



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 14, 2021  
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 19, 2021, at the hour of 9:00 am at the District Office located at 31242 Hilltop Boulevard, Running Springs, California. This agenda was posted prior to 5:00 pm on May 14, 2021 at the Running Springs Water District Office and Website.

Consistent with the Governor's Executive Order in response to the COVID-19 emergency and suspension of certain provisions of the Brown Act, Running Springs Water District Board meetings will be held remotely via teleconference only.

To join the meeting:

<https://us02web.zoom.us/j/84483595141?pwd=R0JteDZod1dVSTdyLzlOdTMwZEI4QT09>

Dial: 669-900-6833

Meeting ID: 844 8359 5141

Passcode: 862237

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 Amie Crowder, 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 4**

B. Ratify Expenditures **Page 10**

4. Action Items – The following action items will be considered individually and each **require a motion** by the Board of Directors for action.

A. Consider Approving Amendment No. 2 to Professional Services Contract with Albert A. Webb Associates for the Nob Hill Water System Improvements Project Engineering Services During Construction  
(Presenter: Ryan Gross, General Manager) **Page 18**

B. Consider Authorizing Expenditures for Wastewater Treatment Plant Process and Scouring Air Pipeline Materials and Additional MBR Module **Page 23**  
(Presenter: Trevor Miller, Operations Manager)

C. Consider Awarding Construction Contract for Installation of Wastewater Treatment Plant Process and Scouring Air Pipelines **Page 35**  
(Presenter: Trevor Miller, Operations Manager)

D. Consider Approving Contract for Fiscal Year Ending 2020 Financial Consulting Services **Page 42**  
(Presenter: Ryan Gross, General Manager)

E. Consider Approving Contract for Fiscal Year Ending 2020 Financial Audit Services **Page 45**  
(Presenter: Ryan Gross, General Manager)

F. Consider Authorizing Staff to Submit a Request for Proposal to Provide Fire Protection and Emergency Medical Services **Page 51**  
(Presenter: Mike Vasquez, Fire Chief)

5. General Manager's Report
6. Report from Legal Counsel
7. Board Member Comments/Meetings

May 19, 2021 Regular Board Meeting Agenda  
Posted May 14, 2021

8. Closed Session
  - A. Public Employee Performance Evaluation, Title: General Manager. Pursuant to Government Code Section 54957
9. Open Session
  - A. The Board and/or Legal Counsel will report any action taken in closed session.
  - B. Discuss the General Manager's Employment Agreement following annual performance evaluation and consider any changes to such.
10. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, June 16, 2021 at 9:00 am

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021  
**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 21, 2021.

**ATTACHMENTS**

Attachment 1 – Draft Meeting Minutes

**MINUTES – April 21, 2021**  
**PAGE 1 OF 5**

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**RUNNING SPRINGS WATER DISTRICT**  
**COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA**  
**April 21, 2021**

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A Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, April 21, 2021 at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California, and through teleconference.

The following Directors were present at the District:

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

Also present at the District were the following:

Ryan Gross, General Manager  
Amie R. Crowder, Board Secretary/Treasurer/Administration Supervisor  
Trevor Miller, Operations Manager  
Mike Vasquez, Fire Chief  
Cindy Strebel, Battalion Fire Chief  
Mike Scotti, President, Running Springs Professional Firefighters, Local 5308  
Zach Granzow, Vice-President, Running Springs Professional Firefighters, Local 5308

The following were present through teleconference:

Ward Simmons, Legal Counsel, Best, Best & Krieger

**MEETING MINUTES**

**AGENDA ITEMS**

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

The Running Springs Water District Regular Board Meeting was called to order at 9:00 A.M. by President Tony Grabow. Pledge of Allegiance was led by President Grabow.

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

No public comment.

**3. Approval of Consent Items**

**A. Approve Meeting Minutes**

**B. Ratify Expenditures and Cash Summary**

Director Conrad requested clarification on the electricity bills, based on the payables located on page 13 of the Board Packet. General Manager Ryan Gross provided explanation.

**C. Consider Adopting Resolution No. 04-21, Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act**

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

Upon **motion** by Vice-President Mackzum, **second** by Director Acciani and **carried by a 5 to 0 vote**, the Consent Items were approved.

**4. Action Items**

The following action items will be considered individually, and each **require a motion** by the Board of Directors for action.

**A. Consider Awarding Construction Contract for the Nob Hill Water System Improvements Project**

General Manager Ryan Gross outlined the details of the project. Director Conrad asked for clarification on the phases of this project. General Manager Gross confirmed the phases this project will be executed in. General Manager Gross continued to explain that District projects require proper inspection; and, depending on the project these are conducted either in-house or by a consultant.

Upon **motion** by Director Conrad, **second** by Director Terry and **carried by a 5 to 0 vote**, A Construction Contract for the Nob Hill Water System Improvements Project, was awarded to GM Excavating for their low bid of \$305,765, the General Manager was authorized to execute the contract and approve change orders, if needed, not to exceed 15% of the original contract amount.

**B. Consider Authorizing Expenditure for Conversion of Waste and Sewer Atlas Maps to ArcGIS Online**

General Manager Gross outlined the proposals the District received, the details of the conversion, and the benefits this conversion will provide to the District. Minimal discussion continued.

Upon **motion** by Director Conrad, **second** by Director Terry and **carried by a 5 to 0 vote**, Authorizing Expenditure for Conversion of Waste and Sewer Atlas Maps to ArcGIS Online, in the amount of \$30,000, was approved.

**C. Consider Authorizing Expenditure for Rental of Vactor iMPACT Combination Sewer Cleaner Truck**

Operations Manager Trevor Miller outlined the details of the Vactor iMPACT demonstration and the potential improvement this could have on the efficiency of the District's current wastewater collection system line cleaning operation. Minimal discussion continued.

Upon **motion** by Director Conrad, **second** by Vice-President Mackzum and **carried by a 5 to 0 vote**, Authorizing Expenditure for Rental of Vactor iMPACT Combination Sewer Cleaner Truck, in the amount of \$9,000 plus tax, was approved.

**5. Information Items**

**A. Presentation of Draft Fiscal Years Ending 2022 and 2023 District Budget**

General Manager Gross reviewed the Draft Budget for Fiscal Years Ending 2022 and 2023. A few items discussed were the CalPERS Additional Lump Sum Payment for Miscellaneous Employees, adjusting the budget allocations of the Fire Department and Ambulance to reflect their actual position more accurately, the repaving project on page 110, and the Fire Department Capital Improvement Projects on page 116. Director Conrad would like the Ad-Hoc Committee to arrange a meeting and discuss items pertaining to the Fire Department.

**B. Discuss Various Fire Department Matters**

Fire Chief Mike Vasquez provided his verbal tentative resignation. Minimal Discussion continued.

Mike Scotti and Zach Granzow, President and Vice-President of Running Springs Professional Firefighters, Local 5308 reviewed the salary survey that was conducted with the Local Union 5308. They also shared that the first draft of the Memorandum of Understanding (MOU) will be presented to General Manager Gross. Minimal discussion continued.

**C. Quarterly Investment Report**

No additional information to report.

**D. Quarterly Budget/Financial Update**

General Manager Gross presented the financial summary for the 3<sup>rd</sup> quarter of the fiscal year. The District received \$704,168.51, in property taxes, which will assist the Fire Dept.

**E. Quarterly Operations Reports**

No additional information to report.

**6. General Manager's Report**

General Manager Gross informed the Board of Directors that the District will be required to update and submit an Urban Water Management Plan. Manager Gross outlined the current total District connections and the need to review and update our Urban Water Management Plan.

General Manager Gross and President Grabow reviewed the Green Valley Lake Advisory Committee Meeting they attended on April 7, 2021.

**7. Report from Legal Counsel**

Ward Simmons, Legal Counsel, Best, Best & Krieger reported the temporary Brown Act changes during the COVID-19 Pandemic could become permanent. Ward will provide a final report on what the courts approve. BB&K also has a team that is available to review Urban Water Management Plans to ensure they comply with the regulations.

**8. Board Member Comments/Meetings**

President Tony Grabow requested that the Ad-hoc Committee consisting of Directors Mike Terry and Bill Conrad formed last year for planning and developing strategies on future additional Fire Department funding reconvene. This Ad-hoc committee was also tasked with discussing the future plans for the Fire Department with the Running Springs Professional Firefighters, Local 5308.

President Tony Grabow appointed Director Mike Terry and himself to an Ad-hoc Committee in order to review the Fire Department Mutual Aid Agreements.

Mike Scotti, President, Running Springs Professional Firefighters, Local 5308 would like to meet with the Board of Directors, General Manager Gross, and Fire Chief Mike Vasquez to discuss the future of the Running Springs Fire Dept.



**MINUTES – April 21, 2021**  
**PAGE 5 OF 5**

Zach Granzow, Vice-President, Running Springs Professional Firefighters, Local 5308, reported to the Board of Directors, a summary of the Safety Committee Meeting, which took place on Tuesday, March 30<sup>th</sup>, 2021 at 10:00 A.M.

**9. Meeting Adjourned**

The meeting was adjourned at 11:07 A.M.

Respectfully Submitted,

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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 19, 2021  
**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 2021 expenditures.

A copy of the District's Cash Reserve Fund Summary as of April 30, 2021, the Pooled Cash Balance History and Fire Department Operating Reserve Fund History is also included for review and information.

**REASON FOR RECOMMENDATION**

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

**FISCAL INFORMATION**

Refer to attachments.

**ATTACHMENTS**

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

## Running Springs Water District Accounts Payable Checks April 2021

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
2 Hot Uniforms inc	Uniform for new PCF Evan Perez	04/27/21	772.70	105890	1,939.97
	Uniform for new AO Myles Wheldon-Manion	04/27/21	395.76	105890	
	Uniform for new PCF Matt Alexander	04/27/21	771.51	105890	
Action Auto Repair Inc	Mount and Balance Tires	04/12/21	60.00	105811	220.00
	Mount and Balance Tires	04/12/21	160.00	105811	
Airgas Inc.	Welding equipment and supplies	04/12/21	754.65	105812	1,694.87
	Millermatic 211 mig welder	04/12/21	916.46	105812	
	Large Argon, Helium, Oxygen and Actyene	04/12/21	23.76	105812	
Albert A. Webb Associates	Design West Engineering	04/15/21	11,040.00	105849	11,040.00
Alex Clemmer	Reimbursement Claim	04/15/21	2,415.77	105850	2,415.77
American Family Life Assurance Company of Colun	Additional Insurance April 2021	04/29/21	143.26	DFT0001483	143.26
Amie Crowder	Reimbursement Claim	04/12/21	140.00	105813	140.00
	Reimbursement Claim	04/27/21	350.00	105892	350.00
Aramark	Cleaning Suppries March 2021	04/12/21	335.60	105814	335.60
Axiom Systems Inc.	EDI File Transfers - 50 Claims a month	04/12/21	297.00	105815	297.00
Bacon/Wagner Excavating, Inc.	Hauling to One Stop	04/21/21	800.00	105865	800.00
Best, Best & Krieger LLP	Legal Services March 2021	04/12/21	1,366.86	105816	1,366.86
BURR Group Inc.	Trash Service March 2021 Station 50	04/12/21	73.25	105817	491.61
	Trash Service March 2021 Dist Office/Sta 51	04/12/21	192.43	105817	
	Trash Service March 2021 Treatment Plnt	04/12/21	225.93	105817	
California Computer Options Inc	Domain Renewal	04/12/21	149.00	105818	149.00
	Telephone usage April-May 2021	04/21/21	13.42	105866	13.42
CalPERS	Health Insurance Premiums April 2021	04/05/21	17,946.24	DFT0001467	17,946.24
	Employer Contribut Class/Pepra Safety/Misc PPE4j	04/13/21	22,071.72	DFT0001473	22,071.72
	Replacement Benefit Contributions	04/13/21	447.86	DFT0001475	447.86
	Employer contributions Class/Pepra Safe/Misc	04/20/21	21,891.19	DFT0001481	21,891.19
Canon	Contract Charge and Meter Usage April 2021	04/21/21	447.34	105867	447.34
Charter Communitcations	Internet for Dist Off/Station 51 Apr-May 2021	04/21/21	186.94	105868	186.94
	Internet April-May 2021	04/27/21	81.97	105893	203.94
	Internet April-May 2021 Station 50	04/27/21	121.97	105893	
Citibank, N.A.	Blue Mark Caution and Squeegee	04/12/21	34.42	105819	34.42
	Office Supplies	04/21/21	291.18	105869	532.27
	Staples -Office Supplies	04/21/21	241.09	105869	
Clinical Laboratory of San Bernardino	Water Samples March 2021	04/27/21	1,145.00	105894	1,670.00
	Wastewater Samples March 2021	04/27/21	525.00	105894	
Compressed Air Specialties, Inc.	Annual Service for Air Compressor	04/21/21	1,056.78	105870	1,056.78
ConFire JPA	Quarterly April -June 2021 Dispatch Fees	04/27/21	15,197.22	105895	15,197.22
Consolidated Electrical Distributors, Inc	Hand Tote	04/12/21	40.10	105820	40.10
County of San Bernardino	Map Revisions April 2021	04/12/21	2.00	105821	2.00
	Street Permits	04/12/21	327.00	105822	327.00
	Lien Release x2	04/15/21	40.00	105851	80.00
	Lien Release x2	04/15/21	40.00	105851	
	Radio Parts and Materials	04/21/21	395.60	105871	395.60
	Dump Fees April 2021	04/21/21	50.58	105872	50.58
	Lien Release x 2	04/21/21	40.00	105873	40.00

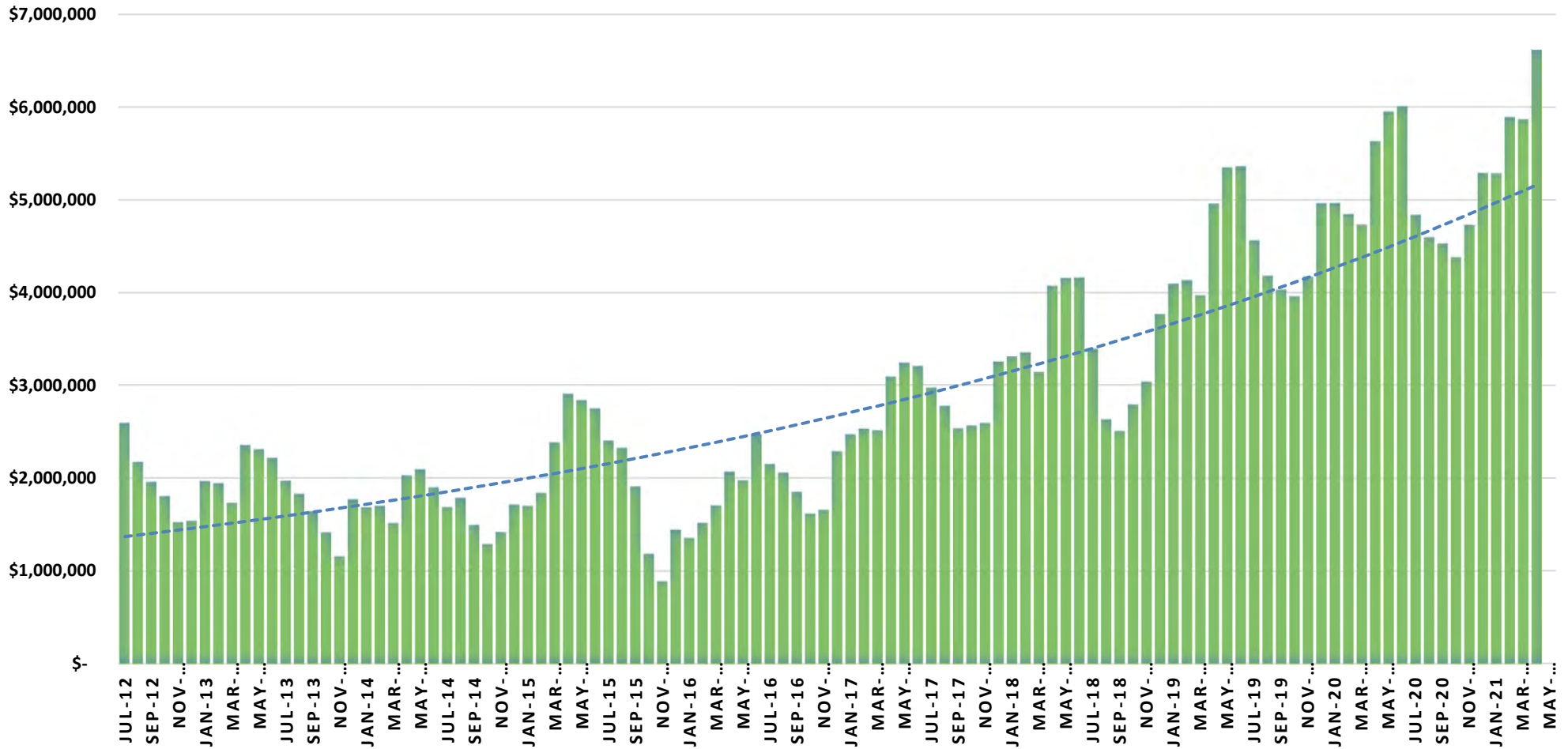
Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
County of San Bernardino	Lien Release	04/27/21	20.00	105896	40.00
	Lien Release	04/27/21	20.00	105896	
County of San Bernardino	Notice of Exemption	04/15/21	50.00	105852	50.00
Crestline-Lake Arrowhead Water Agency	Purchased Water March 2021	04/12/21	8,954.40	105823	8,954.40
Cypress Ancillary Benefits	Dental Insurance Premiums May 2021	04/27/21	1,006.23	105897	1,006.23
Dixi Willemse	Reimbursement Claim	04/12/21	21.37	105824	21.37
	Reimbursement Claim	04/15/21	608.86	105853	608.86
Don's Auto Inc	Repair upper & lower Thermostat housing	04/21/21	437.84	105874	437.84
Federal Express Corporation	Shipping Charges	04/12/21	18.21	105825	18.21
	Ambulance Supplies Shipping Return	04/21/21	17.99	105875	17.99
	Shipping Charges	04/27/21	113.94	105898	113.94
Fire Fighters Association	Association Dues April 2021	04/21/21	760.00	105876	760.00
Frontier Communications	Telephone Charges April 2021	04/12/21	894.09	105826	894.09
	SCADA line April-May 2021	04/21/21	76.58	105877	76.58
Harrington Industrial Plastics LLC	Valve Ball and 6" Elbow	04/12/21	342.70	105827	342.70
Hi-Desert Publishing-Mountain News	Notice of Inviting Bids 3/11/21-3/18/21	04/12/21	304.00	105828	304.00
INFOSEND	Statement Data Processing March 2021	04/21/21	1,798.44	105878	1,798.44
Inland Desert Security & Communications	Answering Service April 2021	04/21/21	125.00	105879	125.00
Leslie's Poolmart, Inc	Chlor Drums	04/21/21	1,342.52	105880	1,342.52
Liberty Composting Inc	Tipping Fees March 2021	04/15/21	270.60	105854	270.60
Life-Assist, Inc	Ambulance Supplies	04/12/21	906.11	105829	1,072.59
	Ambulance Supplies	04/12/21	166.48	105829	
	Ambulance supplies	04/15/21	225.60	105855	225.60
	Ambulance Supplies	04/27/21	-217.00	105899	721.33
	Ambulance Supplies	04/27/21	-75.17	105899	
	Ambulance Supplies	04/27/21	668.70	105899	
Linda Mayfield	Reimbursement Claim	04/15/21	466.60	105856	466.60
McMaster-Carr Supply Company	Relays and Relay Sockets SLS 1-3	04/12/21	209.63	105830	904.12
	Machine Tool Wire	04/12/21	88.66	105830	
	solenoid valve	04/12/21	549.79	105830	
	Treatment plant maintenance	04/12/21	56.04	105830	
	Treatment plant maintenance	04/21/21	94.26	105881	94.26
Mountain Lifestyle	LT Position Advertisement	04/21/21	125.00	105882	125.00
Nationwide	Employee Contributions PPE 4/5/21	04/09/21	1,925.00	DFT0001471	1,925.00
	Employee Contributions PPE 4/19/21	04/23/21	1,925.00	DFT0001479	1,925.00
Nestle Waters North America	Drinking Water Treatment Plant	04/27/21	32.78	105900	32.78
Nick Nikas	Reimbursement Claim	04/12/21	534.74	105831	534.74
Nierman Industrial Materials	Miscellaneous parts and supplies	04/21/21	194.39	105883	194.39
One Stop Landscape Supply	Biosolids Disposal	04/12/21	2,931.00	105832	2,931.00
Principal Life Insurance Company	Vision Insurance Premiums May 2021	04/27/21	147.47	105901	147.47
Provident Agency, Inc	Annual PCF Accidnet and Health	04/15/21	5,593.00	105857	5,593.00
Quinn Cat	oil for towable compressor	04/15/21	339.02	105858	339.02
Reliance Standard Life Insurance Company	Life Insurance Premiums May 2021	04/27/21	1,033.22	105902	1,033.22
Rocio Silva	Janitorial service March 2021	04/12/21	485.00	105833	685.00
	Sanitization Service March 2021	04/12/21	200.00	105833	
Rogers Anderson Malody & Scott LLP	Consultant Costs March 2021	04/27/21	1,254.00	105903	1,254.00
Running Springs Area Chamber of Commerce	Business membership annual due for Fire Dept	04/27/21	125.00	105904	125.00
Running Springs Professional Firefighters	Union Dues April 2021	04/21/21	600.00	105884	600.00
Ryan Gross	Reimbursement Claim	04/21/21	3,260.20	105885	3,260.20

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Ryan Gross	Reimbursement Claim	04/27/21	270.31	105905	270.31
S & S ENGINEERING INC	SCR Module and Service Charges	04/12/21	3,455.00	105834	3,455.00
San Bernardino County Elections Office of the Regi	Services for the 11/3/20 General Election	04/27/21	314.00	105906	314.00
Southern California Edison Company	Electricity Seymour Boost/Tank Mar 2021	04/12/21	130.38	105835	130.38
Southern California Emergency Medicine	New Hire Exams/DOT Exam	04/27/21	215.00	105907	215.00
Southern California Gas Company	Gas Usage March 2021	04/12/21	632.18	105836	982.12
	Gas Usage March 2021	04/12/21	349.94	105836	
	Gas Usage March 2021	04/15/21	302.78	105859	816.84
	Gas Usage March 2021	04/15/21	498.29	105859	
	Gas Usage March 2021	04/15/21	15.77	105859	
State of California - Department of Forestry & Fire	Firefighter 2 Certification McAlonan	04/12/21	40.00	105837	40.00
State of California - State Water Resource Control	ID3 Renewal	04/12/21	90.00	105838	90.00
State Water Resources Control Board	Annual Permit Fee for Treatment Plant	04/15/21	1,474.00	105860	1,474.00
Steve Guidero Enterprises	LS Drafting and Site Survey Nordic Tank	04/12/21	1,400.00	105839	1,400.00
Sulzer EMS-Colton	TOSH 3HP 1200 RPM	04/27/21	711.15	105908	711.15
Superior Automotive Warehouse	Miscellaneous Parts and Supplies	04/12/21	233.81	105840	958.95
	Miscellaneous Parts and Supplies	04/12/21	725.14	105840	
Terminix International Company LP	Pest Control Collections Building	04/27/21	79.00	105909	79.00
The Standard Insurance Company	Disability Insurance May 2021	04/27/21	232.00	105910	232.00
Tyler Technologies, Inc	Insite Transaction Fees	04/21/21	3,997.50	105886	4,137.50
	UB Billing Notification Calls/Texts	04/21/21	140.00	105886	
	Maintence June 21-May22 Bar Code Scanner	04/27/21	110.43	105911	110.43
Uline	Easy Lock Seal -Red	04/12/21	143.89	105841	143.89
Underground Service Alert of Southern California	New Dig Tickets/Maintenance fee April 2021	04/12/21	71.87	105842	71.87
Valic	Employee Contributions PPE 4/5/21	04/06/21	1,326.57	DFT0001472	1,326.57
	Employee Contributions PPE 4/19/21	04/20/21	1,328.72	DFT0001480	1,328.72
Verizon Wireless Services LLC	Cell Phone Charges March 2021	04/12/21	295.04	105843	295.04
Visa	Gross- AWWA, Spectrum, Zoom	04/12/21	142.99	105844	3,146.03
	Miller- Uniform, Office Supplies Smog Check	04/12/21	1,346.17	105844	
	Trenching and shoring class	04/12/21	722.70	105844	
	Strebel- Station Supplies and Ink	04/12/21	61.91	105844	
	AHA Sutdent and Instructor Materials	04/12/21	805.98	105844	
	Vasquez-Adobe acro and office supplies	04/12/21	66.28	105844	
	Crowder- Parcel Quest, Hireright, Misc Supplies	04/15/21	945.74	105861	1,240.74
	Ellsberry- EMS Recertification	04/15/21	295.00	105861	
Vyanet Operating Group	Security Services May-July 2021	04/15/21	178.85	105862	178.85
	Service for Zone 40 on Key pad	04/27/21	30.00	105912	30.00
Whitney Mesna	Reimbursement Claim	04/12/21	80.00	105846	80.00
York Risk Services Group, Inc	Wrkers Comp Admin Fee March 2021	04/12/21	112.00	105847	112.00
Zoll Medical Corporation GPO	Ambulance Supplies	04/12/21	845.20	105848	845.20
	Ambulance Supplies	04/15/21	519.53	105863	519.53
	Ambulance Supplies	04/27/21	650.27	105913	650.27

	<b>Totals</b>		
<b>Payment Type</b>	<b>Payable Count</b>	<b>Payment Count</b>	<b>Payment</b>
Regular Checks	128	97	101,770.48
Manual Checks	0	0	0.00
Voided Checks	0	2	0.00
Bank Drafts	9	9	69,005.56
EFT's	0	0	0.00
<b>Totals</b>	<b>137</b>	<b>108</b>	<b>170,776.04</b>

<b>Fund Balances as of April 30, 2021</b>	
<b>Fire &amp; Ambulance Department</b>	
Fire Department Operating Reserve	1,604,952
Ambulance Department Operating Reserve	(128,069)
Subtotal Fire & Ambulance Department Operating Reserve Funds	1,476,883
<b>Recommended Operating Reserve Fund Target (6 Months Operating Expenses)</b>	<b>1,463,305</b>
<b>Fire &amp; Ambulance Department Operating Reserve, Above Target / (Below Target)</b>	<b>13,578</b>
<b>Wastewater Division</b>	
Wastewater Capital Improvement Project Reserve	1,167,161
Wastewater System Connection & Capacity Charges	303,285
CWSRF Loan Agreement 14-813 Debt Reserve (Restricted for SLS 1-3 Debt Service)	171,537
Wastewater Operating Reserve Fund	559,340
<b>Recommended Operating Reserve Fund Target (4 Months Operating Expenses)</b>	<b>559,340</b>
<b>Wastewater Operating Reserve, Above Target / (Below Target)</b>	<b>-</b>
<b>Water Division</b>	
Water Capital Improvement Project Reserve	1,892,404
Water System Connection & Capacity Charges	111,060
Water Infrastructure R&R Reserve (MFC & AMR SRF Debt Reserve)	89,334
Water Operating Reserve	527,365
<b>Recommended Operating Reserve Fund Target (4 Months Operating Expenses)</b>	<b>527,365</b>
<b>Water Operating Reserve, Above Target / (Below Target)</b>	<b>-</b>
<b>Assessment Districts Restricted Funds</b>	
Water Assessment District No. 9 Construction Funds	7,764
Water Assessment District No. 10 Construction Funds	26,421
Water Assessment District No. 10 O&M	164,260
Water Assessment District No. 10 Bond Reserve Fund	116,472
<b>Subtotal Assessment Districts</b>	<b>314,916</b>
<b>Total District Designated &amp; Operating Reserve Funds</b>	<b>6,298,368</b>
<b>Assessment District Funds</b>	<b>314,916</b>
<b>Combined Pooled Cash</b>	<b>6,613,285</b>
Checking Account (General)	478,004
LAIF	6,003,193
York Insurance Deposit	14,617
BNY Mellon (AD #10 Bond Reserve)	116,472
Petty Cash	1,000
<b>Combined Pooled Cash</b>	<b>6,613,285</b>
	-

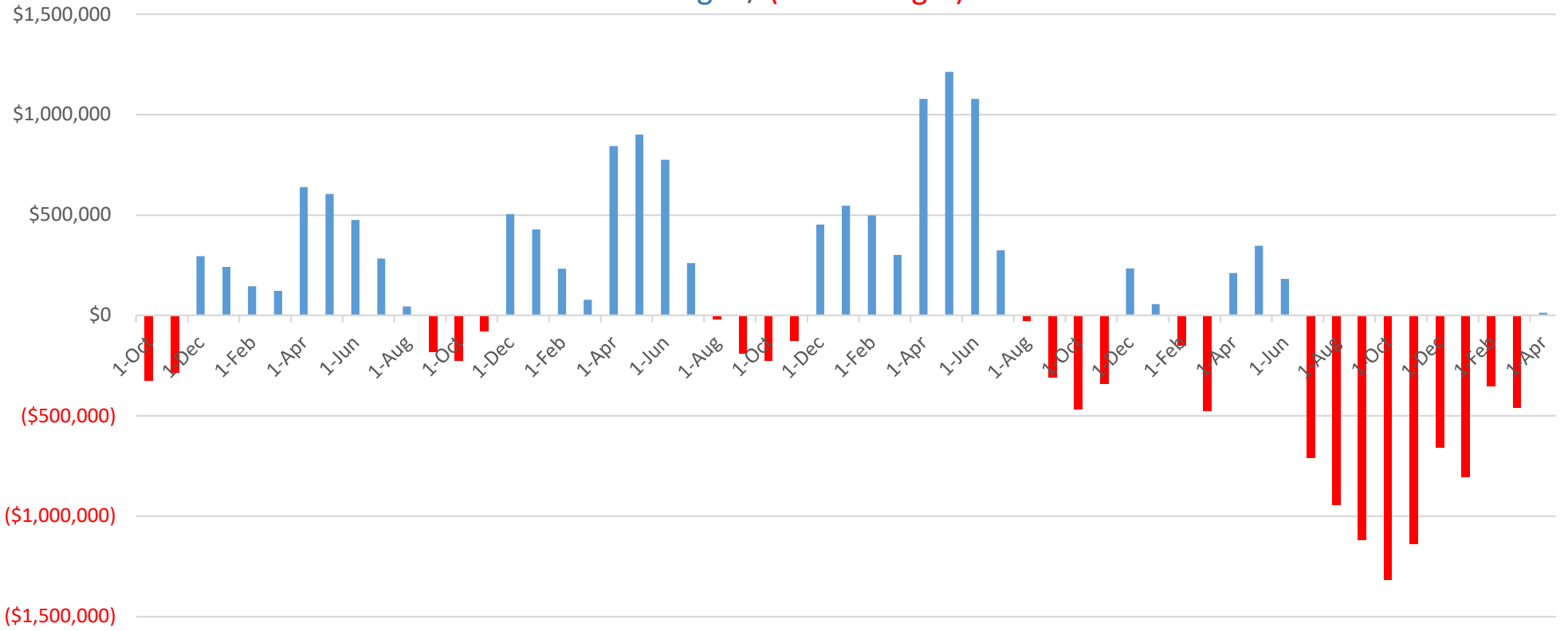
### COMBINED POOLED CASH BALANCE





**Fire Department Operating Reserve Policy Target is 6 Months of Budgeted Operating Expenses or \$1,463,305**

Above Target / (Below Target)



**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021  
**TO:** Board of Directors  
**FROM:** Ryan Gross, General Manager  
**SUBJECT:** CONSIDER APPROVING ENGINEERING SUPPORT SERVICES FEE DURING CONSTRUCTION FOR THE NOB HILL WATER FACILITIES IMPROVEMENTS PROJECT

**RECOMMENDED BOARD ACTION**

Consider approving a not to exceed fee of \$14,500 for engineering services during construction for the Nob Hill Water Facilities Improvements Project (Project) with Albert A. Webb Associates (Webb). Refer to Attachment 1 for the proposal.

**REASON FOR RECOMMENDATION**

To provide as-needed support services during construction for the project.

**BACKGROUND INFORMATION**

On April 21, 2021, the Board of Directors awarded a construction contract for the replacement of the existing Nob Hill Hydro Pneumatic System Facilities to GM Excavating for their low bid of \$305,765.86.

Certain engineering services during construction may be required from Webb such as structural and electrical submittal review but it is anticipated that the majority of these services will be handled in-house by the General Manager acting as the District Engineer.

**FISCAL INFORMATION**

If approved, the funding source for this contract would be from the Water Capital Improvement Reserve Fund which has a balance of \$1,892,843 as of April 30, 2021.

It is also anticipated that we will only need to utilize approximately \$3,000 of these services and that the rest will be handled in house.

**ATTACHMENTS**

Attachment 1 – Webb Proposal

**Corporate Headquarters**

3788 McCray Street  
 Riverside, CA 92506  
 951.686.1070

**Palm Desert Office**

74967 Sheryl Avenue  
 Palm Desert, CA 92260  
 951.686.1070

**Murrieta Office**

41870 Kalmia Street #160  
 Murrieta, CA 92562  
 T: 951.686.1070

May 04, 2021

Mr. Ryan Gross, P.E. BCEE, SDA  
 General Manager  
**RUNNING SPRINGS WATER DISTRICT**  
 21242 Hilltop Boulevard  
 Running Springs, CA 92382

RE: Running Springs Water District  
 Nob Hill Hydropneumatic Pump Station Replacement  
 Proposal for Engineering Support Services

Dear Mr.

The Running Springs Water District (RSWD) will be constructing the Nob Hill Hydropneumatic Pump Station Replacement consisting of site, mechanical, building and electrical work. This project will replace the existing facility as the existing equipment is beyond its intended useful life. The proposed replacement pump station and building will be constructed on-site at a different location to minimize disruption of the existing pump station operations. We have prepared the following scope and budget to provide Running Springs Water District with Engineering Support Services during construction as summarized below:

<u>ENGINEERING SERVICES TASK</u>	<u>ESTIMATED ENGINEERING SERVICES BUDGET<sup>1</sup></u>
Submittals/Shop Drawings Review (8 each)	\$ 3,800
Attend Virtual Meetings (3 each)	\$ 1,100
Assist in Resolving Field Issues (2 each)	\$ 1,700
Respond to RFIs/RFCs (4 each)	\$ 2,200
Structural Engineer Subconsultant	\$ 1,600
Electrical Engineer Subconsultant	<u>\$ 4,100</u>
<b>TOTAL ENGINEERING SERVICES BUDGET</b>	<b><u>\$ 14,500</u></b>

<sup>1</sup> The amounts indicated for each individual project task are estimated budget amounts, and accordingly, the actual amounts may be more or less than shown. However, the overall total for engineering services as described in the scope of work will not be exceeded without written authorization from the District.

Mr. Ryan Gross, P.E. BCEE, SDA  
**RUNNING SPRINGS WATER DISTRICT**  
May 04, 2021  
Page 2 of 2

Any work relating to the following is specifically excluded for the Engineering Support Services proposed herein and if required, must be contracted for under a separate contract or as an addendum to this contract:

- Construction/Contract Manager/Closeout Services
- Field inspection
- Construction surveying and staking
- Geotechnical and material testing
- Any other work task not specifically listed in the Scope of Services
- Prepare Record Drawings

We appreciate this opportunity to be of service to Running Springs Water District and look forward to hearing from you. If you have any questions or require information, please do not hesitate to contact our office.

Sincerely,

**ALBERT A. WEBB ASSOCIATES**



Sinnaro Yos, P.E.  
Senior Engineer

Enclosures    Manpower Fee Estimate  
                    Fee Schedule

cc:     Brian Knoll, Albert A. Webb Associates  
         Bruce Davis, Albert A. Webb Associates

# MANPOWER AND FEE ESTIMATE

## RUNNING SPRINGS WATER DISTRICT Proposal for Engineering Services for Nob Hill Hydropneumatic Pump Station Replacment

Task Description	Personnel Hours				Total Hours	Budget
	Principal Engineer	Senior Engineer	Associate Engineer	Project Coordinator		Labor and Subconsultant:
Submittals/Shop Drawings Review (8 each)	1.0	8.0	12.0	2.0	23.0	\$ 3,800.00
Attend Virtual Meetings (3 each)	1.0	4.0			5.0	\$ 1,100.00
Assist in Resolving Field Issues (2 each)	1.0	6.0		2.0	9.0	\$ 1,700.00
Respond to RFIs/RFCs (4 each)	1.0	6.0	4.0	2.0	13.0	\$ 2,200.00
Structural Engineer Subconsultant						\$ 1,600.00
Electrical Engineer Subconsultant						\$ 4,100.00
<b>TOTAL ENGINEERING SERVICES BUDGET</b>	<b>4.0</b>	<b>24.0</b>	<b>16.0</b>	<b>6.0</b>	<b>50.0</b>	<b>\$ 14,500.00</b>

# Fee Schedule

## CLASSIFICATION

<u>Engineers/Project Managers/Planners/Scientists/ Assessment/Special Tax Consultants/Landscape Architects/Designers</u>	<u>Rates \$/Hour</u>
Principal II.....	258.00
Principal I .....	238.00
Senior III .....	217.00
Senior II .....	202.00
Senior I .....	191.00
Associate III .....	181.00
Associate II .....	166.00
Associate I .....	156.00
Assistant V .....	145.00
Assistant IV .....	130.00
Assistant III .....	115.00
Assistant II .....	100.00
Assistant I .....	84.00
<b><u>Special Consultant</u></b> .....	<b>325.00</b>

## Survey Services

2-Person Survey Party .....	255.00
1-Person Survey Party .....	180.00

## Inspection Services

Inspector (Non-Prevailing Wage) .....	125.00
Inspector (Prevailing Wage) .....	135.00

## Administrative Services

Project Coordinator .....	98.00
Administrative Assistant III .....	88.00
Administrative Assistant II .....	78.00
Administrative Assistant I .....	62.00

## Other Direct Expenses

Incidental Charges .....	Cost + 15%
Postage .....	Cost
Subcontracted Services .....	Cost + 15%
Survey/Inspection Per Diem.....	Prevailing Wage Rate
In-House Delivery Up to 1/2 hour.....	25.00
In-House Delivery Over 1/2 Hour up to 1 Hour.....	50.00
In-House Delivery Over 1 Hour up to 2 Hours .....	100.00
In-House Delivery Over 2 Hours .....	150.00
Survey/Inspection Vehicle .....	0.81/Mile
Mileage .....	0.72/Mile

Note: All rates are subject to change based on annual inflation and cost of living adjustments. Prevailing wages are dictated by the California Department of Industrial Relations (DIR). As such, the indicated rate will remain in effect until revised rates are published by the DIR. The rate shown shall be subject to renegotiation to remain in compliance with State requirements if prevailing wages are increased by the DIR.

\* **A FINANCE CHARGE** of 1 ½ % per month (18% per year) will be added to any unpaid amount commencing thirty (30) days from invoice date. A mechanic's lien may be filed for any invoice remaining unpaid after thirty (30) days from invoice date.

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

**DATE:** May 19, 2021

**TO:** Board of Directors

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

**SUBJECT:** CONSIDER AUTHORIZING EXPENDITURES FOR  
WASTEWATER TREATMENT PLANT PROCESS AND SCOURING  
AIR PIPELINE REPLACEMENT MATERIALS AND AN  
ADDITIONAL MEMBRANE MODULE FOR MBR 2

**RECOMMENDED BOARD ACTION**

Authorize Wastewater Treatment Plant (WWTP) expenditures in the amount of \$78,270 for an additional MYTEX H4L8 module, spare module blocks, an additional diffuser case for Membrane Bioreactor No. 2 (MBR 2) and \$16,596.02 for the purchase of materials including stainless steel pipe and fittings to replace the existing process and scouring air pipelines. The total amount requested is \$94,866.02.

**REASON FOR RECOMMENDATION**

The additional MYTEX H4L8 module with diffuser case will increase the total membrane area in MBR 2 to a total of 79,464 square feet. The additional diffuser case provides air for the redesigned layout (7 H4L8 modules vs, 5 H4L10 modules). The additional module blocks will be available onsite in the event there is a mechanical failure and limit down time.

The existing underground process and scouring air piping is carbon steel, past its useful life and in need of immediate replacement.

**BACKGROUND INFORMATION**

On February 17, 2021, the Board of Directors authorized the expenditure of \$455,286 for the replacement of the MBR 2 membrane modules with the MYTEX H410 module. During the submittal process, it was brought to the District's attention that the submergence depth of the MYTEX H410 modules was at the minimum. It was determined that the best way to mitigate this was to decrease the overall height of the module from 10 rows (MYTEX H4L10) down to 8 rows (MYTEX H4L8) and add an additional diffuser case. This redesign left 6 rows for spares. To provide redundancy and increase the total membrane area in MBR 2, an additional MYTEX H4L8 will be added.

This brings the total number of modules in MBR 2 to seven (7) of the “8-stack” modules versus the original configuration of five (5) of the “10-stack” modules. The existing blower for the scouring air in MBR 2 has enough capacity to provide the design airflow rate as well as the airflow needed during cleanings and peak flux events for the 7 modules. With this revised configuration, the 7 MYTEX H4L8 modules in MBR 2 will have a design treatment capacity of 795,000 gallons per day.

The existing process and scouring air pipelines at the WWTP are buried carbon steel. These air lines were all replaced in the year 2000 during the upgrade to the current MBR WWTP. When the air lines were replaced, carbon steel pipe was sand blasted on the outside, epoxy coated and wrapped twice with 20 mil pipe wrap tape. These existing process and scouring air pipelines have failed and need replacement.

The proposed new air lines will be run above ground and made from 304L stainless steel. The District contacted 5 contractors; Bacon Wagner Excavating, RC Construction, TK Construction, Trinity Construction and Voyager Welding to request bids to install the new District purchased process and scouring air pipeline material. TK Construction was the low bidder in the amount of \$54,000 (Refer to Agenda Item 4.C.). The pipeline material is being purchased by the District as a cost saving measure.

#### **CURRENT STATUS**

The authorized purchase of 5 MYTEX H4L10 has been made and these modules are in production in the new MYTEX H4L8 configuration. If approved, the additional MYTEX H4L8 and diffuser case will be added to the order.

#### **FISCAL INFORMATION**

The total cost for the additional MYTEX H4L8 and diffuser case is \$78,270. The material costs for the air line replacement is \$16,596.02. If approved the funding sources for this equipment and materials would be:

Wastewater Connection and Capacity Charge Reserve Fund	\$53,599.30
Arrowbear (18.98%)	\$18,005.57
CSA 79 (24.52%)	\$23,261.15

The Wastewater Connection and Capacity Charge Reserve Fund balance as of April 30, 2021 is \$303,285.

#### **ATTACHMENTS**

Attachment 1 – Quotes





**M|MBR SYSTEMS**  
DELIVER, OPTIMIZE, SUPPORT

**MYTEX Membrane Quote:**  
#210512CA1DL R1  
Running Springs MBR WWTP, CA

**PREPARED FOR:**

**Trevor Miller, Wastewater Department Superintendent**  
Running Springs Water District  
31242 Hilltop Blvd.  
Running Springs, CA 92382-2206  
Mobile +1 (909) 499 0447 | [tmiller@runningspringswd.com](mailto:tmiller@runningspringswd.com)

**PREPARED BY:**

**Dennis Livingston, Technical Director**  
M|MBR Systems, LLC.  
2305 Donley Drive, #102  
Austin, TX 78758  
Mobile +1 (512) 461 3871 | [dennis.livingston@mmbrrsystems.com](mailto:dennis.livingston@mmbrrsystems.com)





**Quote #210512CA1DL-R1**

<p><b>Sold To:</b> Running Springs Water District 31242 Hilltop Blvd. Running Springs, CA 92382-2206 C/O: Trevor Miller</p>	<p><b>Ship To:</b> Running Springs Water District 31242 Hilltop Blvd. Running Springs, CA 92382-2206</p>
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SALESPERSON	PAYMENT TERMS	QUOTE PREPARED	QUOTE EXPIRATION
Dennis Livingston	Net 30	5/12/2021	6/12/2021

ITEM	QTY	DESCRIPTION	UNIT PRICE	LINE TOTAL
#1	1	MYTEX H4L8 (8 stacks, 132m <sup>2</sup> ) Membrane Module Includes and freight to jobsite. 5 yr Warranty	\$67,754.00	\$67,754.00
#2	1	Frame and Diffuser Assembly for MYTEX Module	\$4,719.00	\$4,719.00
			<b>SUBTOTAL</b>	\$72,473.00
			<b>SALES TAX</b>	Not included
			<b>TOTAL</b>	\$72,473.00

To accept this quotation, sign here and return to the address below: \_\_\_\_\_

**MMBR Systems, LLC**  
2305 Donley Drive, Suite 102  
Austin Texas 78758  
USA

**Marvin Leyba**  
Assistant Administrator  
512-806-8830  
[marvin.leyba@mmbrrsystems.com](mailto:marvin.leyba@mmbrrsystems.com)

Cc: [Al.Ouchie@mmbrrsystems.com](mailto:Al.Ouchie@mmbrrsystems.com)  
[Trace.Trimble@mmbrrsystems.com](mailto:Trace.Trimble@mmbrrsystems.com)



**Specific Conditions**

1. Delivery by June 28 with receipt of Purchase Order by 5/19/2021.
2. New modules will have Workmanship Warranty from the manufacturer.
3. Payment Terms

<u>Invoice Date</u>	<u>Amount of Invoice</u>
With Purchase Order:	30% of Total Price
Upon Delivery of Equipment:	70% of Total Price

**General Conditions**

1. The MMBR Systems, LLC Terms and Conditions of Sale are attached and made essential parts of the proposal or purchase order confirmation. These terms and conditions replace and supersede any terms and conditions, or warranty included in Buyer’s or Owner’s purchase order, requests for quotation or specifications and cannot be changed without written approval from an authorized representative of MMBR Systems, LLC.
2. GST and all other taxes are extra, if applicable.
3. Pricing valid for acceptance 30 days from date of the proposal document and will be subject to change thereafter.
4. Shipping shall be (FCA) Free Carrier at point of manufacture unless otherwise stated above. Insurance is the responsibility of Buyer.
5. Duty, freight and brokerage costs are for Buyer’s account unless stated otherwise.
6. Notwithstanding any liabilities or responsibilities it has assumed hereunder, MMBR Systems, LLC shall in no event be responsible to Buyer or any third party in contract or in tort, or otherwise, for loss or damage sustained as a result of the operation of the equipment, loss of use, expenses involved in loss of capital claims or Buyer’s or Owner’s loss of profit or revenues, or any other indirect, incidental, special or consequential loss or damage, whether arising from defects, delay, or any other cause whatsoever.
7. Any and all stock or “off the shelf” parts returned to MMBR Systems, LLC are subject to a re-stocking fee equal to 25% of their respective invoice price. All other parts, including but not limited to customized and special manufactured parts, shall, at the sole discretion of MMBR Systems, LLC be (i) subject to a restocking fee of 45% of their respective invoice price or (ii) non-refundable.



**Terms and Conditions of Sale**  
MMBR Systems, LLC

**1.ACCEPTANCE.** The proposal of **MMBR Systems, LLC** ("SELLER"), as well as these terms and conditions of sale (collectively the "Agreement"), constitutes SELLER's contractual offer of goods and associated services, and PURCHASER's acceptance of this offer is expressly limited to the terms of the Agreement. The scope and terms and conditions of this Agreement represent the entire offer by SELLER and supersede all prior solicitations, discussions, agreements, understandings and representations between the parties. Any scope or terms and conditions included in PURCHASER's acceptance/purchase order that are in addition to or different from this Agreement are hereby rejected. Notwithstanding anything to the contrary contained in this Agreement, SELLER may, from time to time change the services without the consent of Purchaser, provided that such changes do not materially affect the nature or scope of the services, or the fees or any performance dates agreed upon.

**2.DELIVERY.** Any statements relating to the date of shipment of the Products (as defined below) represent SELLER's best estimate, but is not guaranteed, and SELLER shall not be liable for any damages due to late delivery. The Products shall be delivered to the delivery point or points in accordance with the delivery terms stated in SELLER's proposal. If such delivery is prevented or postponed by reason of Force Majeure (as defined below), SELLER shall be entitled at its option to tender delivery to PURCHASER at the point or points of manufacture, and in default of PURCHASER's acceptance of delivery to cause the Products to be stored at such a point or points of manufacture at PURCHASER'S expense. Such tender, if accepted, or such storage, shall constitute delivery for all purposes of this agreement. If shipment is postponed at request of PURCHASER, or due to delay in receipt of shipping instructions, payment of the purchase price shall be due on notice from SELLER that the Products are ready for shipment. Handling, moving, storage, insurance and other charges thereafter incurred by SELLER with respect to the Products shall be for the account of PURCHASER and shall be paid by PURCHASER when invoiced. PURCHASER shall inspect the Products upon receipt. PURCHASER will be deemed to have accepted the Products unless it notifies SELLER in writing of any nonconforming Products within 10 days of receipt. Nonconforming Products means only the following: (i) product shipped is different than identified in PURCHASER'S purchase order; or (ii) product's label or packaging incorrectly identifies its contents. SELLER may, in its sole discretion, without liability or penalty, make partial shipments of the Products. In this circumstance, SELLER reserves the right to invoice for the Products upon shipment.

**3.TITLE AND RISK OF LOSS.** SELLER shall retain the fullest right, title, and interest in the Products to the extent permitted by applicable law, including a security interest in the Products, until the full purchase price has been paid to SELLER. The giving and accepting of drafts, notes and/or trade acceptances to evidence the payments due shall not constitute or be construed as payment so as to pass SELLER'S interests until said drafts, notes and/or trade acceptances are paid in full. Risk of loss shall pass to PURCHASER at the delivery point.

**4.PAYMENT TERMS.** SELLER reserves the right to ship the Products and be paid for such on a pro rata basis, as shipped. If payments are not made by the due date, interest at a rate of two percent (2%) per month, calculated daily, shall apply from the due date for payment. PURCHASER is liable to pay SELLER'S legal fees and all other expenses in respect of enforcing or attempting to enforce any of SELLER'S rights relating to a breach or threatened breach of the payment terms by PURCHASER.

**5.TAXES.** Unless otherwise specifically provided in SELLER'S quotation/proposal; PURCHASER shall pay and/or reimburse SELLER, in addition to the price, for all sales, use and other taxes, excises and charges which SELLER may pay or be required to pay to any government directly or indirectly in connection with the production, sale, transportation, and/or use by SELLER or PURCHASER, of any of the Products or services dealt with herein (whether the same may be regarded as personal or real property). PURCHASER agrees to pay all property and other taxes which may be levied, assessed or charged against or upon any of the Products on or after the date of actual shipment, or placing into storage for PURCHASER'S account.

**6.WARRANTY.** MMBR Systems, LLC will provide a warranty that the system incorporating the Products sold hereunder (the "MMBR System") will meet the specifications as agreed upon by the parties. Products manufactured by a third party ("Third Party Product") may constitute, contain, be contained in, incorporated into, the MMBR System. Third Party Products are covered exclusively and solely by the manufacturer's transferable warranty only. Other than the afore-mentioned warranties and for the avoidance of doubt, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD-PARTY PRODUCT, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

**7.CONFIDENTIAL INFORMATION.** All nonpublic information and data furnished to PURCHASER hereunder, including but not limited to price, size, type and design of the Products is the sole property of SELLER and submitted for PURCHASER'S own confidential use solely in connection with this Agreement and is not to be made known or available to any third party without SELLER'S prior written consent.

**8.PAINTING.** The Products shall be painted in accordance with SELLER'S standard practice, and purchased items such as motors, controls, speed reducers, pumps, etc., will be painted in accordance with manufacturers' standard practices, unless otherwise agreed in writing.

**9.DRAWINGS AND TECHNICAL DOCUMENTATION.** When PURCHASER requests approval of drawings before commencement of manufacture, shipment may be delayed if approved drawings are not returned to SELLER within fourteen (14) days of receipt by PURCHASER of such drawings for approval. SELLER will furnish only general arrangement, general assembly, and if required, wiring diagrams, erection drawings, installation and operation-maintenance manuals for SELLER'S equipment (in English language). SELLER will supply six (6) complete sets of drawings and operating instructions. Additional sets will be paid for by PURCHASER. Electronic files, if requested from SELLER, will be provided in pdf, jpg or tif format only.

**10.SOFTWARE.** PURCHASER shall have a nonexclusive and nontransferable license to use any information processing program supplied by SELLER with the Products. PURCHASER acknowledges that such programs and the information contained therein is Confidential Information and agrees: a) not to copy or duplicate the program except for archival or security purposes; b) not to use the program on any computer other than the computer with which it is supplied; and c) to limit access to the program to those of its employees who are necessary to permit authorized use of the program. PURCHASER agrees to execute and be bound by the terms of any software license applicable to the Products supplied.

**11.PATENT INDEMNITY.** SELLER will defend at its own expense any suit instituted against PURCHASER based upon claims that SELLER'S Product hereunder in and of itself constitutes an infringement of any valid apparatus claims of any United States patent issued and existing as of the date of this Agreement, if notified promptly in writing and given all information, assistance, and sole authority to defend and settle the same, and SELLER shall indemnify the PURCHASER against such claims of infringement. Furthermore, in case the use of the Products is enjoined in such suit or in case SELLER otherwise deems it advisable, SELLER shall, at its own expense and discretion, (a) procure for the PURCHASER use right to continue using the Products, (b) replace the same with non-infringing Products, (c) modify the Product so it becomes non-infringing, or (d) remove the Products and refund the purchase price less freight charges and depreciation. SELLER shall not be liable for, and PURCHASER shall indemnify SELLER for, any claim of infringement related to (a) the use of the Products for any purpose other than that for which it was furnished by SELLER, (b) compliance with equipment designs not furnished by SELLER or (c) use of the Products in combination with any other equipment. The foregoing states the sole liability of SELLER for patent infringement with respect to the Products

**12.GENERAL INDEMNITY.** Subject to the rights, obligations and limitations of liabilities of the parties set forth in this Agreement, PURCHASER shall protect and indemnify SELLER, its ultimate parent, its ultimate parent's subsidiaries and each of their respective officers, directors, employees and agents, from and against all claims, demands and causes of action asserted by any entity to the extent of PURCHASER'S negligence, default, or willful misconduct in connection with this Agreement.

**13.DEFAULT, TERMINATION.** In the event that PURCHASER becomes insolvent, commits an act of bankruptcy or defaults in the performance of any material term or condition of this Agreement, the entire unpaid portion of the purchase price of all goods and associated services to be provided under this Agreement (the "Balance"), shall, without notice or demand, become immediately due and payable within ten (10) days of termination of the Agreement. In such event, SELLER at its option, without notice or demand, shall be entitled to terminate this Agreement and shall be entitled to recover the Balance, plus interest as set forth below. In addition, either party shall have the right to terminate this Agreement by giving thirty (30) days notice to the other party. In the event PURCHASER terminates an Agreement for convenience pursuant to this clause, (1) the balance of the purchase price representing all goods provided under this Agreement as well as the services SELLER has thus far provided (the "Goods and Services Balance") shall, without notice or demand, become immediately due and payable within ten (10) days of termination of the Agreement, and (2) SELLER shall also be entitled to recover the reasonable value of any expected profit on all services contemplated under the Agreement. Amounts due to SELLER under this Paragraph are subject to an additional late payment penalty of one and one half percent (1.5%) per month, compounded monthly, or the maximum amount permitted by applicable law, whichever is less. In any action to enforce the terms of this Agreement, SELLER shall be entitled to recover its reasonable attorneys fees and other costs and expenses (including but not limited to expert witness fees).

**14.RECOVERY OF PRODUCTS UPON PURCHASER DEFAULT OR TERMINATION.** In the event of a default or termination by PURCHASER, SELLER shall have the right to enter any place where the Products are located and to take immediate possession of and remove the Products with or without legal process, and/or retain all payments made as compensation for the use of the Products, and/or resell the Products, without notice or demand, for and on behalf of the PURCHASER, and may apply the net proceeds from such sale (after deduction from the sale price of all expenses of such sale and all expenses of retaking possession, repairs necessary to put the Products in saleable condition, storage charges, taxes, liens, collection and legal fees and all other expenses in connection therewith) to balances then due to SELLER. PURCHASER hereby waives all trespass, damage and claims resulting from any such entry, repossession, removal, retention, repair, alteration and sale. The remedies provided in this paragraph are in addition to and not limitations of any other rights of SELLER.

**15.REMEDIES.** The rights and remedies of the PURCHASER in connection with the goods and services provided by SELLER hereunder are exclusive and limited to the rights and remedies expressly stated in this Agreement.

**16.INSPECTION.** PURCHASER is entitled to make reasonable inspection of Products at SELLER'S facility. SELLER reserves the right to determine the reasonableness of the request and to select an appropriate time for such inspection. All costs of inspections not expressly included as an itemized part of the quoted price of the Products in this Agreement shall be paid by PURCHASER.

**17.WAIVER.** Any failure by SELLER to enforce PURCHASER'S strict performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provision of this Agreement.

**18.COMPLIANCE WITH LAWS.** If applicable laws, ordinances, regulations or conditions require anything different from, or in addition to, that called for by this Agreement, SELLER will satisfy such requirements at PURCHASER'S written request and expense.

**19.FORCE MAJEURE.** If SELLER is rendered unable, wholly or in material part, by reason of Force Majeure to carry out any of its obligations hereunder, then on SELLER'S notice in writing to PURCHASER within a reasonable time after the occurrence of the cause relied upon, such obligations shall be suspended. "Force Majeure" shall include, but not be limited to, acts of God, laws and regulations, strikes, civil disobedience or unrest, lightning, fire, flood, washout, storm, communication lines failure, government order, declaration of emergency by local, state or national government, delays of the PURCHASER or PURCHASER'S subcontractors or other subcontractors or contractors, breakage or accident to equipment or machinery, wars, police actions, terrorism, embargos, and any other causes that are not reasonably within the control of the SELLER. If the delay is the result of PURCHASER'S action or inaction, then in addition to an adjustment in time, SELLER shall be entitled to reimbursement of costs incurred to maintain its schedule.

**20.PURCHASER'S ACTS OR OMISSIONS.** If SELLER'S performance of its obligations under this Agreement is prevented or delayed by any act or omission of PURCHASER or its agents, subcontractors, consultants, or employees, SELLER shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by PURCHASER, in each case, to the extent arising directly or indirectly from such prevention or delay.

**21.INSURANCE.** During the term of this Agreement, PURCHASER shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$1,000,000 with financially sound and reputable insurers. Upon SELLER'S request, PURCHASER shall provide SELLER with a certificate of insurance from PURCHASER'S insurer evidencing the insurance coverage specified in this Agreement. PURCHASER shall provide SELLER with 30 days' advance written notice in the event of a cancellation or material change in PURCHASER insurance policy. Except where prohibited by law, PURCHASER shall require its insurer to waive all rights of subrogation against SELLER'S insurers and SELLER.

**22.INDEPENDENT CONTRACTOR.** It is expressly understood that SELLER is an independent contractor, and that neither SELLER nor its principals, partners, parents, subsidiaries, affiliates, employees or subcontractors are servants, agents, partners, joint venturers or employees of PURCHASER in any way whatsoever.

**23.SEVERABILITY.** Should any portion of this Agreement, be held to be invalid or unenforceable under applicable law then the validity of the remaining portions thereof shall not be affected by such invalidity or unenforceability and shall remain in full force and effect. Furthermore, any invalid or unenforceable provision shall be modified accordingly within the confines of applicable law, giving maximum permissible effect to the parties' intentions expressed herein.

**24.CHOICE OF LAW, CHOICE OF VENUE.** This Agreement shall be governed and construed in accordance with the laws of the State of Texas, without regard to its rules regarding conflicts or choice of law. The parties submit to the exclusive jurisdiction and venue of the state and federal courts located in Austin, Texas.

**25.ASSIGNMENT.** PURCHASER shall not assign or transfer this Agreement without the prior written consent of the SELLER. Any attempt to make such an assignment or transfer shall be null and void. SELLER shall have the authority to assign, or otherwise transfer, its rights and obligations in connection with this Agreement, in whole or in part, upon prior written notice to PURCHASER.

**26.LIMITATION ON LIABILITY.** TO THE EXTENT PERMISSIBLE BY LAW, SELLER SHALL HAVE NO FURTHER LIABILITY IN CONNECTION WITH THIS AGREEMENT IN EXCESS OF THE VALUE OF THE PRODUCTS SOLD HEREUNDER. NOTWITHSTANDING ANY LIABILITIES OR RESPONSIBILITIES ASSUMED BY SELLER HEREUNDER, SELLER SHALL IN NO EVENT BE RESPONSIBLE TO PURCHASER OR ANY THIRD PARTY, WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, FOR LOSS OF ANTICIPATED PROFITS, LOSS BY REASON OF PLANT SHUTDOWN, NON-OPERATION OR INCREASED EXPENSE OF OPERATION, SERVICE INTERRUPTIONS, COST OF PURCHASED OR REPLACEMENT POWER, COST OF MONEY, LOSS OF USE OF CAPITAL OR REVENUE OR ANY OTHER INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL LOSS OR DAMAGE, WHETHER ARISING FROM DEFECTS, DELAY, OR FROM ANY OTHER CAUSE WHATSOEVER.

This document shall remain the sole property of MMBR Systems. This document may not be reproduced or distributed without prior written approval of MMBR Systems. The data and information provided is furnished on a restricted basis and is not to be used in any way detrimental to the interests of MMBR Systems.

# Quotation

INLAND WATER WORKS SUPPLY CO  
 2468 Miramonte Drive  
 San Bernardino, CA 92405  
 909-883-8941  
 Fax 909-881-4041



EXPIRATION DATE	QUOTE NUMBER
05/09/2021	S1045836
WE APPRECIATE THE OPPORTUNITY TO BID	
PAGE NO. 1 of 3	

QUOTE TO:

SHIP TO:

RUNNING SPRINGS WATER DISTRICT  
 P.O. BOX 2206  
 RUNNING SPRINGS, CA 92382

RUNNING SPRINGS WATER DISTRICT  
 31242 HILLTOP BLVD  
 RUNNING SPRINGS, CA 92382

ORDERED BY	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
TREVOR	WWTP AIR LINE		KEN PERTEET	
WRITER	SHIP VIA	TERMS	SHIP DATE	
DAVID MADDOX	OT OUR TRUCK FRI	NET 30 DAYS	05/07/2021	
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
	* TO OUR VALUED BUSINESS PARTNERS REGARDING PVC PIPE ***** PVC manufacturers have been directly and indirectly impacted by the recent severe cold weather conditions leading to industry-wide supply chain disruptions. The manufacturers have declared that they are operating under force majeure conditions nation-wide for the immediate time-being. * THEREFORE, PVC PIPE PRICES ON THIS QUOTATION ARE ESTIMATES ONLY AND ARE NOT GUARANTEED TO BE THE FINAL PRICE AT TIME OF SHIPMENT. IN ADDITION, DUE TO RESIN SHORTAGES, AVAILABILITY OF PVC PIPE IS NOT GUARANTEED. * WE STRONGLY ADVISE YOU TO PUT PROTECTIVE WORDING REGARDING PVC PRICING IN YOUR BID SUBMISSION. * ALL OTHER PRICES ON THIS QUOTATION ARE GOOD FOR 30 FROM THE BID DATE. *			
<b>SHIPPING INSTRUCTIONS</b> MULLER VALVES ONLY TYLER FITTINGS ONLY				
** Continued on Next Page *			Subtotal	
			S&H Charges	
			Estimated Tax	
			Amount Due	<b>29</b>

# Quotation

INLAND WATER WORKS SUPPLY CO  
 2468 Miramonte Drive  
 San Bernardino, CA 92405  
 909-883-8941  
 Fax 909-881-4041



EXPIRATION DATE	QUOTE NUMBER
05/09/2021	S1045836
WE APPRECIATE THE OPPORTUNITY TO BID	
PAGE NO. 2 of 3	

QUOTE TO:

SHIP TO:

RUNNING SPRINGS WATER DISTRICT  
 P.O. BOX 2206  
 RUNNING SPRINGS, CA 92382

RUNNING SPRINGS WATER DISTRICT  
 31242 HILLTOP BLVD  
 RUNNING SPRINGS, CA 92382

ORDERED BY	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
TREVOR	WWTP AIR LINE		KEN PERTEET	
WRITER	SHIP VIA	TERMS	SHIP DATE	
DAVID MADDOX	OT OUR TRUCK FRI	NET 30 DAYS	05/07/2021	
ORDER QTY	DESCRIPTION	UNIT PRICE	EXT PRICE	
	*****MBR 1*****			
80ft	ST10304SS08 8" SCHD 10 304SS PIPE	56.300/ft	4504.00	
4ea	^8" SCH 10 304SS WELD 45 ELL	67.538/ea	270.15	
2ea	^8" SCH 10 304SS LR WELD 90 ELL	101.963/ea	203.93	
2ea	^8" 304SS SLIP ON WELD FLANGE, RF, 150#	221.000/ea	442.00	
2ea	RFSOW08 8" RF SLIP-ON WELD FLANGE	44.463/ea	88.93	
	*****PROCESS AIR LINE*****			
80ft	ST10304SS08 8" SCHD 10 304SS PIPE	56.300/ft	4504.00	
4ea	^8" SCH 10 304SS WELD 45 ELL	67.538/ea	270.15	
2ea	^8" SCH 10 304SS LR WELD 90 ELL	101.963/ea	203.93	
2ea	^8" SS SLIP ON WELD FLANGE, RF, 150#	221.000/ea	442.00	
2ea	RFSOW08 8" RF SLIP-ON WELD FLANGE	44.463/ea	88.93	
	*****MBR 2*****			
60ft	ST10304SS08 8" SCHD 10 304SS PIPE	56.300/ft	3378.00	
1ea	^8" SCH 10 304SS WELD 45 ELL	67.538/ea	67.54	
4ea	^8" SCH 10 304SS LR WELD 90 ELL	101.963/ea	407.85	
2ea	^8" 304SS SLIP ON WELD FLANGE, RF, 150#	221.000/ea	442.00	

\*\* Continued on Next Page \*

Subtotal	
S&H Charges	
Estimated Tax	
Amount Due	<b>30</b>

# Quotation

INLAND WATER WORKS SUPPLY CO  
 2468 Miramonte Drive  
 San Bernardino, CA 92405  
 909-883-8941  
 Fax 909-881-4041



EXPIRATION DATE	QUOTE NUMBER
05/09/2021	S1045836
WE APPRECIATE THE OPPORTUNITY TO BID	
PAGE NO. 3 of 3	

QUOTE TO:

SHIP TO:

RUNNING SPRINGS WATER DISTRICT  
 P.O. BOX 2206  
 RUNNING SPRINGS, CA 92382

RUNNING SPRINGS WATER DISTRICT  
 31242 HILLTOP BLVD  
 RUNNING SPRINGS, CA 92382


ORDERED BY	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
TREVOR	WWTP AIR LINE		KEN PERTEET	
WRITER	SHIP VIA	TERMS	SHIP DATE	
DAVID MADDOX	OT OUR TRUCK FRI	NET 30 DAYS	05/07/2021	
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
2ea	RFSOW08 8" RF SLIP-ON WELD FLANGE		44.463/ea	88.93

\*\*\*THANK YOU FOR THE OPPORTUNITY TO BID!\*\*\*

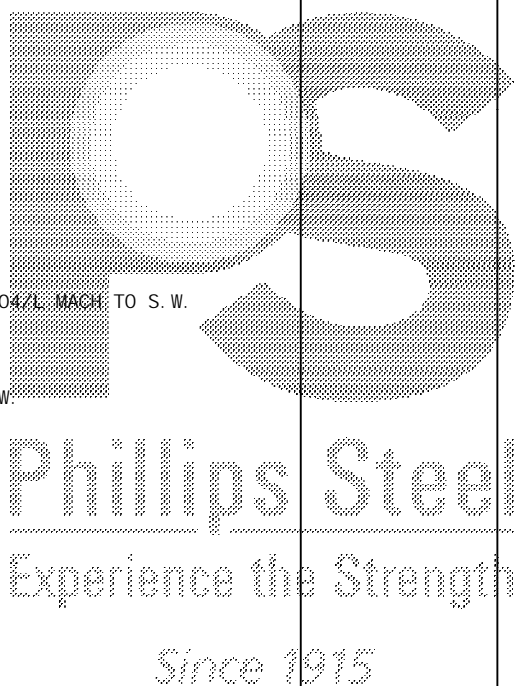
Subtotal	15402.34
S&H Charges	0.00
Estimated Tax	1193.68
Amount Due	16596.02

**31**

# QUOTATION

 <b>Phillips Steel Company</b> 1368 W Anaheim Street Long Beach, CA 90813 TEL: (562) 435-7571 FAX: (562) 437-1072 Web: www.phillipssteel.com	PURCHASE ORDER #	BUYER TREVOR Tel (909) 867-2766	QUOTE DATE 05/12/2021
	JOB NAME MBR1 SCOUTING AIR LINE		EXPIRES 05/13/2021
	RESALE #	SALES REP DULCE OSORIO	SHIP VIA OUR TRUCK
	QUOTED TO RUNNING SPRINGS WATER DISTRICT PO BOX 2206 RUNNING SPRINGS, CA 92382	SHIP TO RUNNING SPRINGS WATER DISTRICT 31242 HILLTOP BOULEVARD RUNNING SPRINGS, CA 92382	CUST ID R1006 CHANGE #
		TERMS NET 30	JOB NAME MBR1 SCOUT

LINE	QUANTITY	DESCRIPTION	WIDTH	LENGTH	WEIGHT	UNIT PRICE	TOTAL
1	4 PCS	S0 8" X .148" WLD A312 304/L SRL			1,081.44	1,650.0000/PC	6,600.00
2	4 PCS	S0 8" SCH 10 45 A/SA 403 WP 304/L			47.111	55.8000/PC	223.20
3	2 PCS	S0 8" S/10 LR 90 A/SA 403 304/L			47	84.4500/PC	168.90
4	2 PCS	S0 8" 150# R.F. W.N. S/10 FLANGE 304/L MACH TO S.W.			78	442.5000/PC	885.00
5	2 PCS	S0 8" 150# R.F. W.N. MACHINE TO S.W.			0.2	90.0000/PC	180.00




\*\*\*\*\*  
 \*\*\*\*\*Quoted pricing is good until end of business day\*\*\*\*\*  
 \*\*\*\*\*

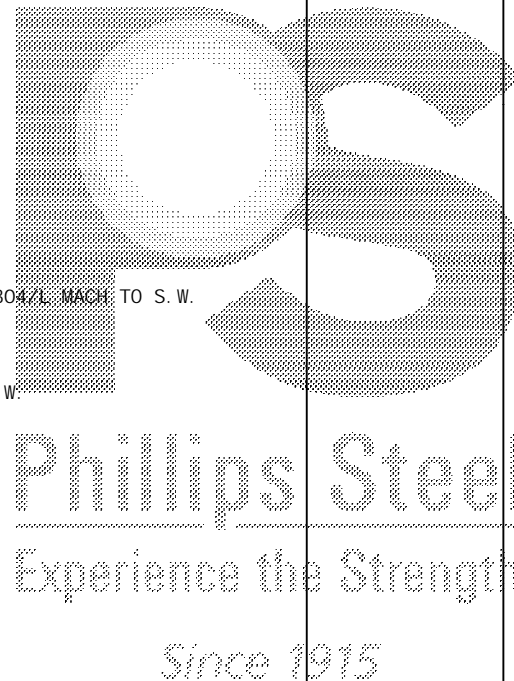
TOTAL WT 1,253 LBS	SUBTOTAL \$8,057.10	CUTTING \$0.00	SALES TAX \$825.85					<b>32</b> TOTAL \$8,882.95
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# QUOTATION

 <b>Phillips Steel Company</b> 1368 W Anaheim Street Long Beach, CA 90813 TEL: (562) 435-7571 FAX: (562) 437-1072 Web: www.phillipssteel.com	PURCHASE ORDER #	BUYER TREVOR Tel (909) 867-2766	QUOTE DATE 05/12/2021
	JOB NAME MBR1 PROCESS AIR LINE		EXPIRES 05/13/2021
	RESALE #	SALES REP DULCE OSORIO	SHIP VIA OUR TRUCK
	QUOTED TO RUNNING SPRINGS WATER DISTRICT PO BOX 2206 RUNNING SPRINGS, CA 92382	SHIP TO RUNNING SPRINGS WATER DISTRICT 31242 HILLTOP BOULEVARD RUNNING SPRINGS, CA 92382	CUST ID R1006 CHANGE #
		TERMS NET 30	JOB NAME MBR1 PROCE

LINE	QUANTITY	DESCRIPTION	WIDTH	LENGTH	WEIGHT	UNIT PRICE	TOTAL
1	4 PCS	S0 8" X .148" WLD A312 304/L SRL			1,081.44	1,650.0000/PC	6,600.00
2	4 PCS	S0 8" SCH 10 45 A/SA 403 WP 304/L			47.111	55.8000/PC	223.20
3	2 PCS	S0 8" S/10 LR 90 A/SA 403 304/L			47	84.4500/PC	168.90
4	2 PCS	S0 8" 150# R.F. W.N. S/10 FLANGE 304/L MACH TO S.W.			78	442.5000/PC	885.00
5	2 PCS	S0 8" 150# R.F. W.N. MACHINE TO S.W.			0.2	90.0000/PC	180.00




\*\*\*\*\*  
 \*\*\*\*\*Quoted pricing is good until end of business day\*\*\*\*\*  
 \*\*\*\*\*

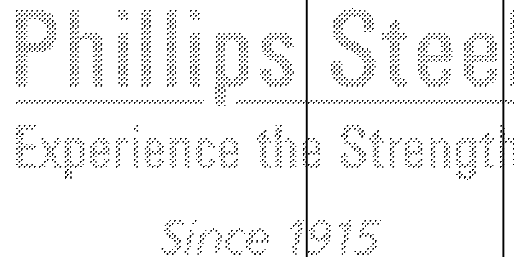
TOTAL WT 1,253 LBS	SUBTOTAL \$8,057.10	CUTTING \$0.00	SALES TAX \$825.85					<b>33</b> TOTAL \$8,882.95
-----------------------	------------------------	-------------------	-----------------------	--	--	--	--	-------------------------------

# QUOTATION

No. 1016814 PG 1 OF 1

 <b>Phillips Steel Company</b> 1368 W Anaheim Street Long Beach, CA 90813 TEL: (562) 435-7571 FAX: (562) 437-1072 Web: www.phillipssteel.com	PURCHASE ORDER #	BUYER	QUOTE DATE
	JOB NAME	TREVOR MILLER	05/12/2021
	MBR2 SCOURING AIR LINE	Tel (909) 867-2766	EXPIRES
	RESALE #	SALES REP	05/13/2021
QUOTED TO	SHIP TO	DULCE OSORIO	SHIP VIA
RUNNING SPRINGS WATER DISTRICT	RUNNING SPRINGS WATER DISTRICT	CUST ID	OUR TRUCK
PO BOX 2206	31242 HILLTOP BOULEVARD	R1006	RESALE #
RUNNING SPRINGS, CA 92382	RUNNING SPRINGS, CA 92382	CHANGE #	JOB NAME
		TERMS	MBR2 SCOUR
		NET 30	

LINE	QUANTITY	DESCRIPTION	WIDTH	LENGTH	WEIGHT	UNIT PRICE	TOTAL
1	3 PCS	S0 8" X .148" WLD A312 304/L SRL			811.08	1,650.0000/PC	4,950.00
2	1 PC	S0 8" SCH 10 45 A/SA 403 WP 304/L			11.778	55.8000/PC	55.80
3	4 PCS	S0 8" S/10 LR 90 A/SA 403 304/L			94	84.4500/PC	337.80
4	2 PCS	S0 8" 150# R.F. W.N. S/10 FLANGE 304/L MACH TO S.W.			78	442.5000/PC	885.00
5	2 PCS	S0 8" 150# R.F. W.N. MACHINE TO S.W.			0.2	90.0000/PC	180.00



\*\*\*\*\*  
 \*\*\*\*\*Quoted pricing is good until end of business day\*\*\*\*\*  
 \*\*\*\*\*

TOTAL WT	SUBTOTAL	CUTTING	SALES TAX					<b>34</b> TOTAL
995 LBS	\$6,408.60	\$0.00	\$656.88					\$7,065.48

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021

**TO:** Board of Directors

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

**SUBJECT: CONSIDER AWARDING CONSTRUCTION CONTRACT FOR  
INSTALLATION OF WASTEWATER TREATMENT PLANT  
PROCESS AND SCOURING AIR PIPELINES**

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors:

1. Consider awarding a construction contract for the Installation of the Process and Scouring Air Pipeline Replacement Materials to TK Construction for their low bid of \$54,000;
2. Authorize the General Manager to Execute the contract;
3. Authorize the General Manager 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.

**REASON FOR RECOMMENDATION**

The underground process and scouring air piping is carbon steel, past its useful life and in need of immediate replacement. The District is providing the material to be installed by a contractor.

**BACKGROUND INFORMATION**

The existing air lines at the WWTP are buried carbon steel. These air lines were all replaced in the year 2000 during the upgrade to an MBR wastewater treatment plant. When the air lines were replaced, carbon steel pipe was sand blasted on the outside, epoxy coated and wrapped twice with 20 mil pipe wrap tape. The air lines have failed and need replacement.

The proposed new air lines will be run above ground and made from 304L stainless steel. The District contacted 5 contractors: Bacon Wagner Excavating, RC Construction, TK

Construction, Trinity Construction and Voyager Welding for bids to install the District supplied air line material. Three following three bids were received:

1. TK Construction – \$54,000
2. Trinity - \$59,408.31
3. Voyager Welding - \$55,100

TK Construction was low bidder in the amount of \$54,000.

### **FISCAL INFORMATION**

If approved, funds for the installation of the process and scouring air line materials will be funded out of the Wastewater Capital Improvement Reserve Fund. The fund balance as of April 30, 2021 is \$1,167,161. In addition, the upstream funding sources for this construction contract would be:

Wastewater Capital Improvement Reserve Fund	\$30,510.00
Arrowbear (18.98%)	\$10,249.20
CSA 79 (24.52%)	\$13,240.80

### **ATTACHMENTS**

Attachment 1 – Bids







VOYAGER WELDING  
MAY 12, 2021

## RSWD Air Line Replacement Estimate

Voyager Welding will be providing onsite welding and fabrication of the new 8 inch Stainless steel airline for running spring water treatment plant.

### VOYAGER WELDING WILL PROVIDE

- 2 Welders and 1 Helper
- Welding and Fabrication of new 8 inch stainless steel airline.
- All welding consumables such as: Argon, CO2, Oxy/acetylene, Welding Wire, welding rod, Wire feeders, Bevelers, Plasma Cutter, Grinding Wheels, cut off wheels, wire wheels, Welding machine, Gas etc.
- Stainless Steel Angle Pipe Supports for new 8 inch Stainless airline.
- Anchor Bolts for new stainless Pipe supports
- U bolts for new stainless 8 inch Airline.
- Demolition and haul away of existing 8 Inch Carbon steel airline.
- Concrete coring 10" diameter

### DISTRICT WILL PROVIDE

- All airline material needed to route the airline as described at the job walk.
- Airline isolation during the tie ins. A maximum of 8 hours will be allowed for shut down per tie in.
- Backhoe w/ operator and rigging to move around and place the airline as needed.
- Removal and installation of the 2 stairways that conflict with proposed pipe alignment

\*Voyager Welding will be responsible for those allotted above. Any work outside those allotted above will be billed at additional cost provided at the time.

TOTAL ESTIMATE: \$55,100.00



P.O. Box 246, Blue Jay, CA 92317 \* Tel: (909) 337-4301 Fax: (909) 337-9712  
 www.trinityconstruction.us \* MSHA #T-732 Lic. #796675

# Estimate

Date	Estimate No.
5/13/2021	10291

**Bill To:**

RUNNING SPRINGS WATER DISTRICT  
 PO BOX 2206  
 RUNNING SPRINGS, CA 92382  
 USA

Tel: 909-867-2766 Alt:  
 Fax: 909-867-2828

**Ship To / Job Site:**

RUNNING SPRINGS WATER DISTRICT  
 WASTEWATER TREATMENT PLANT  
 RUNNING SPRINGS, CA 92382  
 USA

Job	P.O. Number	Terms	Referred By Name	Estimator
AIR LINE REPLACMENT		2% 10, NET 30		JON J

Item	Description	Quantity	U/M	Rate	Total
	*** LUMP SUM BID AS PER JOB WALK AND E-MAIL SCOPE OF WORK ***				
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL FOR MOBILIZATION/DEMOBILIZATION.	1	LS	1,083.07	1,083.07
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY INSTALL MBR 1 SCOURING AIR LINE & FITTINGS.	60	LF	247.89	14,873.40
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY INSTALL MBR 1 PROCESS AIR LINE & FITTINGS.	80	LF	199.21	15,936.80
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY INSTALL MBR 2 SCOURING AIR LINE & FITTINGS.	60	LF	242.89	14,573.40
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY DEMO THE EXISTING AIRLINES AT TIE-INS.	1	LS	3,158.85	3,158.85
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY FABRICATE WALL BRACKETS AS PER DISTRICT PROVIDED PLANS.	6	EA	487.30	2,923.80

LIMITED WARRANTY – TRINITY CONSTRUCTION COMPANY HEREBY EXTENDS A 1 YEAR LIMITED WARRANTY, FROM THE INVOICE DATE, ON WORKMANSHIP RELATED TO WORK PERFORMED UNDER THIS DOCUMENT. NO EXPRESSED OR IMPLIED WARRANTY IS EXTENDED FOR ANY MATERIALS. ONLY ORIGINAL MANUFACTURERS' WARRANTIES SHALL COVER MATERIALS.

Acceptance / Approval:

\_\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
 Customer Signature Date

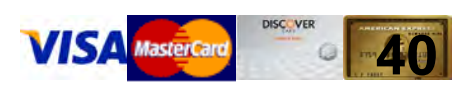
By signing above, you hereby accept this Estimate and authorize Trinity Constuction Company to begin work based on the above terms and conditions. This Estimate is valid for 30 days.

Page 1

**Total**

PLEASE ISSUE A PURCHASE ORDER IF YOU APPROVE THIS ESTIMATE & FAX OR EMAIL IT TO OUR OFFICE.

Now Accepting







P.O. Box 246, Blue Jay, CA 92317 \* Tel: (909) 337-4301 Fax: (909) 337-9712  
 www.trinityconstruction.us \* MSHA #T-732 Lic. #796675

# Estimate

Date	Estimate No.
5/13/2021	10291

**Bill To:**

RUNNING SPRINGS WATER DISTRICT  
 PO BOX 2206  
 RUNNING SPRINGS, CA 92382  
 USA

Tel: 909-867-2766 Alt:  
 Fax: 909-867-2828

**Ship To / Job Site:**

RUNNING SPRINGS WATER DISTRICT  
 WASTEWATER TREATMENT PLANT  
 RUNNING SPRINGS, CA 92382  
 USA

Job	P.O. Number	Terms	Referred By Name	Estimator
AIR LINE REPLACMENT		2% 10, NET 30		JON J

Item	Description	Quantity	U/M	Rate	Total
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY INSTALL WALL BRACKETS AND PROVIDE MATERIALS TO SECURE BRACKETS AND PIPE (IE ANCHORS AND U-BOLTS).	6	EA	829.32	4,975.92
PW-PUBLIC ...	PUBLIC WORKS LABOR, EQUIPMENT & MATERIAL TO PROPERLY CORE DRILL FOR AIRLINE TIE-IN AT VAULT.	1	EA	1,883.07	1,883.07
	EXCLUDES: BONDING, SURVEY, ENGINEERING, HAUL OFF OF DEMO DEBRIS, TESTING, INSPECTIONS, CERTIFICATIONS, BACKHOE/FORKLIFT & OPERATOR.				

LIMITED WARRANTY – TRINITY CONSTRUCTION COMPANY HEREBY EXTENDS A 1 YEAR LIMITED WARRANTY, FROM THE INVOICE DATE, ON WORKMANSHIP RELATED TO WORK PERFORMED UNDER THIS DOCUMENT. NO EXPRESSED OR IMPLIED WARRANTY IS EXTENDED FOR ANY MATERIALS. ONLY ORIGINAL MANUFACTURERS' WARRANTIES SHALL COVER MATERIALS.

Acceptance / Approval:

\_\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
 Customer Signature Date

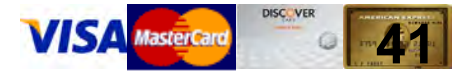
By signing above, you hereby accept this Estimate and authorize Trinity Constuction Company to begin work based on the above terms and conditions. This Estimate is valid for 30 days.

Page 2

**Total** \$59,408.31

PLEASE ISSUE A PURCHASE ORDER IF YOU APPROVE THIS ESTIMATE & FAX OR EMAIL IT TO OUR OFFICE.

Now Accepting



**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER APPROVING FISCAL YEAR ENDING 2022 PROFESSIONAL SERVICES CONTRACT WITH ROGERS, ANDERSON, MALODY AND SCOTT (RAMS)

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider approving a Professional Services Contract with Rogers, Anderson, Malody and Scott, LLP (RAMS) for Fiscal Year Ending 2022 Financial Consulting Services in an amount not to exceed \$45,000 for general accounting services and authorize the General Manager to execute the contract. Attachment 1 includes the RAMS Engagement Letter.

**REASON FOR RECOMMENDATION**

The District has the continued need for Financial Consulting Services to assist staff in following consistent and accurate accounting practices and with preparing for the District's annual financial audit and other financial and accounting matters.

**BACKGROUND INFORMATION**

The Fiscal Year Ending 2022 Budget includes a total of \$45,000 for Financial Consulting Services.

**FISCAL INFORMATION**

Staff is recommending a not to exceed amount of \$45,000 be approved for Fiscal Year Ending 2022 for outside accounting services.

**ATTACHMENTS**

Attachment 1 - RAMS Engagement Letter



735 E. Carnegie Dr. Suite 100  
San Bernardino, CA 92408  
909 889 0871 T  
909 889 5361 F  
ramscca.net

May 10, 2021

**PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradford A. Welebir, CPA, MBA, CGMA  
Jenny W. Liu, CPA, MST

**MANAGERS / STAFF**

Charles De Simoni, CPA  
Gardenya Duran, CPA, CGMA  
Brittany Schultz, CPA  
Jingjie Wu, CPA  
Evelyn Morentin-Barcena, CPA  
Veronica Hernandez, CPA  
Tara R. Thorp, CPA, MSA  
Laura Alvarez, CPA  
Louis Fernandez, CPA  
Xiniu Zoe Zhang, CPA, MSA  
John Maldonado, CPA, MSA  
Thao Le, CPA, MBA  
Julia Rodriguez Fuentes, CPA, MSA

**MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

*Employee Benefit Plan  
Audit Quality Center*

California Society of  
Certified Public Accountants



Board of Directors  
Running Springs Water District  
31242 Hilltop Boulevard  
Running Springs, California 92382

This letter is to confirm our understanding of the professional services we are to provide the Running Springs Water District for the fiscal year ended June 30, 2022.

***Scope of Services - Professional Support***

**Monthly services:**

- Capitalization of assets
- Construction in process
- Review of bank reconciliation
- Prepare and record monthly journal entries as needed
- Review upstream user quarterly billing and assist with reconciliation of costs billed to G/L
- Assist with adjustments for monthly financial reports that include budget to actual revenue and expenditures
- Review ambulance billings and payroll postings
- Assist with allocations on cash summary sheet
- Assist with implementation of new Governmental Accounting Standards Board Statements
- Review of cash receipts posting to identify items that may need to be reclassified, adjusted or monitored (grant or reimbursement receipts, proceeds from disposal of assets, other miscellaneous receipts)
- Available to answer questions as needed

**Annual basis:**

- Identify and post annual adjustments for the trial balance to be provided to the auditors
- Record interest receivables and payables
- Record internal work-orders to the G/L and other inventory adjustments as necessary
- Adjust allowance for uncollectible ambulance billings
- Accrue A/P and payroll related items such as wages, vacation, sick and comp time
- Prepare pension information for audit
- Adjust prepaid expenses
- Accrue A/R as needed including other amounts such as upstream user billings, other misc. billings
- Prepare necessary work papers for the outside auditors and assist in the audit process as needed

Board of Directors  
Running Springs Water District

Additional assistance, as requested:

- Long range financial planning
- Staff training in various accounting functions

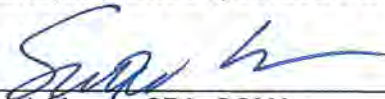
Our fee for these services will be based on actual time spent at our standard rates of \$110 - \$325 per hour, depending on staff level (excluding any special projects or services requested by the District). We estimate our fee for the above services to be \$45,900 - \$49,000 per year and is based on our estimated time and historical trends. As usual, we will only bill for work completed by our firm. The fee estimate is based on an hourly estimate of between 250 and 275 hours per year at approximately \$180 per hour.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If either party elects to terminate our services, our engagement will be deemed to be completed upon written notification of termination. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. 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.

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.

Sincerely,

**ROGERS, ANDERSON, MALODY & SCOTT, LLP**



---

Scott W. Manno, CPA, CGMA  
Partner

RESPONSE:

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

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021  
**TO:** Board of Directors  
**FROM:** Ryan Gross, General Manager  
**SUBJECT:** CONSIDER ACCEPTING PROPOSAL FOR FISCAL YEAR  
ENDING 2021 FINANCIAL AUDIT SERVICES

**RECOMMENDATION**

It is recommended that the Board of Directors consider approving the attached proposal for the Fiscal Year Ending 2021 financial audit services.

**REASON FOR RECOMMENDATION**

To conduct the District's Fiscal Year Ending 2021 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 eight fiscal year audits. A copy of VLF's proposal is attached.

**FISCAL INFORMATION**

VLF has proposed a fee of \$23,100 which is the same as last year. For information purposes, the proposed fee for a single audit is \$2,500 and would be required if the District had received federal funding of \$750,000 or more.

**ATTACHMENTS**

Attachment 1 – VLF Proposal



May 5, 2021

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, 2021. 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, 2021. 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 the 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 and OPEB Related Schedules
- 3) Budgetary Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the 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

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**Van Lant & Fankhanel, LLP**

29970 Technology Drive, Suite 105 A  
 Murrieta, CA 92563  
 909.856.6879

## **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*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedures or take any action that would be construed as assuming management responsibilities.

### **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.

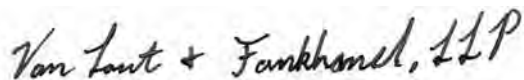
We expect to begin our audit in July/August of 2021 and to issue our reports no later than November 2021. Brett Van Lant is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$23,100, plus an additional \$2,500 if a single audit is required. 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:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** May 19, 2021

**TO:** Board of Directors

**FROM:** Ad-Hoc Committee for Fire Department Planning  
Mike Vasquez, Fire Chief  
Ryan Gross, General Manager

**SUBJECT: CONSIDER AUTHORIZING STAFF TO SUBMIT A REQUEST FOR PROPOSAL TO PROVIDE FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES**

**RECOMMENDED BOARD ACTION**

Consider authorizing staff to submit a Request for Proposal (RFP) to provide fire protection and emergency medical services.

**REASON FOR RECOMMENDATION**

This is the recommendation of the Ad-Hoc Committee.

**BACKGROUND INFORMATION**

On April 21, 2021, the Board President tasked the Ad-Hoc Committee for Fire Department Planning, consisting of Directors Mike Terry and Bill Conrad, to reconvene.

This Ad-Hoc Committee met on April 27, 2021 with the General Manager, Fire Chief, Battalion Chief, President and Vice-President of the Running Springs Professional Firefighters, Local 5308.

The committee recommendation was to bring a draft RFP to the full board with the intention of obtaining a proposal to get an idea of what contract fire protection and emergency medical services would look like and what the estimated potential costs would be to the taxpayers in Running Springs. Attachment 1 contains the draft RFP.

**FISCAL INFORMATION**

None at this time.

**ATTACHMENTS**

Attachment 1 – Draft RFP



RUNNING SPRINGS FIRE Water District

"SERVICE TO THE COMMUNITY"

31250 Hilltop Boulevard • P.O. Box 2206  
Running Springs, CA 92382



4. F.

## **Request for Proposal**

*From the*

**Running Springs Water District**

**Board of Directors**

*For*

**Fire Protection and Emergency Medical Services**

Issued: \_\_\_\_\_

**Please Submit Proposal by email to:**

Ryan Gross, General Manager

Running Springs Water District / Running Springs Fire Department

[rgross@runningspringswd.com](mailto:rgross@runningspringswd.com)

## **Running Springs Water District Board of Directors Request for Proposal**

The Running Springs Water District (District) Board of Directors is the governing Board of the Running Springs Fire Department and respectfully requests a proposal for a full-service fire protection and emergency medical service contract based on the District's Request for Proposal (RFP) contained in this document.

This RFP is based on the District's need to determine the feasibility of a possible personnel services contract with another qualified agency or entity.

The District's intent is to maintain our current Insurance Services Office (ISO) rating as reasonably possible in terms of staffing, station coverage, response times, resources at scene of incident, training, etc.

The purpose of this formal (RFP) is to obtain a detailed proposal for evaluation purposes that provides us with specific costs to be charged to the District for the various personnel service-related contract alternatives/options included in this RFP.

### **Basic Contract Services Criteria**

#### **Term of Contract:**

The personnel services contract shall be an initial three-year contract with an option to terminate the agreement in the event that the District determines that the personnel services contract is no longer in the best interests of the District. All subsequent personnel services contracts beyond the first three-year term shall contain the same termination provision.

#### **District Authority, Control & Responsibility:**

The District Board of Directors will maintain local discretionary decision-making, identity, and control over level of service (staffing levels, station configuration, etc.), budget, and funding for emergency fire protection, emergency medical response, and ambulance service support in the District and District's Exclusive Operating Area (EOA).

The District shall retain ownership, control, and responsibility for the maintenance and replacement of all real property assets and equipment, including fire apparatus.

The District, unless otherwise provided through the Proposer, shall retain control, and responsibility for the billing and reimbursement claims for the ambulance transport service.

#### **Contractual Duties, Responsibilities & Obligations:**

The Proposer's emergency fire protection, emergency medical response and advanced life support services will include commercial, residential, and wild land fire protection, outdoor fire safety inspections and wildland fire prevention, investigation; hazardous materials incident response; vehicle fires; emergency vehicle extrication; hazardous conditions response (flooding,

downed power lines, earthquake, terrorist incident t, etc.); Paramedic ambulance transport service and rescue response; and public service assistance.

The Proposer will provide for the professional management and operational control of the fire department following the level of service and policies established by the District Board of Directors.

The Proposer will provide Fire Marshal duties, which include the enforcement of Title 19 of the California Code of Regulations and all applicable codes in the San Bernardino County pertaining to building/fire codes and building & safety inspections.

The Proposer will recruit, test, hire, train, and manage full-time personnel required to deliver this service. Labor negotiations, Worker's Compensation, personnel administration, employee benefits and payroll, and career development will be the Proposer' s responsibility.

The Proposer will staff the identified fire stations with qualified personnel at levels established by the District.

The Proposer through agreed on station staffing and configuration, as well as initial, and extended emergency response deployment will meet the standards of response cover needs for the community.

The Proposer will designate the Running Springs Fire Department Station 50 or Station 51 as a must cover station. "Must cover means that anytime the staffed apparatus is to an emergency or activity that precludes a response to a second incident, the District will be covered by either:

- 1) Cover Engine dispatched from another station.
- 2) Call back of off-duty personnel, or
- 3) Activation of Paid Call Fire Firefighters (PCF)

The Proposer will provide training to all employees, by qualified instructors, that will meet or exceed the accepted industry standards, requirements, and specific operational needs of the District.

The District will receive a sufficient depth of coverage, as determined by the District. The Proposer will be required to comply with the District's required mutual aid coverage support during emergencies that are considered automatic or mutual aid.

During the term of the agreement, the Running Springs Fire Department seal/logo will be prominently displayed on all District-owned fire engine apparatus and may include a reference to the Proposer.

The Proposer will be responsible for the enforcement of all applicable State fire codes and code provisions in the San Bernardino County Area pertaining to outdoor fire prevention and life safety inspections, and issuance of District burn permits.

The Proposer will maintain a representative in the District's Emergency Operations Center (EOC) when the EOC is activated.

**Dispatch Service:**

As part of its evaluation of a possible fire services contract, the Running Springs Water District is seeking a level of service and cost-related information concerning the 9-1-1 Fire Dispatch Center.

It is our understanding that if the District were to contract for this service, that the Proposer will assume responsibility for all fire/medical emergency dispatching of emergency resource units covered by the District's agreement with Proposer.

If it is likely that contracting for dispatch services through the Proposer will involve additional contract costs involving additional dispatcher positions. In order to determine if this is a preferred option for the District, the District needs to know the following information:

- 1) Actual cost for each contracted dispatcher position (i.e., salary & benefits) that would be required with the District contract.
- 2) Identification of emergency response level of service improvements in utilizing the Proposer's Dispatch Center, as opposed to continuing to dispatch the Fire Departments 9-1-1 medical/fire calls through the Confire communications/ dispatch center.
- 3) Identification of any disadvantages to contract the dispatch of 9-1-1 fire/emergency calls through the Proposer' Dispatch Center.
- 4) Identify any additional cost utilizing the 800mhz radios with cooperators and for ambulance transports.

**Actual Fire Service Delivery Alternatives:**

The Running Springs Water District seeks to maintain, as well as to possibly improve fire protection and emergency medical response capabilities in our community. Therefore, the District is seeking information related to the following staffing level.

**Desired Service Delivery Level:**

In presenting staffing necessary to provide Fire services to the Community of Running Springs, the proposal should indicate the number of positions required to provide service, both in terms of full-time positions assigned to Running Springs, and part-time positions, if applicable.

The District desires professional staffing levels to be the same or equivalent to current staffing levels. The Current Staffing levels are as follows:

1. 9- Full- Time Personnel

- |                       |                            |
|-----------------------|----------------------------|
| 1- Fire Chief         | 3- Paramedic Engineers     |
| 1- Battalion Chief    | 2- Firefighter Paramedics  |
| 1- Admin Secretary    | 11- Paid Call Firefighters |
| 1- -Captain Paramedic |                            |

2. The current daily staffing:

2-0 Engine- Captain/Engineer PM and PCF

2-0 Ambulance – FFPM and PCF

The Districts daily staffing consists of cross staffing equipment and utilizing the PCF Staff to supplement staffing levels.

The District requests the Proposer to present a Fire service model for the Running Springs Water District that would not exceed an annual contract amount in year one of \$2.8 million. Costs for years two and three should include any applicable cost of living increases or other inflationary increases for subsequent years of contract.

The Running Springs Water District desires the Proposer to hire as many of our current staff at their current rank, position and benefit level as possible. It is a requirement that the Proposer hire all necessary personnel that meet the Proposer's minimum hiring criteria to include physicals and background.

**Administrative and Support Services:**

The Proposer must declare who will be appointed as Fire Chief for the Running Springs Water District and will represent the District in that capacity.

This individual will manage the fire department in a professional and efficient manner, attend Board of Directors meetings, prepare, present, and manage the fire department budget, provide personnel management services, attend other policy meetings or events as appropriate or requested, and coordinate emergency planning with other agencies including automatic and mutual aid agreements.



Administrative and support services functions for the infrastructure of the fire department (i.e., major improvements, repairs, and maintenance of District-owned fire facilities; and maintenance and replacement of fire apparatus equipment, etc..) will be coordinated with the Running Springs Water District.

All administrative and support services, and management functions related to contracted fire personnel (i.e., personnel administration, labor relations, contract negotiations, etc., disciplinary actions, uniforms, turnouts, medical response & firefighting materials, and supplies, etc.) will be performed by the Proposer.

#### Pension Liability and Retirement Benefits

The Proposer must declare how the current and future District CalPERS pension liability fund is to be appropriated and how current CalPERS District personnel will be integrated in the Proposers retirement system.

#### **Chief Officers Assigned:**

The response to this RFP should describe how it will serve as the primary administrative contact to the District, and/or manage the day-to- day personnel and operational functions of the department.

#### **The Proposer Will Provide Employment Opportunities for Current Running Springs Water District Permanent Full-Time Fire Employees, along the following terms:**

In the event, that the District decides to contract fire personnel services, the full-time fire department employees of the District will be transitioned into employment with the Proposer, provided each individual employee meets the minimum qualifications of the Proposer.

The assigned classification and salary will be based on and commensurate with training, experience and position with the District.

It is understood that separate from this RFP, issues related to current District fire employee benefits will be addressed between the District and the Running Springs Fire Fighters Local 5308, prior to approval of an actual cooperative services contract between the Running Springs Water District Board of Directors and the Proposer.

#### **Communications Performance Standards:**

In the event that the District were to choose the Proposer's dispatch option mentioned previously in this RFP, the Districts Dispatch/Communications Center may continue as the primary 9-1-1 answering point (PSAP) for the District under this agreement. The Proposer will dispatch all fire and medical units, and make all other notifications and requests to assisting agencies for additional resources. Proposer would also be the coordination point for outside agencies to

mitigate a fire, rescue, or medical emergency. This would include other fire agencies for mutual and automatic aid.

**District-Owned Facility Maintenance Responsibilities:**

District-owned fire station facilities will be maintained and repaired by the Proposer's staff within their skills including normal housekeeping, minor landscape maintenance and minor repairs. More extensive repairs and maintenance will be performed by the District subject to agreement between the District and the Proposer.

**Fire Prevention and Investigation Services:**

The Proposer will assist the District with the following programs:

Outdoor fire and life safety inspections and enforcement as per applicable State and County adopted Codes

Public education (i.e. school and civic programs, community outreach, etc.)

Fire Hazard Reduction Program (i.e. emergency response pre-planning, special event fire safety plans/inspections conducive to District adopted Hazard Abatement Program)

The Proposer will provide arson investigation, and related law enforcement assistance on an as-needed basis.

**Identification of Administrative Fee, if applicable:**

The proposal will include an identification of the administrative fee that the Proposer will charge to the District under a fire services contract, both in terms of actual dollars and the current percentage rate and a projection of future administrative fee increases, an explanation as to what expenses (prorated, etc.) the current administrative fee covers, and how it was applied to this specific contract proposal.

**Regular Reporting & Billing Requirements to the District:**

The Proposer will provide a monthly Fire Department activity report to the District General Manager for subsequent reporting to the Board of Directors. The monthly activity report will include all Fire Department activities for a given month broken down by category (i.e. emergency fire suppression incidents by type, property loss estimates (if applicable), emergency medical responses, coverage or response time issues (if any), other emergency-related incidents, PCF program, support and activities, etc.).

The Proposer will provide an annual Fire Department report to the District General Manager, which in turn will be presented by the Proposer to the Board of Directors in public session for the

benefit of the community. This annual report will be a detailed summary of the department's activities (as mentioned above) and statistical data broken down by category for the previous year, as well as an identification of challenges and issues addressed during that time period, or that remain unresolved.

The Proposer will provide detailed billings, based on the Districts personnel services contract with the Proposer, to the District's Finance Director for payment.

**Proposal Shall Also Include the Following:**

Request a ten-year history of the administrative fee charged to other agencies contracting who contract with the Proposer for fire services.

Request a ten-year history of the Proposer's salary and benefit increases that have been passed on in the form of increased costs to its contracting agencies, especially municipalities.

Provide as an option the cost/rates of the Proposer providing emergency back-up maintenance & repair of fire apparatus during fire season including the cost of replacement of all Fire Apparatus on an as necessary basis.

Provide as an option the cost of providing the District with fire prevention services that would include state mandated facility and commercial building inspections, outdoor fire and life safety inspections, and enforcement of Districts outdoor burn regulations and other applicable regulations under the Districts Ordinance.

Identify a realistic time frame that such a contract would actually be in place if the District Board of Directors approves going forward with a contract.

**RFP Response Format**

The RFP respondent shall submit by email a portable document format (PDF) copy of their proposal by email to:

Ryan Gross, General Manager  
[rgross@runningspringswd.com](mailto:rgross@runningspringswd.com)