	0.80	31	10,260,776	4%	5.73	25	8,044,270	25%	0.00	33	10,608,910	1%
May	0.90	45	14,601,449	0.30	39	12,750,144	2.60	33	10,735,438	26%	0.88	27	8,849,396	39%	0			
June	0.00	45	14,610,203	0.00	51	16,459,883	0.04	37	12,085,249	17%	0.00	41	13,296,489	9%	0			
July	0.10	56	18,206,345	0.25	52	17,037,779	3.05	38	12,413,711	32%	0.00	49	15,889,782	13%	0			
August	0.00	56	18,170,122	1.00	50	16,305,276	0.00	41	13,211,462	27%	0.00	47	15,454,430	15%	0			
September	0.00	52	16,831,647	0.75	45	14,683,509	0.10	37	11,901,106	29%	0.10	41	13,369,869	21%	0			
October	2.60	35	11,312,308	1.20	38	12,465,927	2.40	33	10,825,289	4%	1.55	37	12,002,331	-6%	0			
November	3.40	30	9,723,378	1.80	40	12,983,932	3.15	27	8,827,761	9%	2.85	29	9,586,472	1%	0			
December	1.25	35	11,433,417	13.35	29	9,590,835	2.85	30	9,886,959	14%	11.40	31	10,115,160	12%	0			
Total	18.50	497	162,102,324	35.05	462	150,554,222	20.44	394	128,414,451	21%	38.21	412	134,255,589	17%	32.20	120	39,024,039	

