



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: NOVEMBER 8, 2019
RE: SPECIAL BOARD MEETING FROM: BOARD SECRETARY

A Special Meeting of the Board of Directors of the Running Springs Water District will be held on Wednesday, November 13, 2019, at the hour of 9:00 A.M. at the District Office located at 31242 Hilltop Boulevard, Running Springs, California. This agenda was posted prior to 5:00pm on November 8, 2019 at the Running Springs Water District Office and Website.

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

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

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

AGENDA

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are expected to be routine and non-controversial and will be acted on at one time without discussion unless an item is withdrawn by a Board Member for questions or discussion.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

A. Approve Meeting Minutes

Page 4

- B. Ratify Expenditures and Cash Summary **Page 10**
 - C. Consider Adopting Resolution No. 16-19, Commending George Corley for District Service **Page 19**
 - D. Consider Adopting Resolution No. 17-19, Setting the Schedule for Regular Board Meetings **Page 20**
 - E. Consider Adopting Resolution No. 18-19, Appointing the Board Secretary and Treasurer **Page 21**
 - F. Consider Adopting Resolution No. 19-19, Resolution of Lodge, Association or Other Similar Organization Regarding New Bank Signature Cards for First Foundation Bank **Page 24**
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 Receiving, Filing and Authorizing the Distribution of the District’s Fiscal Year 2018-2019 Annual Financial Report and Audit Results **Page 30**
(Presenter: Van Lant & Fankhanel)
 - B. Financial Presentation **N/A**
(Presenter: RAMS)
 - C. Consider Awarding Contract for District Complex Groundwater Well Pump and Motor Replacement **Page 124**
(Presenter: Randy Bobroff, Water Operations Manager)
 - D. Consider Approving Lease Agreement for Use of Harris Property for Equipment Storage **Page 131**
(Presenter: Ryan Gross, General Manager)
 - E. Consider Awarding Contract for Sewer Pipeline Point Repairs **Page 134**
(Presenter: Trevor Miller, Wastewater Operations Manager)
 - F. Consider Authorizing Expenditure for Spray Irrigation Site Improvements at Disposal Ponds **Page 141**
(Presenter: Trevor Miller, Wastewater Operations Manager)
 - G. Consider Approving Ordinance No. 54, Adopting Amended Rules and Regulations for Water and Wastewater Service (SB 998) **Page 145**
(Presenter: Ryan Gross, General Manager)

- H. Consider Authorizing Expenditure for the Replacement of the District's Security Camera System **Page 226**
(Presenter: Ryan Gross, General Manager)
- I. Consider Authorizing Expenditure for the Replacement of the District's Phone System **Page 232**
(Presenter: Ryan Gross, General Manager)
- J. Consider Approving Fire Department Chaplin Volunteer Position **Page 254**
(Presenter: Mike Vasquez, Fire Chief)
- K. Consider Authorizing Staff to Purchase New Self Contained Breathing Apparatus Equipment **Page 260**
- L. Consider Adopting Resolution No. 20-19, Commending Joan Eaton for 15 Years of District Service **Page 265**
(Presenter: Errol Mackzum, Vice President)
- 5. Information Items – The following information items do not require any action by the Board of Directors and are for informational purposes only.
 - A. Quarterly Investment Report **Page 266**
- 6. General Manager's Report
- 7. Report from Legal Counsel
- 8. Board Member Comments/Meetings
- 9. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, December 18, 2019 at 9:00 am

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019

TO: Board of Directors

FROM: Joan Eaton, Administration Supervisor, Board Secretary, Treasurer
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 October 16, 2019.

ATTACHMENTS

Attachment 1 – Draft Meeting Minutes

MINUTES – October 16, 2019

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
OCTOBER 16, 2019**

The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, October 16, 2019 at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

The following Directors were present:

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

Director Mike Terry was absent

Also present were the following:

Ryan Gross, General Manager
Joan C. Eaton, Board Secretary/Treasurer/Administration Supervisor
Randy Bobroff, Water Operations Manager
Trevor Miller, Wastewater Operations Manager
Mike Vasquez, Fire Chief
Cindy Strebel, Fire Battalion Chief

Visitors Present:

George Corley, Retired Fire Chief
Family of Mike Vasquez
Family of Cindy Strebel
Denise Acciani, Running Springs Resident
Scott Limpus, Running Springs Resident, Reporter
Jamie and Eli Stiansen, Running Springs Residents
Amie Crowder, Future RSWD Administration Supervisor

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 Grabow and Battalion Chief Strebel led the assembly in the pledge of allegiance to the flag.

2. Recognize and Hear from Visitors/Public Comment

The visitors introduced themselves for the record.

A. Promotional Badge Pinning Ceremony

1. Fire Chief Mike Vasquez
2. Battalion Chief Cindy Strebel

President Grabow opened the Badge Pinning Ceremony and acknowledged Fire Chief Vasquez and Fire Battalion Chief Cindy Strebel on their promotions.

B. Resolution No. 16-19, Commending George Corley for District Service.

President Grabow commended Former Fire Chief George Corley for District Service and Mr. Corley thanked the District and staff in return. Resolution No. 16-19 will be adopted at the November Board Meeting.

3. Approval of Consent Items

A. Approve Meeting Minutes

B. Ratify Expenditures and Cash Summary

Upon **motion** by Director Mackzum, **second** by Director Conrad and **carried by a 4 to 0 vote**, the Consent Items were approved.

4. Action Items

A. Consider Authorizing Expenditures for Fire Station 50 Insurance Claim

Manager Gross and Chief Vasquez reported on weather damage at Fire Station 50 and the insurance claim filed with the Special District Risk Management Authority (SDRMA), who is the District insurance company. SDRMA has tentatively agreed to cover 100% of the damage with an estimated cost of \$17,661. The District will issue the contracts and pay the contractors prior to being reimbursed by SDRMA. Chief Vasquez said the Department will obtain additional bids for the mold remediation and they are entertaining a new process that does not require extensive demolition. SDRMA has retained Schifrin, Gagnon & Dickey, Inc. (SGD, Inc.) to assist with the investigation and adjustment of the claim. The insurance company has covered all costs to date for the project and discussion continued with Manager Gross saying \$20,000 should cover the entire job.

Upon **motion** by Director Mackzum, **second** by Director Conrad and **carried by a 4 to 0 vote**, Authorizing Expenditures not to exceed \$20,000 for Fire Station 50 Insurance Claim, was approved.

B. Consider Authorizing Expenditure for Purchasing Water Bottle Refilling Stations

Manager Gross reported on the proposed Water Bottle Refilling Stations at Charles Hoffman Elementary School (CHE). The State Water Board recently required water quality testing at schools throughout the state and there was one drinking fountain taken out of service due to water quality issues at CHE. CHE representatives requested that the District participate with funding the acquisition of water bottle refilling stations. Manager Gross recommended the community relations project saying neighboring Water Districts have participated in similar projects for the Rim School District. If approved, the funding source will be the Library Lease revenue in addition to revenue recently received from NBC Universal for use of the Downtown Property. The total estimated equipment purchase would not exceed \$4,000 and the school district will complete the installation and maintain the warranty on the equipment.

Visitor 5th grade student Eli Stiansen represented Charles Hoffman Elementary School and reported on the school water quality, requesting that the Board consider participating in the water refilling station project.

Manager Gross confirmed the water that is delivered to CHE meets all standards and any water quality issues may be due to internal piping in the school. Discussion continued and Manager Gross reported the District had received one quote so far in the amount of \$3,478 for two (2) separate water refilling stations and are expecting another lower quote for the same model. Representatives from CHE are also working on obtaining additional funding for the project and Manager Gross will work with the school District regarding the administrative process.

Upon **motion** by Director Grabow, **second** by Director Conrad and **carried by a 4 to 0 vote**, Authorizing Expenditure for Purchasing Water Bottle Refilling Stations not to exceed \$4,000, was approved.

5. Information Items

A. CLAWA Rates

The Crestline-Lake Arrowhead Water Agency (CLAWA) recently conducted a Rate Study Workshop with Raftellis Financial Consultants, Inc. and are proposing a rate increase effective January 2020. The approximate annual increase for the District will be \$25,000 with the last CLAWA rate increase in 1993. Manager Gross said the District will conduct an analysis in 2020 to determine if a passthrough adjustment is needed and he will provide a copy of the Proposition 218 notice when available.

B. Quarterly Budget Financial Update

Manager Gross reported on the Quarterly Budget Reports and discussion continued regarding the Cash Reserves and Deferred Capital Projects.

C. Quarterly Operations Reports

The Quarterly Operations Reports were provided to the Board that included Administration, Water, Wastewater and Fire Division statistics. Manager Gross mentioned the Wastewater Collections Division who has been completing the Sewer Pipeline Cleaning In-House and he confirmed the Slip Lining Project is now complete. The Board received statistics regarding Fire Department response calls and water loss in the Division with Manager Gross confirming the new Automated Meter Reading (AMR) System that detects leaks immediately. Manager Gross also reported on a recent water leak and the state required Boil Water Notice saying there was no contamination and the source was a tree root. Senate Bill (SB) 998, the Water Shutoff Protection Act goes into effect in April of 2020 and discussion continued regarding bill paying options for District owners and tenants.

6. General Manager's Report

Manager Gross said the District is considering purchasing a new telephone system due to unreliability and outdated technology with the current system. Staff will submit several proposals to the Board regarding this project by the end of 2019.

The November Board Meeting will be rescheduled to November 13, 2019 due to a conflict with the Local Agency Formation Commission (LAFCO) Hearing scheduled on November 20, 2019.

Manager Gross reported on the County Service Area (CSA) 79 Advisory Committee that met and approved the draft resolution regarding proposed annexation to the District. The next step is a recommendation to the Board of Supervisors.

Manager Gross introduced Amie Crowder as the new Administration Supervisor effective October 21, 2019. Ms. Crowder is currently a supervisor at the Arrowhead Regional Medical Center and she comes to the District with a wealth of administration management experience and education.

7. Board Member Comments/Meetings

Director Grabow provided an update regarding the CSA79 Board Meeting and he said they are excited to move forward with possible consolidation.

Supervisor Bobroff reported on District operational changes heading into winter weather.

Director Mackzum said there will be new agency requirements and quality measurements coming from the state regarding possible contaminants in the water supply.

8. Meeting Adjournment

Upon **motion** by Director Grabow, **second** by Director Conrad and **carried by a 4 to 0 vote**, the meeting was adjourned at 10:22 A.M.

Respectfully Submitted,

Vice-President, Board of Directors
Running Springs Water District

Secretary of the Board of Directors
Running Springs Water District

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: RATIFY EXPENDITURES

RECOMMENDED BOARD ACTION

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

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

REASON FOR RECOMMENDATION

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

ATTACHMENTS

- Attachment 1 – Accounts Payable Check Register for October 2019
- Attachment 2 – Cash Summary as of October 31, 2019
- Attachment 3 – Pooled Cash Balance History
- Attachment 4 – Fire Department Operating Reserve Fund Surplus/Shortfall History

Running Springs Water District Accounts Payable Checks October 2019

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
2 Hot Uniforms inc	Uniform for new PCF Nathan Dobbs	10/08/19	680.27	103834	2,379.63
	Uniform new PCF Giovanni Salazar	10/08/19	696.10	103834	
	Uniform for AO Andrew Martinez	10/08/19	334.42	103834	
	Uniform for new AO Alexander Scullin	10/08/19	334.42	103834	
	Uniform for new AO Hannah Shuler	10/08/19	334.42	103834	
	Job shirt and embroidery George Corley	10/15/19	81.88	103846	505.34
	Station T-Shirts	10/15/19	423.46	103846	
Airgas Inc.	Helium	10/15/19	50.65	103847	50.65
Allstar Fire Equipment	PPE Personal Protective Equipment	10/23/19	326.25	103894	326.25
American Family Life Assurance Company of Colum	Additional Insurance Premiums October 2019	10/29/19	268.60	103912	268.60
American Water Works Association	Membership Renewal	10/23/19	445.00	103895	445.00
Ameripride Services, Inc	Cleaning Supplies Sept 2019	10/08/19	316.20	103836	316.20
Anthem Blue Cross	Ambulance Refund	10/29/19	2,382.20	103913	2,382.20
Arrowbear Park County Water District	Purchased water Aug-Sept 2019	10/03/19	4,618.52	103819	4,618.52
Bacon/Wagner Excavating, Inc.	Trucking biosolids to recycling facility	10/01/19	800.00	103800	800.00
	cold mix asphalt manholes, water leaks	10/15/19	1,822.00	103848	1,822.00
	Bacon/Wagner bio solids hauling	10/18/19	800.00	103877	800.00
	Bacon/Wagner bio solids hauling	10/29/19	800.00	103914	800.00
Best, Best & Krieger LLP	Legal Services September 2019	10/15/19	1,196.32	103849	1,196.32
BURR Group Inc.	Trash Service September 2019	10/08/19	71.53	103837	597.52
	Trash Service September 2019	10/08/19	187.92	103837	
	Trash Service September 2019	10/08/19	338.07	103837	
California Computer Options Inc	Network Maintenance & Monitoring Oct 2019	10/01/19	3,114.00	103801	3,114.00
California Water Environment Association	Mechanical Technologist Test	10/01/19	190.00	103802	365.00
	Electrical/Instrumental test	10/01/19	175.00	103802	
	Association Membership & Plnt Maint grd 1 renw	10/18/19	281.00	103878	281.00
	Plant Mainten Tech Grade 1 renewal	10/23/19	89.00	103896	89.00
CalPERS	Health Insurance Premiums October 2019	10/07/19	14,911.60	DFT0001043	14,911.60
	Employ Contribut Classic/Prepra PPE 10/7/19	10/09/19	21,822.10	DFT0001050	21,822.10
	Employ Contribut Classic/Prepra PPE 10/21/19	10/28/19	20,593.58	DFT0001057	20,593.58
Canon	Service and Meter Usage October 2019	10/23/19	610.18	103897	610.18
Charter Communitcations	Telephone and Internet October 2019	10/18/19	587.59	103879	587.59
	Telephone and Internet Oct-Nov 2019	10/23/19	207.25	103898	207.25
	Telephone and Internet Nov-Oct 2019	10/29/19	129.96	103915	129.96
Christopher Ehe	Mark Easement Centerline - parcel 4	10/15/19	600.00	103850	600.00
Citibank, N.A.	Miscellaneous Supplies	10/08/19	63.16	103838	63.16
	Miscellaneous Office Supplies	10/23/19	323.69	103899	600.36
	STAPLES -OFFICE SUPPLIES	10/23/19	276.67	103899	
Clinical Laboratory of San Bernardino	Water Samples August 2019	10/03/19	1,686.00	103820	1,686.00
	Water Samples September 2019	10/29/19	840.00	103916	1,748.00
	Wastewater Samples September 2019	10/29/19	908.00	103916	
ConFire JPA	Oct-Dec 2019 Dispatch and Radio Charges	10/18/19	13,125.46	103880	13,125.46
County of San Bernardino	EOA 19 Admin Fees 1st Qtr July-Sept 19	10/15/19	649.00	103851	1,616.00
	EOA 19 Admin Fees 2nd Qtr Oct-Dec 19	10/15/19	967.00	103851	
	Radio Parts and Materials	10/15/19	230.00	103852	230.00

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
County of San Bernardino	Lien Release x 2	10/18/19	16.00	103881	16.00
	Dump Fees September 2019	10/23/19	13.39	103900	13.39
Crestline-Lake Arrowhead Water Agency	Water Purschase Sept 2019	10/03/19	8,371.91	103821	8,371.91
Cypress Ancillary Benefits	Dental Insurance Premiums October 2019	10/01/19	1,121.31	103803	1,121.31
Dixi Willemse	Reimbursement Claim	10/29/19	42.47	103917	42.47
Don's Auto Inc	Tire Sealer Compound	10/15/19	16.20	103853	16.20
	Mount 2 Tractor tires	10/23/19	60.00	103901	938.35
	A/c Repairs	10/23/19	98.01	103901	
	Rear end repair and maintenance	10/23/19	780.34	103901	
Elavon Paychex Inc.	Credit Card Machine Charges Sept 2019	10/08/19	278.39	DFT0001044	278.39
Fairview Ford Sales, INC	D38-Door Handle	10/15/19	24.19	103854	24.19
Fire Fighters Association	FFAD dues for October 2019	10/23/19	400.00	103902	400.00
Frontier Communications	Telephone sept-Oct 2019	10/01/19	60.84	103804	121.66
	Telephone Spet-Oct 2019	10/01/19	60.82	103804	
	Telephone Sept-Oct 2019	10/08/19	60.84	103839	121.68
	Telephone October 2019	10/08/19	60.84	103839	
	Telephone October 2019	10/15/19	232.01	103855	294.07
	Telephone October 2019	10/15/19	62.06	103855	
	Telephone Oct-Nov 2019	10/18/19	62.09	103882	62.09
	Scada Line Oct-Nov 2019	10/23/19	114.08	103903	114.08
	Telephone Oct-Nov 2019	10/29/19	81.96	103918	346.35
	Telephone Oct-Nov 2019	10/29/19	60.81	103918	
	Telephone Oct-NOv 2019	10/29/19	81.96	103918	
	Telephone Oct-Nov 2019	10/29/19	60.81	103918	
	Telephone Oct-Nov 2019	10/29/19	60.81	103918	
Government Finance Officers Association	Membership Renewal Nov 19-Oct 2020	10/29/19	160.00	103919	160.00
HD Supply Facilities Maintenance LTD	Green Paint	10/01/19	86.15	103805	86.15
Inland Desert Security & Communications	Answering Service October 2019	10/15/19	109.30	103856	109.30
Joan Eaton	Reimbursement Claim	10/01/19	101.84	103806	101.84
	Reimbursement Claim	10/03/19	488.00	103822	488.00
	Reimbursement Claim	10/18/19	512.00	103883	512.00
Kovatch Mobile Equipment Corp	Block Diode Type 1	10/15/19	45.38	103857	45.38
Leslie's Poolmart, Inc	NaOCl for MBR cleaning	10/01/19	554.40	103807	554.40
Life-Assist, Inc	Epinephrine	10/01/19	77.56	103808	628.90
	Miscellaneous Ambulance Supplies	10/01/19	473.78	103808	
	Epinephrine	10/01/19	77.56	103808	
	Ambu blue Sensor Electrode	10/03/19	105.83	103823	105.83
	Epinephrine	10/15/19	100.90	103858	679.01
	Ambulance Supplies	10/15/19	578.11	103858	
Linda Mayfield	Reimbursement Claim	10/18/19	823.00	103884	834.89
	Mileage Reimbursement for East Valley Mtg.	10/18/19	11.89	103884	
	Reimbursement Claim	10/29/19	301.35	103920	301.35
Lou's Gloves, Inc	Nitrile Exam, X-large	10/23/19	93.60	103904	93.60
MCI	Long Distance September 2019	10/08/19	50.80	103840	50.80
	Long Distance October 2019	10/29/19	51.39	103921	51.39
McMaster-Carr Supply Company	Parts for Blower Vent & Parts for Chem Clean line	10/23/19	319.29	103905	337.66
	Keyed Hasp	10/23/19	18.37	103905	
	Metal Routing Clamp and Pipe Cement	10/29/19	42.23	103922	42.23
Mike Scotti	EMT Reverification Reimbursement	10/23/19	70.00	103907	70.00
NAPA Auto Parts	Miscellaneous parts and supplies	10/08/19	241.76	103841	241.76

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
NAPA Auto Parts	Miscellaneous Parts and Supplies	10/29/19	285.28	103923	285.28
Nationwide	Employee Contributions for PPE 10/7/19	10/11/19	1,575.00	DFT0001049	1,575.00
	Employee Contributions for PPE 10/21/19	10/25/19	1,575.00	DFT0001056	1,575.00
Nestle Waters North America	Drinking Water -Treatment Plant	10/01/19	53.68	103809	53.68
	Drinking water for Plant	10/29/19	30.78	103924	30.78
Nick Nikas	Reimbursement Claim	10/15/19	113.47	103859	113.47
Nuckles Oil Company, Inc	Petroleum Lubricationg Oil Del w/Fuel	10/18/19	110.92	103885	110.92
One Stop Landscape Supply	Bio solids disposal One Stop Recycling	10/08/19	2,909.40	103842	2,909.40
Parkhouse Tire Inc	Replaced Loose Tire	10/29/19	45.00	103925	45.00
Patricia A. Monical	Industrial Paper Towels	10/01/19	109.30	103810	109.30
Polydyne Inc.	Bio Solids Polymer	10/15/19	1,405.17	103860	1,405.17
Preferred Insulation Contrators, Inc	Insulation at Treatment Plant	10/15/19	5,350.00	103861	5,350.00
Principal Life Insurance Company	Vision Insurance Premiums October 2019	10/01/19	155.10	103811	155.10
Redlands Community Hospital	Ambulance Refund	10/15/19	2,282.20	103862	2,282.20
Reliable Raul	Property Clean up for 8 Dist Properties	10/18/19	6,470.00	103886	6,470.00
Reliance Standard Life Insurance Company	Life Insurance Premiums for October 2019	10/01/19	1,046.93	103812	1,046.93
Rene Vanderhooft	Uncashed Payroll Check	10/29/19	29.67	103926	29.67
Rick Citro	Steam clean Utilitiy Interior	10/23/19	160.00	103908	160.00
Rim Forest Lumber Company, Inc.	Wall Plate	10/03/19	2.68	103824	2.68
Rocio Silva	Janitorial Services September 2019	10/03/19	485.00	103825	485.00
	Janitorial Service March 2019	10/23/19	485.00	103909	485.00
Roger E. Fox, M.D.	DOT Exam	10/15/19	50.00	103863	50.00
Rogers Anderson Malody & Scott LLP	Consulting Services September 2019	10/29/19	3,988.34	103927	3,988.34
Ryan Gross	Reimbursement Claim	10/03/19	778.20	103826	778.20
	Remaining Gym Membership Allowance	10/15/19	25.00	103864	434.91
	Reimbursement Claim	10/15/19	409.91	103864	
	Reimbursement Claim	10/29/19	219.39	103928	219.39
San Bernardino County Fire Protection District	Cupa Permit Nob Hill	10/03/19	420.00	103827	1,260.00
	Cupa Permit Seymour Rd	10/03/19	420.00	103827	
	Cupa Permit Thor Way	10/03/19	420.00	103827	
Southern California Edison Company	Electricity Septmber 2019	10/01/19	348.10	103813	2,141.22
	Electricity September 2019	10/01/19	139.04	103813	
	Electricity September 2019	10/01/19	269.55	103813	
	Electricity September 2019	10/01/19	125.62	103813	
	Electricity September 2019	10/01/19	80.04	103813	
	Electricity September 2019	10/01/19	638.51	103813	
	Electricity September 2019	10/01/19	540.36	103813	
	Electricity September 2019	10/03/19	779.50	103828	9,925.19
	Electricity September 2019	10/03/19	14.84	103828	
	Electricity September 2019	10/03/19	192.68	103828	
	Electricity September 2019	10/03/19	1,055.59	103828	
	Electricity September 2019	10/03/19	818.68	103828	
	Electricity September 2019	10/03/19	520.05	103828	
	Electricity September 2019	10/03/19	12.84	103828	
	Electricity September 2019	10/03/19	1,917.21	103828	
	Electricity September 2019	10/03/19	567.75	103828	
	Electricity September 2019	10/03/19	97.25	103828	
	Electricity September 2019	10/03/19	190.44	103828	
	Electricity September 2019	10/03/19	77.02	103828	
	Electricity September 2019	10/03/19	1,784.13	103828	

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Southern California Edison Company	Electricity September 2019	10/03/19	526.72	103828	9,925.19
	Electricity September 2019	10/03/19	552.88	103828	
	Electricity September 2019	10/03/19	70.81	103828	
	Electricity September 2019	10/03/19	443.20	103828	
	Electricity September 2019	10/03/19	14.65	103828	
	Electricity September 2019	10/03/19	288.95	103828	
	Electricity September 2019	10/08/19	118.34	103843	129.80
	Electricity September 2019	10/08/19	11.46	103843	
	Electricity October 2019	10/29/19	9,380.32	103929	10,001.28
	Electricity October 2019	10/29/19	248.71	103929	
	Electricity October 2019	10/29/19	122.42	103929	
	Electricity October 2019	10/29/19	249.83	103929	
Southern California Emergency Medicine	New Employee Physical - Clemmer	10/29/19	95.00	103930	95.00
Southern California Gas Company	Gas Usage September 2019	10/08/19	38.14	103844	38.14
	Gas Usage September 2019	10/15/19	87.87	103865	196.98
	Gas Usage September 2019	10/15/19	46.89	103865	
	Gas Usage September 2019	10/15/19	47.92	103865	
	Gas Usage September 2019	10/15/19	14.30	103865	
Special District Risk Management Authority	Insurance for the Air Compressor	10/18/19	145.88	103887	145.88
State of California - Department of Forestry & Fire Company Officer Cert-Granzow		10/15/19	65.00	103866	65.00
State of California - State Water Resource Control	ID2 Renewal	10/01/19	80.00	103814	80.00
	Nikas- D2 renewal	10/18/19	60.00	103888	60.00
Terminix International Company LP	Pest Control - Treatment Plant	10/01/19	55.00	103815	55.00
Terracon Consultants, Inc.	Compressive Strength, Concrete Core	10/18/19	50.00	103889	50.00
The Alpine Mountaineer	Admin Super Job Advertisement	10/15/19	176.00	103867	176.00
The Standard Insurance Company	Disability Insurance Premiums Oct 2019	10/01/19	220.00	103816	220.00
Trevor Miller	Reimbursement Claim	10/03/19	603.65	103830	603.65
Underground Service Alert of Southern California	Dig Tickets and Maintenance Fee October 2019	10/03/19	105.70	103831	105.70
US Jetting, Inc	Valve Kit and Water Selector Repair Kit	10/29/19	1,010.88	103931	1,010.88
Valic	Employee Contributions 10/7/19-PPE	10/11/19	3,573.00	DFT0001051	3,573.00
	Employee Contributions 10/21/19 PPE	10/30/19	2,573.00	DFT0001058	2,573.00
Verizon Wireless Services LLC	Cell Phone Charges September 2019	10/15/19	326.18	103868	326.18
Victor J Puglisi Jr	RSWD Uniform Shirts	10/15/19	1,412.51	103869	1,412.51
Village Hardware	Miscellaneous Parts and Supplies September 2019	10/15/19	165.56	103870	165.56
Visa	Aberg- Misc Parts & Supplies for Station/Vehicles	10/15/19	104.07	103871	4,856.51
	Supplies- Water Filter	10/15/19	114.93	103871	
	Bobroff- Miscellaneous Parts and Supplies	10/15/19	159.87	103871	
	ID Card Printer for District	10/15/19	1,299.00	103871	
	Open House materials	10/15/19	1,565.50	103871	
	Eaton - Coffee Maker for Lunch Room	10/15/19	37.70	103871	
	visa purchase from Pro Link	10/15/19	431.22	103871	
	Strebel- Vac Filt/Seat Covers	10/15/19	492.33	103871	
	Open House Refreshments	10/15/19	570.02	103871	
	Vasquez- Rank Medallion/Latch Flex Draw	10/15/19	81.87	103871	
	Gross- Employee Bkgrnd and Engineer Cert Renew	10/18/19	895.25	103890	895.25
Vyanet Operating Group	Monitoring Security & Fire Services Collections	10/01/19	197.27	103817	197.27
	New User Addition	10/15/19	30.00	103873	30.00
	Security and Monitoring -Dist Off Nov 19- Jan 20	10/29/19	150.80	103932	180.80
	Changed Codes on system	10/29/19	30.00	103932	
Whitney Mesna	Reimbursement Claim	10/18/19	275.00	103891	275.00

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Whitney Mesna	Reimbursement Claim	10/29/19	239.00	103933	239.00
Work Boot Warehouse	Work Boots - Alex Clemmer	10/29/19	182.52	103934	182.52
York Risk Services Group, Inc	Administration Fee Wkr Comp September 2019	10/15/19	112.00	103874	112.00
Zachary Granzow	Helmet Shields- charged to Personal Visa by mistal	10/23/19	160.29	103910	160.29
Zenner Performance Meter, Inc	1" Residential Fire Service Meter	10/03/19	451.56	103832	451.56
	Hosting Services and System Maintenance	10/23/19	6,875.00	103911	6,875.00

Totals

Payment Type	Payable Count	Payment Count	Payment
Regular Checks	193	124	129,579.02
Manual Checks	0	0	0.00
Voided Checks	0	5	-485.00
Bank Drafts	8	8	66,901.67
EFT's	0	0	0.00
Totals	201	137	195,995.69

Fund Balances as of October 31, 2019

Fire & Ambulance Department

Fire Department Operating Reserve	439,243
Ambulance Department Operating Reserve	435,702
Subtotal Fire & Ambulance Department Operating Reserve Funds	874,945
Recommended Operating Reserve Fund Target (6 Months Operating Expenses)	1,340,144
Fire & Ambulance Department Operating Reserve Surplus / (Shortfall)	(465,199)

Wastewater Division

Wastewater Capital Improvement Project Reserve	433,549
Wastewater System Connection & Capacity Charges	245,135
CWSRF Loan Agreement 14-813 Debt Reserve (Restricted for SLS 1-3 Debt Service)	171,537
Wastewater Operating Reserve Fund	542,497
Recommended Operating Reserve Fund Target (4 Months Operating Expenses)	542,497
Wastewater Operating Reserve Surplus / (Shortfall)	-

Water Division

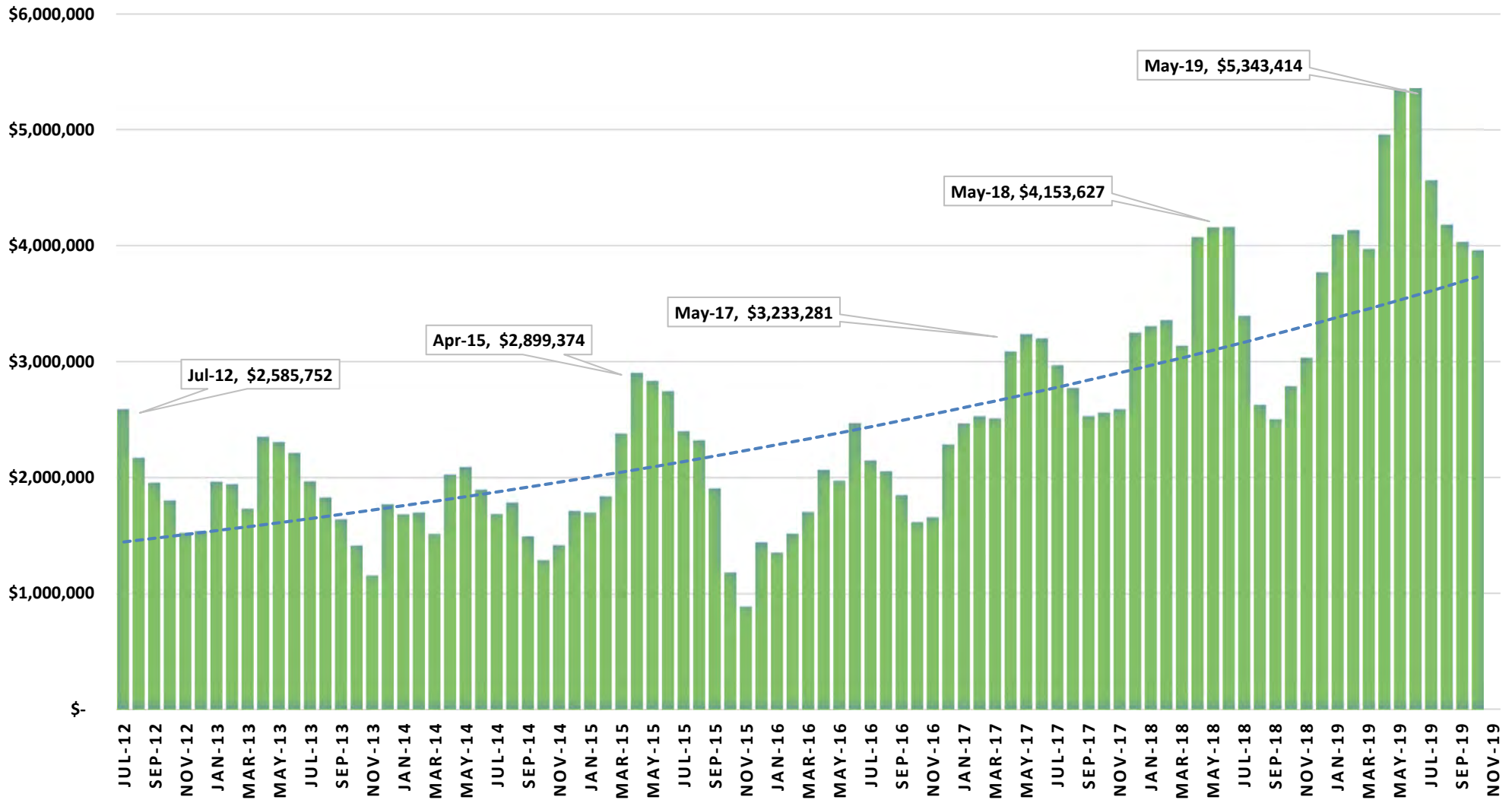
Water Capital Improvement Project Reserve	822,880
Water System Connection & Capacity Charges	53,184
Water Infrastructure R&R Reserve (MFC & AMR SRF Debt Reserve)	89,384
Water Operating Reserve	533,535
Recommended Operating Reserve Fund Target (4 Months Operating Expenses)	533,535
Water Operating Reserve Surplus / (Shortfall)	-

Assessment Districts Restricted Funds

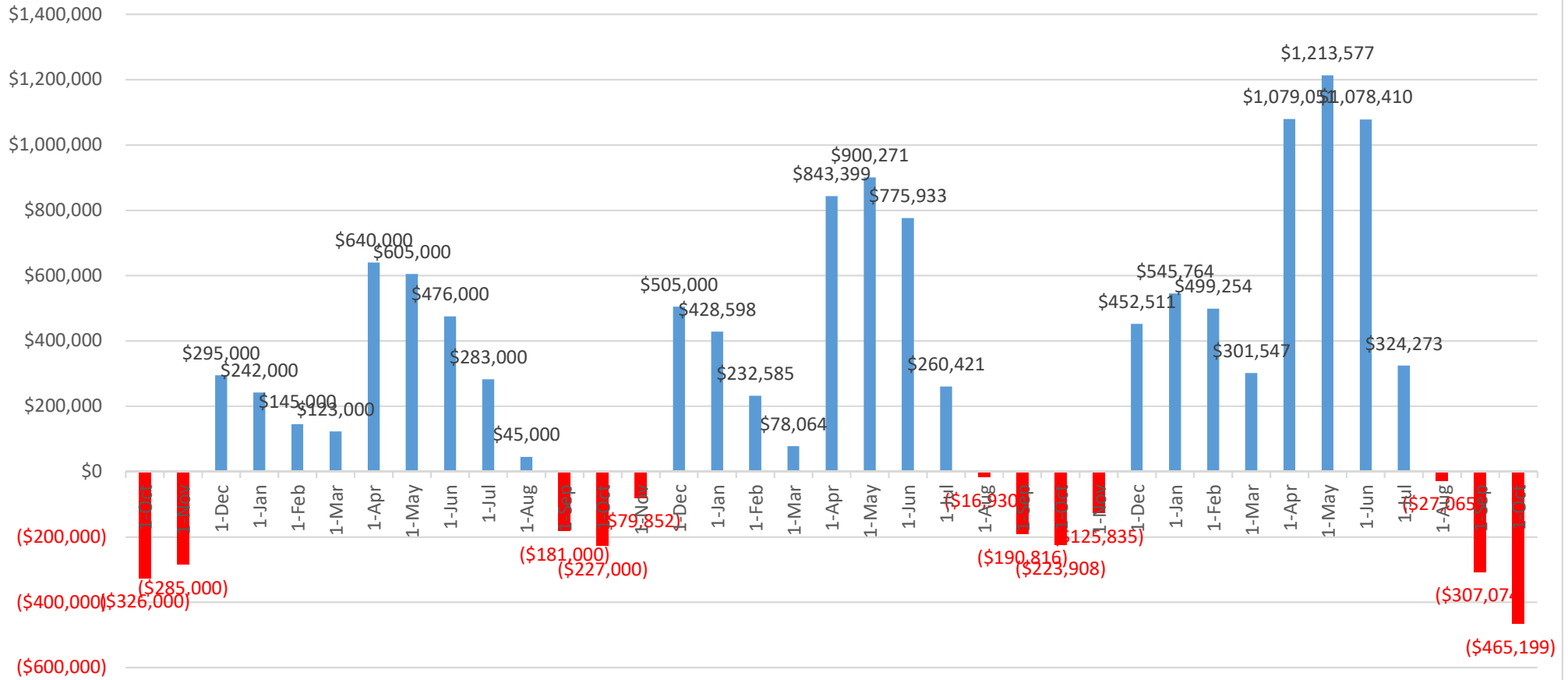
Water Assessment District No. 9 Construction Funds	18,288
Water Assessment District No. 10 Construction Funds	26,421
Water Assessment District No. 10 O&M	30,482
Water Assessment District No. 10 Bond Reserve Fund	115,128
Subtotal Assessment Districts	190,319

Total District Designated & Operating Reserve Funds	3,766,646
Assessment District Funds	190,319
Combined Pooled Cash	3,956,965
Checking Account (General)	241,145
LAIF	3,585,092
York Insurance Deposit	14,601
BNY Mellon (AD #10 Bond Reserve)	115,128
Petty Cash	1,000
Combined Pooled Cash	3,956,965
	-

COMBINED POOLED CASH BALANCE



Fire Department Operating Reserve Surplus / (Shortfall)



RESOLUTION NO. 16-19

COMMENDING GEORGE CORLEY

Whereas, George Corley provided the Running Springs Water District with more than 7 years of superior service and leadership and retired on September 30, 2019; and

Whereas, George has shown commitment and dedication to the District by his guidance and leadership to the Fire Department, supporting staff through years of budget constraints while preserving services to the public; and

Whereas, George has been a leader in the Fire Department to create a District that functions at the highest and most efficient level possible while providing cost savings; and

Whereas, the Fire Department was enhanced as George was involved in several key projects that include but are not limited to the following: Mountain Mutual Aid, Mountain Area Safety Taskforce (MAST), Community Emergency Response Team (CERT), San Bernardino County Fire Chiefs Association, Advisor for Rim Fire Safe Council, Apparatus Specification Committee, GEMT Program, Grant Funding; and

Now, Therefore Be It Resolved that the Board of Directors of the Running Springs Water District commend George Corley for his commitment and professionalism to the District and express appreciation for his dedication to the highest moral and ethical standards and for his service to the people served by the Running Springs Fire Department, further, the members of the Board join family, friends and colleagues in extending sincere good wishes for a long happy and fulfilling retirement.

Adopted this 13th day of November 2019

President, Board of Directors

Vice-President, Board of Directors

Director, Board of Directors

Director, Board of Directors

Director, Board of Directors

RESOLUTION NO. 17-19

**RESOLUTION OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS
WATER DISTRICT SETTING THE SCHEDULE FOR REGULAR BOARD
MEETINGS**

WHEREAS, the regular Board Meetings of the Board of Directors of the Running Springs Water District are currently conducted on the third Wednesday of each month at 9:00 a.m.; and

WHEREAS, Government Code Section 54954 states that the Board of Directors shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by the Board of Directors, the time and place for holding regular meetings;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Running Springs Water District that beginning in January, 2020 the regular Board Meetings of the Board of Directors in each month shall continue to be conducted on the third Wednesday of each month at 9:00 a.m. at the District's Boardroom located at 31242 Hilltop Boulevard, Running Springs, California.

ADOPTED by the Board of Directors of the Running Springs Water District on the 13th day of November 2019

President of the Board of Directors
Running Springs Water District

ATTEST:

Secretary of the Board of Directors
Running Springs Water District

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER ADOPTING RESOLUTION NO. 18-19, APPOINTING A SECRETARY AND TREASURER TO THE BOARD OF DIRECTORS

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider adopting Resolution No. 18-19, (Refer to Attachment 1) appointing Amie R. Crowder, Administration Supervisor, as Secretary and Treasurer to the Board of Directors to fulfill the duties and responsibilities of those offices for the Running Springs Water District (District).

REASON FOR RECOMMENDATION

The office of Treasurer of the Running Springs Water District fulfills several important functions and is a required officer as referenced in County Water District Code Section 30540 and 30582 (Refer to Attachment 2).

BACKGROUND INFORMATION

Ms. Crowder was hired by the District on October 21, 2019 as the District's Administration Supervisor. It has been the District's practice to appoint the Administration Supervisor as Treasurer and Secretary for the District. It is also stated in Section 2.6.1 of the District's Board Policy Manual that the Board shall appoint a Board Secretary and Treasurer to the Board.

ATTACHMENTS

Attachment 1 – Resolution No. 18-19
Attachment 2 – County Water District Code Section 30540 and 30582

RESOLUTION NO. 18-19

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RUNNING SPRINGS WATER DISTRICT APPOINTING
THE ADMINISTRATION SUPERVISOR TO ALSO SERVE
AS BOARD SECRETARY AND TREASURER**

WHEREAS, the Secretary and Treasurer of the Board of Directors of Running Springs Water District performs a number of functions and duties vital to the District; and

WHEREAS, California Water Code Section 30540 specifically provides that the Board of Directors shall appoint a Secretary and Treasurer to carry out the duties required by Section 30582 and other duties required by the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Running Springs Water District hereby appoints the Administration Supervisor of the District as Secretary and Treasurer of the Board of Directors.

ADOPTED this 13th day of November 2019.

Ayes:

Noes:

Abstentions:

Absent:

President of the Board of Directors
Running Springs Water District

ATTEST:

Secretary of the Board of Directors
Running Springs Water District

State of California

WATER CODE

Section 30540

30540. (a) The board shall, at its first meeting or as soon thereafter as practicable, appoint by a majority vote a general manager and a secretary.

(b) The board shall also, by majority vote, do either of the following:

(1) Appoint an auditor or treasurer to carry out the duties required by Section 30582 and other duties required by the board.

(2) Retain an auditor as an independent contractor, other than the auditor or treasurer appointed pursuant to paragraph (1), to conduct an annual audit of the district's books, records, and financial affairs.

(Amended by Stats. 1993, Ch. 906, Sec. 15. Effective October 8, 1993. Operative January 1, 1994, by Sec. 24 of Ch. 906.)

State of California

WATER CODE

Section 30582

30582. If the board appoints an auditor or treasurer pursuant to Section 30540, the auditor or treasurer shall install and maintain a system of auditing and accounting that shall completely and at all times show the financial condition of the district.

(Amended by Stats. 1991, Ch. 454, Sec. 8.)

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019

TO: Board of Directors

FROM: Ryan Gross, General Manager

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

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

“Upon motion by _____ second by _____ and unanimously carried, the signing of new bank signature cards was approved for the purpose of endorsing checks and orders for payment of money or otherwise withdraw or transfer funds on deposit with First Foundation Bank. Also adopted by this motion is Resolution No. 19-19, Resolution of Lodge, Association or Other Similar Organization, Regarding New Bank Signature Cards. The signature cards, Resolution No. 19-19 will be available for signature at the November 13, 2019 Board Meeting.”

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

ATTACHMENTS

Attachment 1 – Resolution No. 19-19

Resolution No. 19-19

Resolution of Lodge, Association or Other Similar Organization

By: RUNNING SPRINGS WATER DISTRICT

FIRST FOUNDATION BANK
P.O. Box 90
Running Springs, CA 92382

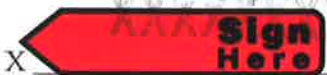





31242 HILLTOP BLVD.
RUNNING SPRINGS, CA 92382-2206

Referred to in this document as "Financial Institution"

Referred to in this document as "Association"

I, Amie R Crowder, certify that I am Secretary (clerk) of the above named association organized under the laws of California, Federal Employer I.D. Number 95-6006680, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Association duly and properly called and held on 11/13/2019 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

Agents. Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>ANTHONY GRABOW</u> President _____ X _____	X	X 
B. <u>RYAN GROSS</u> General Manager _____ X _____	X	X 
C. <u>Amie R Crowder</u> Secretary, Treasurer _____ X _____	X	X 
D. <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX</u> X _____	X	X 
E. <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX</u> X _____	X	X 
F. <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX</u> X _____	X	X 

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

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

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

N/A

Resolutions

The Association named on this resolution resolves that,

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

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

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

Effect on Previous Resolutions. This resolution supersedes resolution dated _____ completed, all resolutions remain in effect.

04/18/2019

. If not

Certification of Authority

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

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

(Secretary)
Amie R Crowder



(Attest by Other Officer)
Anthony Grabow



(Attest by Other Officer)
Ryan Gross



For Financial Institution Use Only

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

This resolution is superseded by resolution dated _____

Comments:

ACCOUNT AGREEMENT

FIRST FOUNDATION BANK
2625 Whispering Pines Drive
Running Springs, CA 92382
18101 Von Karman Ave Suite 750
Irvine, CA 92612

Account Number: [Redacted]

Account Owner(s) Name & Address
RUNNING SPRINGS WATER DISTRICT

31242 HILLTOP BLVD
RUNNING SPRINGS, CA 92382

Additional Information: N/A

Agreement Date: _____ By: Yolanda Flores

[X] EXISTING Account - This agreement replaces previous agreement(s).

Account Description: CA Public Funds Interest Checking

[] Checking [] Savings [] NOW [] xxxxxxxxxxxxxxxxxxxxxxxxxxxx
Initial Deposit \$ xxxxxxxxxxxxxxxxxxxxxxxx Source: xxxxxxxxxxxxxxxx

Ownership of Account - CONSUMER Purpose

- [] Individual [] xx
[] Joint Account [] Tenancy in Common Account
[] Community Property Account of Spouses
[] Joint Account of Spouses With Right of Survivorship
[] Trust - Separate Agreement: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

[] Totten Trust or [] Pay-on-Death Designation
as Defined in this Agreement

(Name and Address of Beneficiaries):

xxx
xxx
xxx

Signature(s). The undersigned certifies the accuracy of the information he/she has
provided and acknowledges receipt of a completed copy of this form. The undersigned
authorizes the financial institution to verify credit and employment history and/or have
a credit reporting agency prepare a credit report on the undersigned, as individuals.
The undersigned also acknowledge the receipt of a copy and agree to the terms of the
following agreement(s) and/or disclosure(s):

- [X] Terms & Conditions [X] Truth in Savings [X] Funds Availability
[] Electronic Fund Transfers [] Privacy [X] Substitute Checks
[] Common Features [] xx

The Internal Revenue Service does not require your consent to any
provision of this document other than the certifications required to
avoid backup withholding.

Ownership of Account - BUSINESS Purpose

- [] Sole Proprietorship [] Single-Member LLC [] Partnership
[] LLC (LLC tax classification: [] C Corp [] S Corp [] Partnership)
[] C Corporation [] S Corporation [] Profit
[X] Association

Business: Ca Public Funds RS Water Distict

Backup Withholding Certifications (Non-"U.S. Persons" - Use separate Form W-9)

- [X] By signing at right, I, ANTHONY GRABOW
certify under penalties of perjury that the statements made in this section are true.
[X] TIN: [Redacted] The Taxpayer Identification
Number (TIN) shown is my correct taxpayer identification number.
[X] Not Subject to Backup Withholding. I am NOT subject to backup
withholding either because I have not been notified that I am subject to backup
withholding as a result of a failure to report all interest or dividends, or the Internal
Revenue Service has notified me that I am no longer subject to backup withholding.

[] Exempt Recipient. I am an exempt recipient under the Internal Revenue
Service Regulations. Exempt payee code (if any) xxxxxxxxxxxxxxxx

FATCA Code. The FATCA code entered on this form (if any) indicating that I am
exempt from FATCA reporting is correct.

U.S. Person. I am a U.S. citizen or other U.S. person (as defined
in the instructions).

(1): [X] ANTHONY GRABOW

I.D. # [Redacted] D.O.B. [Redacted]

[X] RYAN GROSS

I.D. # [Redacted] D.O.B. [Redacted]

(3): [X] Amie R Crowder

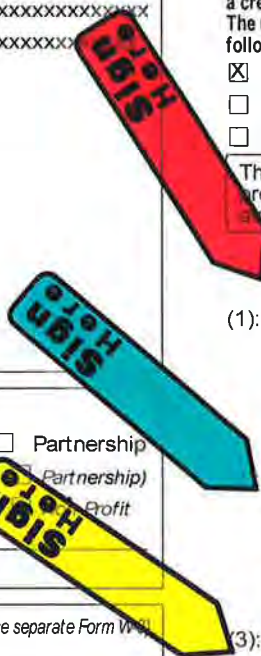
I.D. # [Redacted] D.O.B. [Redacted]

(4): [X]
XX
XX
I.D. # XXXXXXXXXXXXXXXXXXXXXXXX D.O.B. XXXXXXXXXXXXXXXXXXXXXXXX

[] Authorized Signer (Individual Accounts Only)

[X]
XX
XX

I.D. # XXXXXXXXXXXXXXXXXXXXXXXX D.O.B. XXXXXXXXXXXXXXXXXXXXXXXX



RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER RECEIVING, FILING AND AUTHORIZING THE DISTRIBUTION OF THE DISTRICT'S FISCAL YEAR 2018-2019 ANNUAL FINANCIAL REPORT AND AUDIT RESULTS

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider receiving, filing and authorizing the distribution of the District's Fiscal Year 2018-2019 Annual Financial Report and Audit Results.

REASON FOR RECOMMENDATION

The District is required to have an annual independent audit and to distribute financial information to parties interested in the finances of the District.

BACKGROUND INFORMATION

The District is required to have an annual independent financial audit. Van Lant & Fankhanel, LLP (VLF) will present their team's findings and the results from the audit of the District's financial data for fiscal year 2018-2019. A copy of the Fiscal Year 2018-2019 Annual Financial Report was provided to the Board members on November 8, 2019 and is also available at the District office for review by any interested member of the public.

FISCAL INFORMATION

The cost for VLF's services to perform this year's audit is approximately \$23,100.

ATTACHMENTS

Attachment 1 - Fiscal Year 2018-2019 Annual Financial Report.

**Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Running Springs Water District
Running Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Running Springs Water District (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Van Lant + Fankhaed, LLP

November 1, 2019

November 1, 2019

Board of Directors
Running Springs Water District
Running Springs, CA

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Running Springs Water District for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 15, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life. We evaluated key factors and assumptions used to develop the estimated useful lives in determining that they are reasonable in relation to the financial statements as a whole.

Management's estimate of the net pension liability is based on actuarial information provided by the California Public Employee Retirement System's (CalPERS) actuarial office. We evaluated the key factors and assumptions to develop the net pension liability in determining that it is reasonable in relation to the financial statements as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the fair value of investments in Note 2 to the financial statements represents amounts susceptible to market fluctuation.

The disclosure of accumulated depreciation in Note 5 to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of the net pension liability in Note 9 to the financial statements is based on the District's proportionate share of the total pension liability of the pool and includes assumptions for discount rates, which could differ from actual discount rates. Note 9 discloses the differences in the net pension liability assuming different discount rates.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 1, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management’s Discussion and Analysis, Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Plan Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, as listed in the table of contents, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Van Lant & Fankhaed, LLP

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES
APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS**

Board of Directors
Running Springs Water District
Running Springs Water District, California

We have performed procedures enumerated below to be the accompanying Appropriations Limit worksheet of the Running Springs Water District, for the year ended June 30, 2019. These procedures, which were agreed to by the Running Springs Water District and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII B of the California Constitution*), were performed solely to assist the District in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The District's management is responsible for the Appropriations Limit worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the Board of Directors. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by the League publication entitled *Article XIII B of the California Constitution*.

This report is intended solely for the use of the Board of Directors and management of the Running Springs Water District and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Handwritten signature in black ink that reads "Van Lant & Fankhaed, LLP".

November 1, 2019

**RUNNING SPRINGS WATER DISTRICT
 APPROPRIATIONS LIMIT COMPUTATION
 2018-2019**

	2018-2019
Change in Per Capita Personal Income	3.67%
Population Change	
Unincorporated County Population Growth	1.14%
Change in Per Capita Personal Income Converted to a Ratio	1.0367
Population Change Converted to a Ratio	1.0114
Calculation Growth Factor	1.0485
2017-2018 Appropriations Limit	<u>\$ 4,879,011</u>
2018-2019 Appropriations Limit (\$4,879,011 X 1.0485)	<u>\$ 5,115,643</u>

RUNNING SPRINGS WATER DISTRICT

ANNUAL FINANCIAL REPORT

Years Ended June 30, 2019 and 2018

Running Springs Water District
Annual Financial Report
Years Ended June 30, 2019 and 2018

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INTRODUCTORY SECTION



RUNNING SPRINGS WATER DISTRICT
A MULTI-SERVICE INDEPENDENT SPECIAL DISTRICT

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

November 1, 2019

Board of Directors
Running Springs Water District

Subject: Letter of Transmittal for Annual Financial Report and Independent Auditor's Report for the fiscal year ending June 30, 2019 and 2018

Honorable Directors:

We are pleased to provide you with this letter of transmittal for the Running Springs Water District's (District) Annual Financial Report and Independent Auditor's Report for the fiscal year ended June 30, 2019 and 2018. The intended purpose of the financial report is to provide the Board of Directors, the customers of the District and other interested parties with reliable information on the finances of the District. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Van Lant & Fankhanel, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2019 and 2018, are free of material misstatement. The independent auditor concluded, based upon the audit, that in their opinion the District's financial statements for the fiscal year ended June 30, 2019 and 2018 present fairly, in all material respects, the financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2019 and 2018 and the changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The District's MD&A can be found immediately following the Independent Auditor's Report in the financial section of this report.

In addition to the required components of the Financial Report, the District has elected to prepare this Letter of Transmittal. This Letter of Transmittal is intended to discuss the District's accomplishments and future direction. It is designed to complement the MD&A and should be read in conjunction with it.

DISTRICT OVERVIEW

The Running Springs Water District ("RSWD or District") is a local public agency charged under the laws of the United States of America and the State of California, as well as our own District policies and regulations, with the duty of supplying and maintaining water service, providing fire and emergency medical care services and operating wastewater collection, treatment and disposal facilities for the residents, users and taxpayers of this community.

The District is an independent special district that was formed in 1958 and established under Division 12 of the California Water Code. In 1962, the District established a Fire Department to provide fire protection services for its service area. In 1976, a sewage disposal system was completed to provide sewer service for the District and certain communities upstream of the District. In 1983, ambulance service was established.

The District is a multi-service organization that presently operates four departments: a water department that provides retail water distribution, a fire department that provides fire protection, an ambulance department that provides pre-hospital emergency medical aid service, and a wastewater department that collects, treats, and disposes of the area's wastewater. The District's service area is approximately five square miles.

The District's power and authority is primarily regulated and defined by Division 12, Sections 30000-33901 of the California Water Code. The District's operations are governed by a five member Board of Directors elected by registered voters in the community.

Governmental Activities

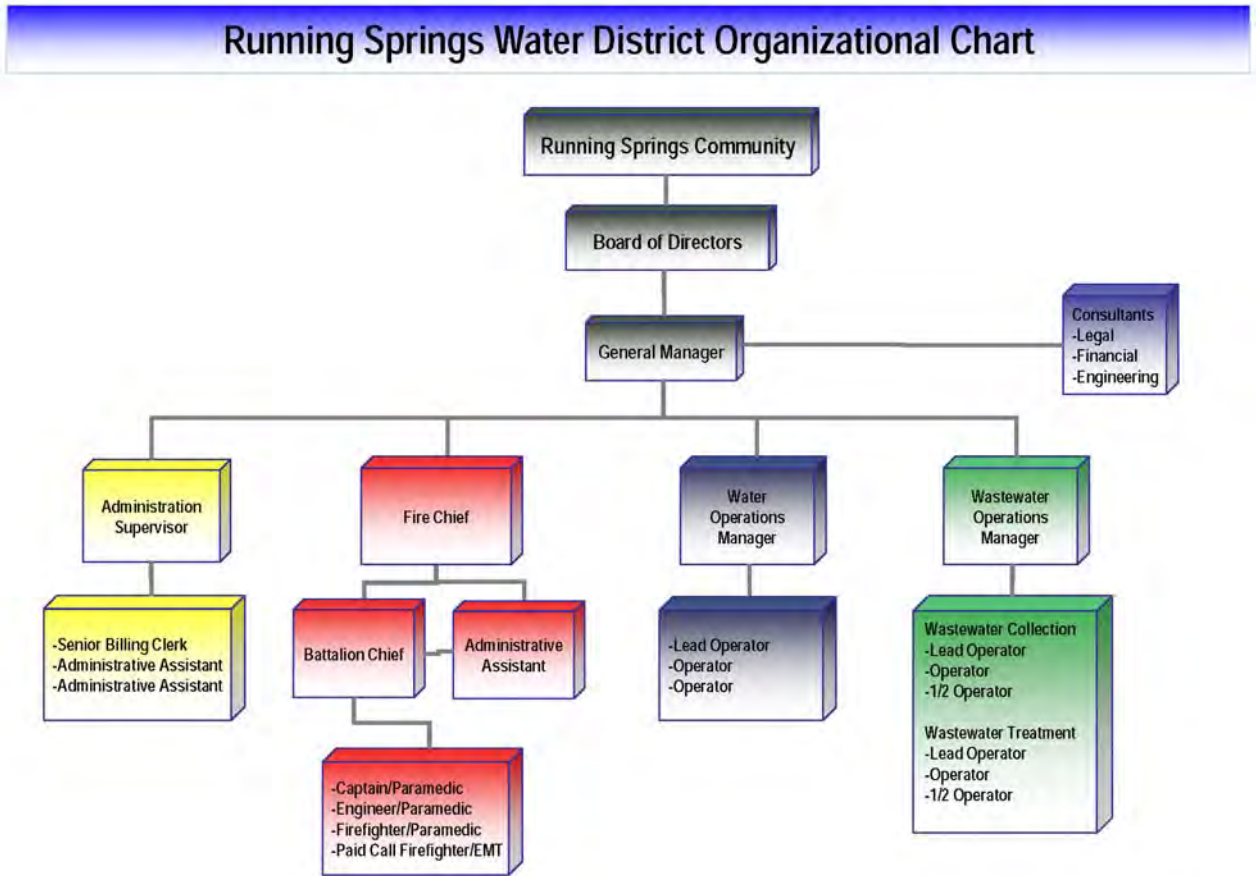
The District's Governmental Activities include fire protection services for the community of Running Springs.

Business-Type Activities

The District's Business-Type Activities include water, wastewater collection, wastewater treatment and ambulance services where the fees for these services typically cover all or most of the cost of operation including depreciation.

Staffing & Organizational Chart

Day-to-day management of the District is delegated to the General Manager of the District who reports directly to the locally elected Board of Directors. Reporting to the General Manager are the four department heads: Fire Chief, Administration Supervisor, Water Operations Manager and Wastewater Operations Manager. The following figure shows the current organization of the District.



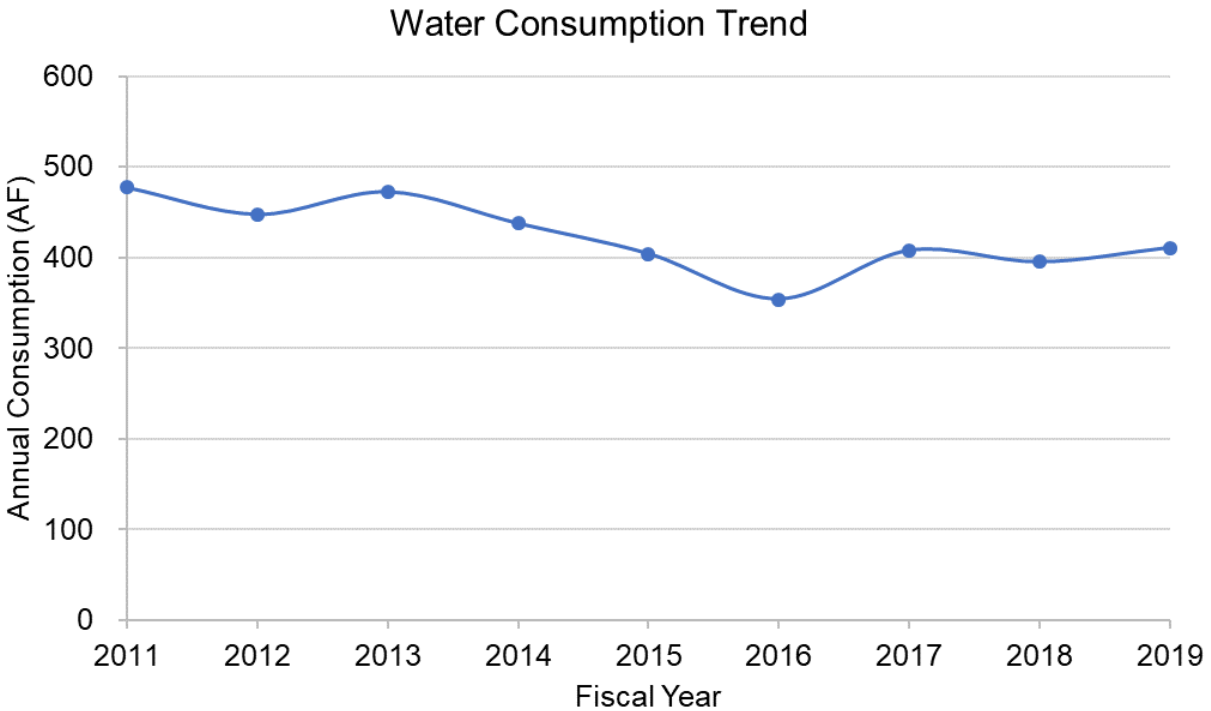
3/6/2019

LOCAL ENVIRONMENT

Running Springs is an unincorporated area governed by the County of San Bernardino. The population of the District according to the 2010 US Census was 4,862. New development is not expected to increase until the foreclosure rate declines and property values increase enough to make new construction costs a viable option.

WATER RESOURCES MANAGEMENT

The District typically produces more than 50% of its water supply from local District owned groundwater wells. Additional imported groundwater is purchased from Arrowbear Park County Water District and State Water Project water from the Crestline-Lake Arrowhead Water Agency (CLAWA). The District's water consumption trend is shown on the following chart. The amount of purchased water varies with local groundwater production that is tied to precipitation and groundwater well recharge.



WASTEWATER MANAGEMENT

The District must comply with local, state and federal regulations governing the collection, treatment and disposal of the Community's wastewater. The agencies regulating the District's wastewater activities include: The State Regional Water Quality Control Board (RWQCB), California Department of Public Health (CDPH), San Bernardino County Environmental Health and the United States Forest Service (USFS). The District's Wastewater system is operated under a set of Waste Discharge Requirements (WDR) as part of the Santa Ana Regional Board Order No. 87-8 issued February 11, 1987 by the RWQCB.

The District developed and implemented a Sewer System Management Plan (SSMP) in 2010 to improve its spill prevention and inflow and infiltration (I/I) prevention programs. The SSMP was most recently updated in 2019. The primary goal of the program is to prevent all spills from the wastewater collection system. Activities related to minimizing I/I are ongoing.

FEES AND CHARGES

The District's fees and charges are collected through monthly bills, the County of San Bernardino tax roll, ambulance fees and charges and capacity/connection fees for new development. The monthly charges for water and wastewater service consist of a fixed component and a variable usage component.

For the fiscal years ending 2020-2024 water and wastewater rates will be adjusted to increase revenue to cover operating expenses and fund operating and capital reserve funds. These rate increases are needed in order to fund several deferred capital replacement projects, to replace aging infrastructure and to fund cash reserves to the levels set forth in the District's Cash Reserve Policy.

FINANCIAL PLANNING

In 2019, the District prepared a Water and Wastewater Rate Study. The District continues its focus on maintaining the necessary cash fund balances for the financial stability of the District and has adopted a Cash Reserve Policy as a guideline to achieve minimum cash balances in each of its reserve funds. The District's Cash Reserve Policy is a guideline for the priorities of operational revenue sources with the Operating Funds receiving the highest priority. After operational costs and debt service are covered, any free cash flow from operations moves into the Capital Improvement Funds up to an amount equal to annual depreciation plus 10%. Any remainder goes to the Rate Stabilization Funds for a balance not to exceed 20% of annual budgeted revenue.

ACCOUNTING AND INTERNAL CONTROLS

The Administration Division is responsible for providing the financial services for the District, including financial accounting and reporting, payroll, accounts payable, budgeting, billing and collection of service charges, taxes, and other revenues. An outside consultant is used for special financial accounting, audit preparation and other analysis.

The District's management is responsible for establishing and maintaining a system of internal controls designed to safeguard the District's assets from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with generally accepted accounting principles. The system of internal controls is designed to provide reasonable assurance, not absolute, that these objectives are met. When establishing or reviewing controls, management must recognize that the cost to implement a control should not exceed the benefits likely to be derived, and that in order to assess cost versus benefit, estimates and judgment on the part of management will be required. All internal control evaluations occur within the above framework. Management believes the current system of internal controls adequately safeguards the District's assets and provides reasonable assurance that accounting transactions are properly recorded.

BUDGETARY CONTROLS

The Board of Directors adopts an annual budget each year which is used as a management control tool for each of the District's divisions. Comparison information is presented to the Board quarterly to monitor revenues and expenditures and provides information regarding any major variances from budget. In addition, monthly comparison reports are provided to all department supervisors to monitor expenditures and to plan the year as it progresses in an effort to stay within the adopted budget.

FINANCIAL CONDITION

The Management's Discussion and Analysis (MD&A), which can be found immediately following the Independent Auditor's Report in the financial section of this report, summarizes the Statements of Net Position and Statements of Activities and reviews the changes (from the beginning to the end of the period and current year to the prior year). The actual government-wide financial statements are presented on pages 19 through 24. These government-wide statements are intended to present the District in a more corporate-style basis and provide a view of the big picture.

Additionally, the fund financial statements (starting on page 25) are designed to address the individual funds by category (governmental and proprietary, as well as the fiduciary fund). An explanation of these complementary presentations can be found in the MD&A and in the notes (see Note 1).

Liquidity is the ability to cover short-term obligations. The Proprietary Fund is similar to a business so the current ratio, which is a measurement of liquidity, can be helpful in assessing the liquidity of the District. The current ratio increased from 6.4 at June 30, 2018 to 7.85 at June 30, 2019. The current ratio from the above condensed summary is as follows:

	2019	2018
Current Ratio		
Current Assets	\$ 4,476,568	\$ 3,310,041
Current Liabilities	569,914	516,979
Current Ratio	7.85	6.4

However, since the current assets subtotal includes assets that are not immediately liquid, such as inventory, a more rigorous form of the ratio includes only cash, temporary investments and receivables. The following calculation shows that ratio as 5.37 at June 30, 2018 increasing to 6.87 at June 30, 2019.

Quick Ratio (more rigorous)	2019	2018
Cash	\$ 1,000	\$ 1,000
Temporary Investments	2,934,565	1,815,214
Receivables	980,343	959,021
Cash, Temporary Investments and Receivables	<u>\$ 3,915,908</u>	<u>\$ 2,775,235</u>
Cash, Temporary Investments and Receivables	\$ 3,915,908	\$ 2,775,235
Current Liabilities	569,914	516,979
	6.87	5.37

This increase in ratio indicates an increase in the ability of the District to cover short-term obligations.

Solvency is the ability to pay all debts. The debt ratio indicates the District's long-term debt paying ability. The following debt ratio calculation shows a decrease from 0.37 at June 30, 2018 to 0.35 at June 30, 2019:

Debt Ratio	2019	2018
Total Liabilities	\$ 8,538,451	\$ 8,401,756
Total Assets	24,477,688	22,964,347
Debt Ratio	0.35	0.37

The above calculation is the conservative computation of debt ratio of the Proprietary Fund because it includes all liabilities. The lower the ratio, the better the debt-paying position of the District.

We would like to thank the District staff and consultants for their hard work in the preparation of this report and for the information they provide to management, the Board of Directors and to our outside auditors. We would also like to thank the Board of Directors for their support of our efforts to position the District for long-term financial health which benefits all the citizens of the community we serve.

Respectfully submitted,

Ryan Gross
General Manager

Rogers, Anderson, Malody & Scott, LLP (RAMS)
District Financial Consultant

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Running Springs Water District
Running Springs, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Running Springs Water District (District), as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Running Springs Water District, as of June 30, 2019 and 2018, and the changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information, as listed in the table of contents, be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section and schedules listed in the supplementary information section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules listed in the supplementary information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules listed in the supplementary information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 1, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and on compliance.

A handwritten signature in black ink that reads "Van Lant & Fankhanel, LLP". The signature is written in a cursive style and is positioned above the date.

November 1, 2019

Management's Discussion and Analysis

Our discussion and analysis of Running Springs Water District's financial performance provides an overview of the District's financial activities for the fiscal years ended June 30, 2019 and 2018. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal (beginning on page i) and the District's basic financial statements (beginning on page 19).

FINANCIAL HIGHLIGHTS

- The District's total net position increased by \$717,658 and decreased by \$80,333 as of June 30, 2019 and 2018, respectively. The increase for the year ended June 30, 2019 is the combination of a decrease in net position for the Governmental Activities of \$237,344 and an increase in net position for the Business-type Activities of \$955,002. The decrease for the year ended June 30, 2018 is the combination of an increase in net position for the Governmental Activities of \$82,125 and a decrease in net position for the Business-type Activities of \$162,458.
- Total revenues increased \$653,967 (9%) for the year ended June 30, 2019 and increased \$808,971 (12%) for the year ended June 30, 2018.
- Total expenses decreased \$144,024 (2%) for the year ended June 30, 2019 and increased \$1,488,120 (24%) for the year ended June 30, 2018.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Running Springs Water District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the Running Springs Water District's finances in a manner similar to a private-sector business. The required financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. These statements offer short-term and long-term financial information about the District.

The "Governmental Activities" columns reflect the District's fire protection services. The "Business-type Activities" columns reflect private sector type operations (Water, Ambulance and Sewer), where the fee for service typically covers all or most of the cost of operation including depreciation.

Statement of Net Position

The *Statement of Net Position* presents information on all of the Running Springs Water District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference, or net, reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Running Springs Water District is improving or deteriorating.

Statement of Activities

The *Statement of Activities* accounts for all activities during the fiscal year. This statement measures the success of the District's operations during the reporting period and can be used to assess whether or not the District has successfully recovered all of its costs through its user fees and other charges. This statement also measures the District's solvency and ability to meet its financial commitments.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The *Fund Financial Statements* for the Running Springs Water District include statements for the *Governmental Fund*, the *Proprietary Fund* and *Fiduciary Funds*.

The *Governmental Fund* financial statements include: ***Balance Sheets*** and ***Statements of Revenues, Expenditures and Changes in Fund Balances***, which focus on how money flows into and out of those funds and the balances left at year-end that are nonspendable, restricted, committed, assigned, or unassigned. These classifications of fund balance show the nature and extent of constraints placed on the District's fund balances by law, creditors, and the District's Board. Unassigned fund balance is available for spending for any purpose. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a short-term view of the general government operations and the basic service it provides. Governmental funds will reflect bond proceeds and internal fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The separate statement of the Governmental Fund financial statements provides reconciliations between the fund financial statements and the government-wide financial statements.

The *Proprietary Fund* financial statements include: ***Statements of Net Position***, ***Statements of Revenue, Expenses and Changes in Net Position***, and ***Statements of Cash Flows***. *Statements of Net Position* present our assets, deferred outflows, liabilities, deferred inflows and the difference, or net, between what we own and what we owe as of the last day of our fiscal year. *Statements of Revenues, Expenses and Changes in Net Position* describes the financial results of our proprietary operations for the fiscal years reported. The Proprietary Fund presentation produces the same totals as the Business-type column in the government-wide financial statements. Readers also need to know how we manage our cash resources during the year to effect the changes in net position. This information is conveyed in the *Statements of Cash Flows*. The *Statements of Cash Flows* reconcile the income or loss from operations that are reported on the accrual basis with the

actual cash inflows and uses. The *Statements of Cash Flows* also detail how we obtain cash through financing and investing activities and, similarly, how we spend cash for these purposes.

The *Fiduciary Fund* financial statements include: ***Statements of Fiduciary Assets and Liabilities***, which consist solely of trust and agency funds and are used to account for resources held for the benefit of parties outside the government (i.e. Assessment Districts). Fiduciary funds are *not* reflected in the *Statement of Net Position* and *Statement of Revenue, Expenses, and Changes in Net Position* because the resources of the fund are *not* available to support the District's own programs. Fiduciary funds are custodial in nature and, therefore, the accounting used does not involve the measurement of the results of operations. The basic fiduciary fund financial statements can be found on page 37 of the Basic Financial Statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 38-64 of the Basic Financial Statements.

OVERVIEW OF SUPPLEMENTARY INFORMATION

This annual financial report includes required supplementary information and other supplementary information. The required supplementary information consists of a *Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Fund Type – Fire Protection*, *Schedule of the Districts Proportionate Share of the Net Pension Liability*, *Schedule of Plan Contributions* and related notes. The budget vs. actual schedule compares revenues and expenditures for Fire Protection with budgeted amounts and details the variance for each line item. The other schedules will eventually provide 10 years of information related to the Districts pension plan.

Additional supplementary information is presented for the Fiduciary Agency Funds which include two statements: *Combining Statement of Fiduciary Assets and Liabilities* and *Combining Statement of Changes in Assets and Liabilities*.

FINANCIAL ANALYSIS

District-wide Analysis

The following condensed financial information summarizes the total district (government-wide) net position:

Running Springs Water District's Net Position

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Assets:									
Current and Other Assets	\$1,736,146	\$1,717,764	\$1,543,864	\$ 4,476,568	\$ 3,310,041	\$ 2,360,422	\$ 6,212,714	\$ 5,027,805	\$ 3,904,286
Capital Assets	1,014,072	1,046,861	874,399	20,001,120	19,654,306	20,387,410	21,015,192	20,701,167	21,261,809
Total Assets	2,750,218	2,764,625	2,418,263	24,477,688	22,964,347	22,747,832	27,227,906	25,728,972	25,166,095
Deferred Outflows of Resources									
	916,886	1,169,116	1,091,451	1,280,197	1,439,623	1,400,501	2,197,083	2,608,739	2,491,952
Liabilities:									
Current Liabilities	86,850	120,170	92,320	569,914	516,979	497,421	656,764	637,149	589,741
Noncurrent Liabilities	3,363,165	3,375,483	2,971,773	7,968,537	7,884,777	7,473,212	11,331,702	11,260,260	10,444,985
Total Liabilities	3,450,015	3,495,653	3,064,093	8,538,451	8,401,756	7,970,633	11,988,466	11,897,409	11,034,726
Deferred Inflows of Resources									
	61,871	45,526	135,184	378,575	116,357	129,385	440,446	161,883	264,569
Net Position:									
Net Investment in Capital Assets	1,014,072	1,046,861	874,399	16,654,725	16,514,181	17,104,684	17,668,797	17,561,042	17,979,083
Restricted for:									
Debt Service	-	-	-	260,921	236,878	234,484	260,921	236,878	234,484
Water & Wastewater	-	-	-	151,072	142,428	329,815	151,072	142,428	329,815
Unrestricted (deficit)	(858,854)	(654,299)	(563,962)	(225,859)	(1,007,630)	(1,620,668)	(1,084,713)	(1,661,929)	(2,184,630)
Total Net Position	\$ 155,218	\$ 392,562	\$ 310,437	\$16,840,859	\$15,885,857	\$16,048,315	\$16,996,077	\$16,278,419	\$16,358,752

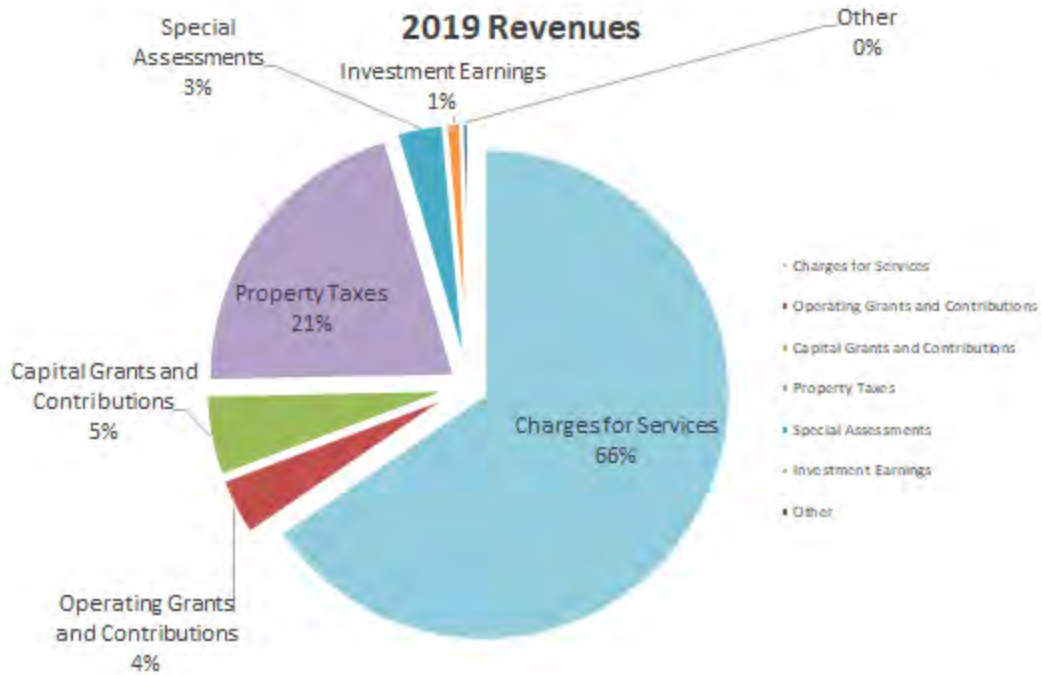
- The assets of Running Springs Water District increased by \$1,498,934 and \$562,877 as of June 30, 2019 and 2018 respectively. The most significant changes in 2019 are an increase in cash and temporary investments primarily the result of the increase in net position and an increase in capital assets. The most significant change in 2018 is an increase in cash and temporary investments primarily the result of the decrease in construction in progress
- The Running Springs Water District's total liabilities increased by \$91,057 and \$862,683 as of June 30, 2019 and 2018 respectively. The key factor in the increase in 2019 is the SWRCB AMR loan and in 2018 is the increase in the net pension liability. As mentioned earlier, GASBS No. 68 required the District to recognize its net pension liability related to its pension plan. The net pension liability is determined using actuarial methods by CalPERS on an annual basis.
- Net position may serve over time as a useful indicator of a district's financial position. In the case of the Running Springs Water District, net position was \$16,996,077 and \$16,278,419 at the close of June 30, 2019 and 2018, respectively. Of this amount,

\$(1,084,714) and \$(1,661,929) as of June 30, 2019 and 2018, respectively, (*unrestricted net position*) may be used to meet the District's ongoing obligations to customers and creditors. Although these amounts are presented in the aggregate, the District must follow certain laws related to the spending of revenues which involve Proposition 218. Water and Sewer resources can only be spent on expenses, programs or projects related to the respective revenue source.

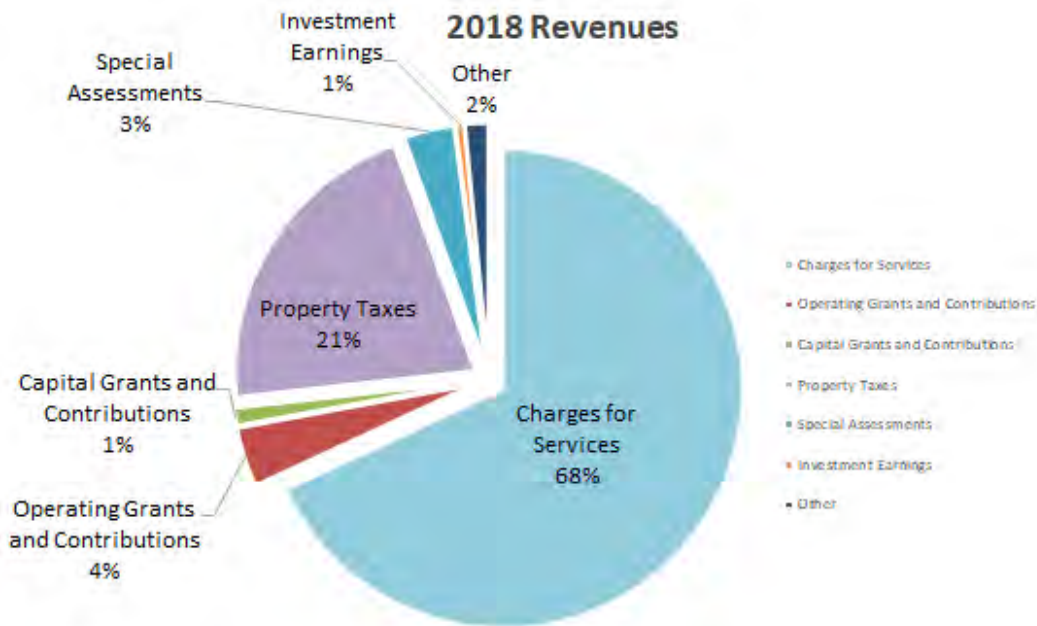
The following condensed financial information summarizes the changes in the total district (government-wide) net position:

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Revenues:									
Program Revenues:									
Charges for Services	\$ 294,047	\$ 401,720	\$ 150,848	\$ 5,071,413	\$ 4,733,336	\$ 4,640,530	\$ 5,365,460	\$ 5,135,056	\$ 4,791,378
Operating Grants and Contributions	-	-	-	312,774	301,393	59,977	312,774	301,393	59,977
Capital Grants and Contributions	28,289	18,953	5,710	413,262	68,617	17,424	441,551	87,570	23,134
General Revenues:									
Property Taxes	1,700,578	1,603,236	1,539,135	-	-	-	1,700,578	1,603,236	1,539,135
Special Assessments	200,688	200,688	201,264	54,228	53,866	59,755	254,916	254,554	261,019
Investment Earnings	37,426	25,275	11,582	46,222	16,576	5,041	83,648	41,851	16,623
Other	4,060	94,827	-	30,896	21,429	39,678	34,956	116,256	39,678
Total Revenues	2,265,088	2,344,699	1,908,539	5,928,795	5,195,217	4,822,405	8,193,883	7,539,916	6,730,944
Expenses:									
Fire Protection	2,502,432	2,262,574	1,609,731	-	-	-	2,502,432	2,262,574	1,609,731
Water	-	-	-	2,328,076	2,058,426	1,823,584	2,328,076	2,058,426	1,823,584
Sewer Collection	-	-	-	683,293	1,201,618	678,220	683,293	1,201,618	678,220
Sewer Treatment	-	-	-	1,266,572	1,418,684	1,235,372	1,266,572	1,418,684	1,235,372
Ambulance	-	-	-	695,852	678,947	785,220	695,852	678,947	785,220
Total Expenses	2,502,432	2,262,574	1,609,731	4,973,793	5,357,675	4,522,396	7,476,225	7,620,249	6,132,127
Increase (Decrease) in Net Position	(237,344)	82,125	298,808	955,002	(162,458)	300,009	717,658	(80,333)	598,817
Total Net Position - Beginning	392,562	310,437	11,629	15,885,857	16,048,315	15,748,306	16,278,419	16,358,752	15,759,935
Total Net Position - Ending	\$ 155,218	\$ 392,562	\$ 310,437	\$16,840,859	\$15,885,857	\$16,048,315	\$16,996,077	\$16,278,419	\$16,358,752

Total revenues increased \$653,967 (9%) for the year ended June 30, 2019.

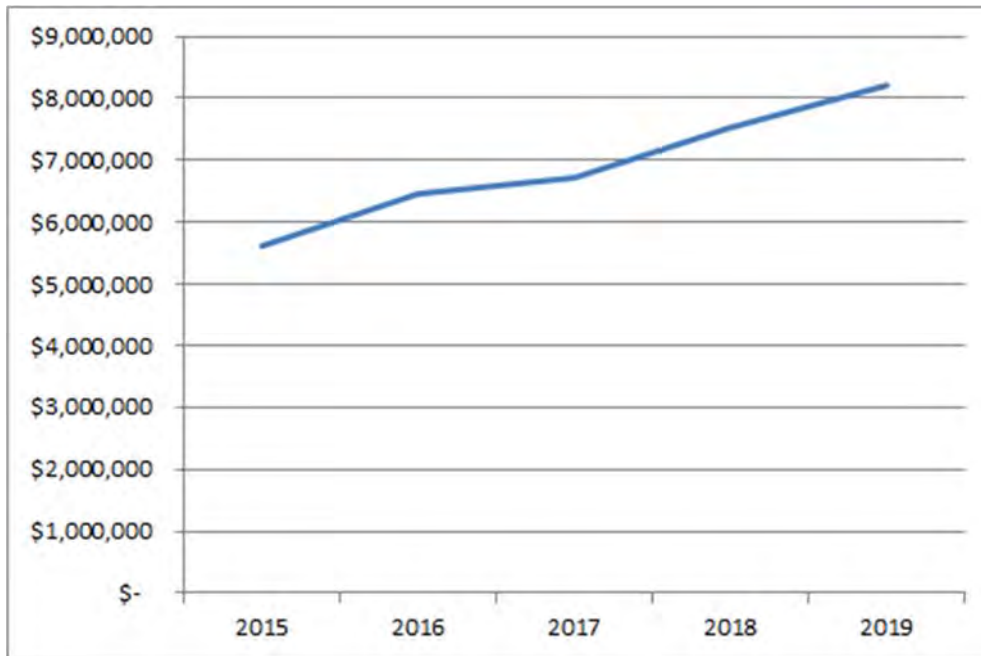


The breakdown of each category of revenue had a slight change as compared to the revenue breakdown for the year ended June 30, 2018 (2018: Charges for Services 68%, Operating Grants and Contributions 4%, Capital Grants and Contributions 2%, Property Taxes 21%, Special Assessments 3%, Investment Earnings 1% and Other 2%).



The increase (9%) in total revenues for 2019 when compared to 2018 is primarily due to rate increases in charges for services, increased capital grant and increased property tax revenue.

The graph below illustrates the revenue in the recent past years.



District-wide, total expenses decreased \$144,024 (2%) for the year ended June 30, 2019 and increased \$1,488,120 (24%) for the year ended June 30, 2018. Notable decreases in expenses in 2019 are Sewer Collection employee salaries and net pension expense due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68. Notable increases in expenses in 2018 are employee salaries, net pension expense due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 and interest expense for the SRF loan.

Governmental Fund and Governmental Activities (Fire Protection) Analysis

Net position for the Governmental Activities is \$155,218 and \$392,562 at the close of June 30, 2019 and 2018 respectively. The decrease of \$237,344 for the year ended June 30, 2019 is primarily the result of the decrease of other revenue and the increase of employee salaries. The increase of \$82,125 for the year ended June 30, 2018 is primarily the result of the Fire payroll reimbursement revenue and the increase of property taxes.

Below is condensed financial information that reconciles the Governmental Fund (modified accrual basis) to the Governmental Activities (full accrual method).

Reconciliation from Modified Accrual to Full Accrual

	2019			2018		
	Modified Accrual	Conversion	Full Accrual	Modified Accrual	Conversion	Full Accrual
Revenues	\$ 2,265,088	\$ -	\$ 2,265,088	\$ 2,250,118	\$ -	\$ 2,250,118
Expenditures/Expenses/Transfers	2,210,958	291,474	2,502,432	2,193,023	69,551	2,262,574
Excess of Revenues Over (Under) Expenditures	54,130	(291,474)	(237,344)	57,095	(69,551)	(12,456)
Other Financing Sources and (Uses)						
Proceeds from Insurance Claim	-	-	-	94,581	-	94,581
Net Change	<u>\$ 54,130</u>	<u>\$(291,474)</u>	<u>\$ (237,344)</u>	<u>\$ 151,676</u>	<u>\$(69,551)</u>	<u>\$ 82,125</u>

	2017		
	Modified Accrual	Conversion	Full Accrual
Revenues	\$ 1,908,539	\$ -	\$ 1,908,539
Expenditures / Expenses	1,728,846	(119,115)	1,609,731
Excess of Revenues Over (Under) Expenditures	179,693	119,115	298,808
Net Change	<u>\$ 179,693</u>	<u>\$ 119,115</u>	<u>\$ 298,808</u>

Proprietary Fund and Business-type Activities (Water, Ambulance, and Sewer) Analysis

Net position for the Business-type Activities is \$16,840,859 and \$15,885,857 at the close of June 30, 2019 and 2018 respectively. The increase of \$955,002 for the year June 30, 2019 is the increase in capital grants and rate increase and the decrease of Sewer Collection salaries and benefit. The decrease of \$162,458 for the year June 30, 2018 is the increase in net pension expense due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68. Revenues increased 14% for the year ended June 30, 2019, and expenses decreased 7%. Revenues increased 8% for the year ended June 30, 2018, and expenses increased 18%.

Below is condensed financial information for the Proprietary Fund and Business-type Activities:

Proprietary Fund - Change in Net Position

	2019	2018	2017
Operating Revenues			
Water	\$ 2,052,093	\$ 1,988,298	\$ 1,906,259
Sewer Collection	1,147,206	1,091,737	1,033,726
Sewer Treatment	1,233,637	1,130,601	1,080,653
Ambulance	951,251	824,093	679,869
Total Operating Revenues	<u>5,384,187</u>	<u>5,034,729</u>	<u>4,700,507</u>
Operating Expenses			
Water Department	2,313,479	2,043,878	1,807,352
Sewer Collection	633,249	1,080,993	678,220
Sewer Treatment	1,266,572	1,281,709	1,231,248
Ambulance Department	695,557	678,035	784,077
Total Operating Expenses	<u>4,908,857</u>	<u>5,084,615</u>	<u>4,500,897</u>
Operating Income (Loss)	475,330	(49,886)	199,610
Non-Operating Revenues	131,346	91,871	104,474
Non-Operating Expenses	(64,936)	(273,060)	(21,499)
Income (Loss) Before Property			
Contributions and Transfers	541,740	(231,075)	282,585
Transfers In			
Capital contributions	413,262	68,617	17,424
Change in Net Position	<u>\$ 955,002</u>	<u>\$ (162,458)</u>	<u>\$ 300,009</u>

Analysis for the year ended June 30, 2019:

Below is condensed information related to the Proprietary Funds, by department.

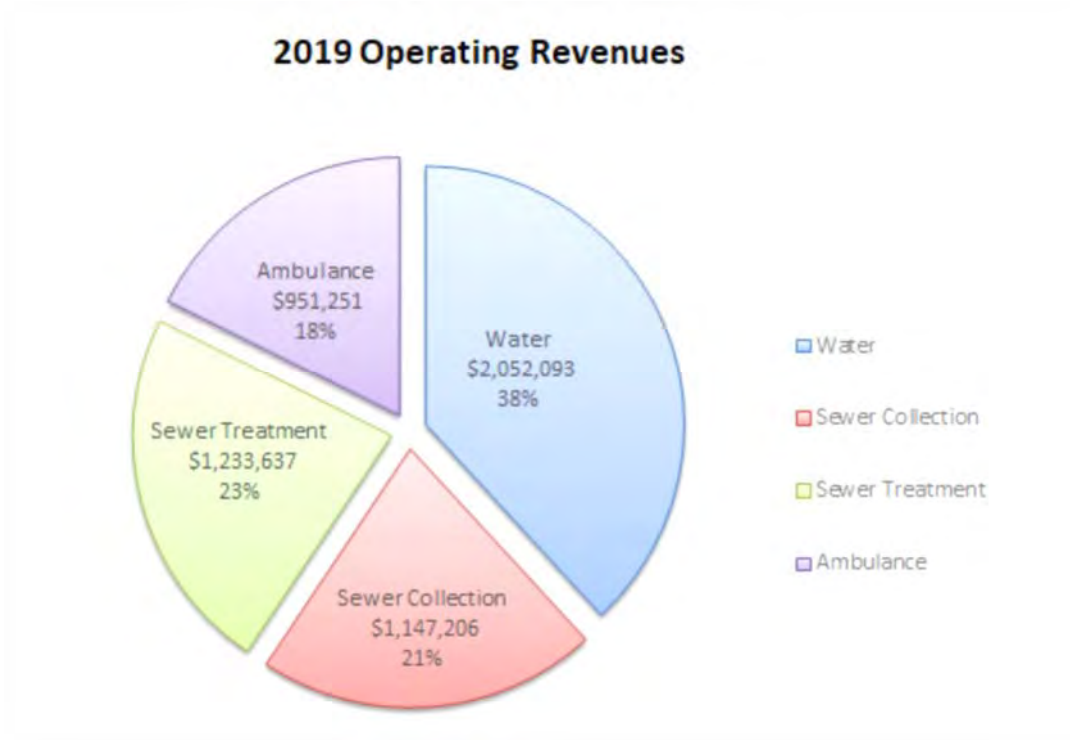
Condensed Summary of Schedules of Revenues, Expenses, and Changes in Net Position - Proprietary Fund - by Departments

	Water Department		Sewer Collection		Sewer Treatment		Ambulance Department	
	2019	2018	2019	2018	2019	2018	2019	2018
Operating Revenues	\$ 2,052,093	\$ 1,988,298	\$ 1,147,206	\$ 1,091,737	\$ 1,233,637	\$ 1,130,601	\$ 951,251	\$ 824,093
Operating Expenses	2,313,479	2,043,878	633,249	1,080,993	1,266,572	1,281,709	695,557	678,035
Operating Income (Loss)	<u>(261,386)</u>	<u>(55,580)</u>	<u>513,957</u>	<u>10,744</u>	<u>(32,935)</u>	<u>(151,108)</u>	<u>255,694</u>	<u>146,058</u>
Nonoperating Revenues	80,711	65,069	26,959	7,993	16,456	9,342	7,220	9,467
Nonoperating Expenses	14,597	14,548	50,044	120,625	-	136,975	295	912
Total Nonoperating								
Revenues (Expenses)	<u>66,114</u>	<u>50,521</u>	<u>(23,085)</u>	<u>(112,632)</u>	<u>16,456</u>	<u>(127,633)</u>	<u>6,925</u>	<u>8,555</u>
Income (Loss) before								
Capital Contributions	(195,272)	(5,059)	490,872	(101,888)	(16,479)	(278,741)	262,619	154,613
Capital Contributions	413,262	5,382	-	63,235	-	-	-	-
Transfers In/(Out)	-	-	989	334,197	(989)	(334,197)	-	-
Change in Net Position	<u>\$ 217,990</u>	<u>\$ 323</u>	<u>\$ 491,861</u>	<u>\$ 295,544</u>	<u>\$ (17,468)</u>	<u>\$ (612,938)</u>	<u>\$ 262,619</u>	<u>\$ 154,613</u>

The condensed summary above shows that the Water Department reported an increase of net position for the year ended June 30, 2019 because of the capital grant for AMR project. Sewer Collection Department reported the increase of net position because of the credit

balance of pension expense. The summary shows that the Sewer Treatment Department reported an operating loss for the year ended June 30, 2018 because of the splitting the Sewer Department into Sewer Collection and Sewer Treatment.

The following graph shows the breakdown of operating revenues for the Proprietary Fund for the year ending June 30, 2019:



Factors contributing to the Proprietary Fund \$955,002 increase in net position for the year ended June 30, 2019 are as follows:

- Water and wastewater rates were increased in 2019.
- Sewer Collection and Treatment expenses were decreased in 2019.

Analysis for the year ended June 30, 2018:

Below is condensed information related to the Proprietary Funds, by department.

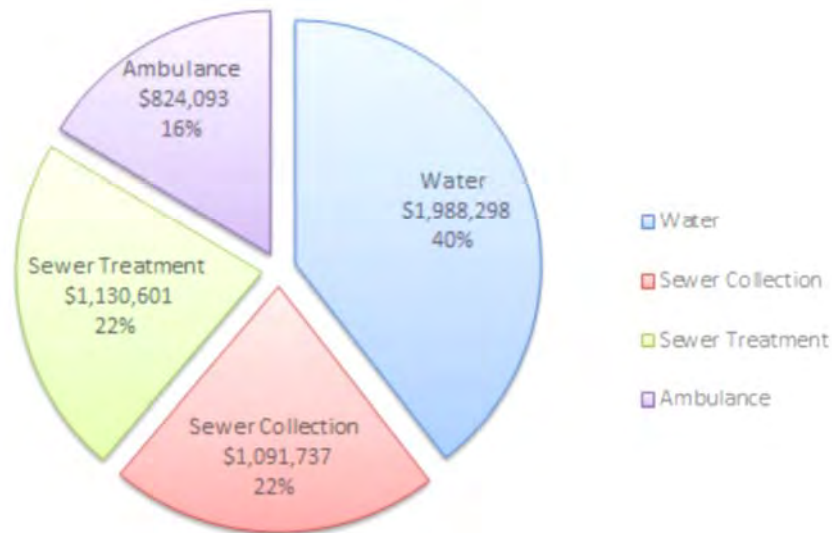
**Condensed Summary of Schedules of Revenues, Expenses, and
Changes in Net Position - Proprietary Fund - by Departments**

	Water Department		Sewer Collection		Sewer Treatment		Ambulance Department	
	2018	2017	2018	2017	2018	2017	2018	2017
Operating Revenues	\$ 1,988,298	\$ 1,906,259	\$ 1,091,737	\$ 1,033,726	\$ 1,130,601	\$ 1,080,653	\$ 824,093	\$ 679,869
Operating Expenses	2,043,878	1,807,352	1,080,993	678,220	1,281,709	1,231,248	678,035	784,077
Operating Income (Loss)	(55,580)	98,907	10,744	355,506	(151,108)	(150,595)	146,058	(104,208)
Nonoperating Revenues	65,069	77,144	7,993	19,314	9,342	6,398	9,467	1,618
Nonoperating Expenses	14,548	16,232	120,625	-	136,975	4,124	912	1,143
Total Nonoperating Revenues (Expenses)	50,521	60,912	(112,632)	19,314	(127,633)	2,274	8,555	475
Income (Loss) before Capital Contributions	(5,059)	159,819	(101,888)	374,820	(278,741)	(148,321)	154,613	(103,733)
Capital Contributions	5,382	5,382	63,235	12,042	-	-	-	-
Transfers In/(Out)	-	-	334,197	(243,599)	(334,197)	243,599	-	-
Change in Net Position	\$ 323	\$ 165,201	\$ 295,544	\$ 143,263	\$ (612,938)	\$ 95,278	\$ 154,613	\$ (103,733)

The condensed summary above shows that the Sewer Treatment Department reported an operating loss for the year ended June 30, 2018 because of the splitting the Sewer Department into Sewer Collection and Sewer Treatment. The summary shows an operating income for the year ended June 30, 2017 because of the decrease in operating revenue and the increase of salary allocation percentage.

The following graph shows the breakdown of operating revenues for the Proprietary Fund for the year ending June 30, 2018:

2018 Operating Revenues



Factors contributing to the Proprietary Fund \$162,458 decrease in net position for the year ended June 30, 2018 are as follows:

- Water and wastewater rates were increased in 2018.
- Net pension expenses were increased in 2018.

BUDGETARY HIGHLIGHTS

As previously noted, this annual financial report includes required supplementary information, which is a *Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Fund Type – Fire Protection* and related notes. The schedule compares revenues and expenditures for Fire Protection with budgeted amounts and details the variance for each line item.

Fire Protection is the only department in the Governmental Fund.

Analysis for the Year Ended June 30, 2019:

The final budget projected a net increase in fund balance of \$189,361. The actual was a net increase of \$54,130. The notable variances for budget to actual are as follows:

- Property taxes revenue was \$115,578 higher than the budgeted amount.
- Investment earning was \$25,426 higher than the budgeted amount.
- Other Revenues were \$94,921 higher than the budgeted amounts due to the reimbursement for Fire services provided outside the District.
- Salaries and wages were \$360,882 higher than the budgeted amount due to the fire services provided outside the District.
- Capital outlay was \$65,526 higher than the budgeted amount.

Analysis for the Year Ended June 30, 2018:

The final budget projected a net increase in fund balance of \$128,751. The actual was a net increase of \$151,676. The notable variances for budget to actual are as follows:

- Property taxes revenue was \$53,236 higher than the budgeted amount.
- Investment earning was \$21,775 higher than the budgeted amount.
- Other Revenues were \$367,805 higher than the budgeted amounts due to the reimbursement for Fire services provided outside the District.
- Salaries and wages were \$288,616 higher than the budgeted amount due to the fire services provided outside the District.
- Capital outlay was \$254,542 higher than the budgeted amount

CAPITAL ASSETS

The Running Springs Water District's investment in capital assets as of June 30, 2019 and 2018 amounts to \$21,015,191 and \$20,701,167 (net of accumulated depreciation) respectively. The investment at June 30, 2019 represents a net increase (including additions and deductions) of 2% compared to a net decrease (including additions and deductions) of 3% for the year ended June 30, 2018. The investment in capital assets includes land, buildings, improvements, water systems, sewer collection and treatment systems, fire trucks, ambulances, trucks, automobiles, machinery, equipment, and office furniture and equipment.

Capital Assets at Year-end (Net of Depreciation)

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Land and Land Rights	\$ 414,676	\$ 414,676	\$ 414,676	\$ 1,014,656	\$ 1,014,656	\$ 1,014,656	\$ 1,429,332	\$ 1,429,332	\$ 1,429,332
Construction in Progress	3,069	93,372	-	82,037	41,279	503,733	85,106	134,651	503,733
Structures and Improvements	197,928	118,828	127,127	-	-	-	197,928	118,828	127,127
Water Plant and Facilities	-	-	-	7,129,909	6,463,139	6,644,192	7,129,909	6,463,139	6,644,192
Sewer Plant and Facilities	-	-	-	11,457,268	11,785,812	11,805,143	11,457,268	11,785,812	11,805,143
Fire Trucks and Mounted Equipment	230,325	269,403	280,185	-	-	-	230,325	269,403	280,185
Trucks and Automobiles	-	-	-	136,034	152,186	181,937	136,034	152,186	181,937
Special Purpose Equipment	118,870	134,536	31,266	-	-	-	118,870	134,536	31,266
Furniture and Equipment	-	-	-	181,216	197,234	237,749	181,216	197,234	237,749
Office Equipment	17,459	15,542	19,543	-	-	-	17,459	15,542	19,543
Shop and Station Equipment	31,745	504	726	-	-	-	31,745	504	726
Communication Equipment	-	-	876	-	-	-	-	-	876
Total	\$ 1,014,072	\$ 1,046,861	\$ 874,399	\$ 20,001,120	\$ 19,654,306	\$ 20,387,410	\$ 21,015,192	\$ 20,701,167	\$ 21,261,809

The most significant construction-in-progress jobs open at June 30, 2019 include the followings:

- Nob Hill Water System Improvement
- New Computer System

Additional information on the Running Springs Water District's capital assets can be found in Note 5 on pages 50-53 of the Basic Financial Statements.

NONCURRENT LIABILITIES

The District's noncurrent liabilities at June 30, 2019 and 2018 are \$11,331,702 and \$11,260,260 respectively. Other than the net pension liability, both 2019 and 2018 liabilities included compensated absences and bonds payable (net of all amounts due within one year).

Noncurrent Liabilities			
	2019	2018	2017
Governmental Activities:			
Compensated Absences	\$ 131,117	\$ 118,974	\$ 90,843
Net Pension Liability	3,258,271	3,280,304	2,899,099
Total	3,389,388	3,399,278	2,989,942
Less: Current Portion	(26,223)	(23,795)	(18,169)
Noncurrent Portion	3,363,165	3,375,483	2,971,773
Business-Type Activities:			
Bonds and Notes Payable:			
Sewer Treatment, SWRCB 2014 Installment Payable	2,594,443	2,714,406	2,799,936
Water Supply, 2015 Installment Payable, Ayers	351,952	403,995	454,313
Ambulance, 2016 Installment Payable	-	21,724	28,477
Water, SWRCB AMR Installment Payable	400,000	-	-
Total Bonds and Notes Payable	3,346,395	3,140,125	3,282,726
Compensated Absences	384,196	360,707	307,649
Net Pension Liability	4,506,700	4,635,085	4,124,914
Less: Current Portion	(268,754)	(251,140)	(242,077)
Noncurrent Portion	7,968,537	7,884,777	7,473,212
Government-Wide Summary			
Compensated Absences	515,313	479,681	398,492
Net Pension Liability	7,764,971	7,915,389	7,024,013
Bonds and Notes Payable:	3,346,395	3,140,125	3,282,726
Totals	11,626,679	11,535,195	10,705,231
Less: Current Portion	(294,977)	(274,935)	(260,246)
Noncurrent Portion	\$11,331,702	\$11,260,260	\$10,444,985

The District paid principal payments on the bonds and notes payable of \$193,730 during the year ended June 30, 2019 and \$176,209 during the year ended June 30, 2018, respectively.

Additional information on the Running Springs Water District's noncurrent liabilities can be found in Note 7 on pages 54-57 of the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Running Springs Water District is located where there is not much opportunity for growth in the form of new development. The District provides mutual fire service aid to Green Valley Lake and Arrowbear with no financial compensation and incurs shared wastewater transportation, treatment and disposal costs for upstream users who are billed for reimbursement.

For the fiscal years ending 2020-2024 water and wastewater rates will be adjusted to increase revenue to cover operating expenses and fund operating and capital reserve funds. The rate increases are needed in order to fund several deferred capital replacement projects, to replace aging infrastructure and to fund cash reserves to the levels set forth in the District's Cash Reserve Policy.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Running Springs Water District's finances for all those with an interest in the District's finances. Questions concerning this report or requests for additional financial information should be addressed to the General Manager, Running Springs Water District, PO Box 2206, Running Springs, California, 92382.

BASIC FINANCIAL STATEMENTS

Running Springs Water District
Statements of Net Position
June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities	
	2019	2018	2019	2018
ASSETS				
Cash	\$ 248,003	\$ 165,088	\$ 1,000	\$ 1,000
Temporary Investments	1,417,274	1,445,788	2,934,565	1,815,214
Receivables:				
Customers - Net of Allowance	-	-	885,217	870,973
Other	21,306	41,156	73,760	78,485
Taxes	31,225	47,802	2,532	2,159
Interest	10,404	9,792	18,834	7,404
Materials and Supplies Inventory	-	-	80,741	84,479
Prepaid Expenses	-	204	-	1,119
Restricted Assets:				
Cash	7,934	7,934	479,919	449,208
Capital Assets, Not Being Depreciated				
Land	414,676	414,676	1,014,656	1,014,656
Construction in Progress	3,069	93,372	82,037	41,279
Capital Assets Net of Accumulated Depreciation	596,327	538,813	18,904,427	18,598,371
Total Assets	<u>2,750,218</u>	<u>2,764,625</u>	<u>24,477,688</u>	<u>22,964,347</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Related Items	916,886	1,169,116	1,280,197	1,439,623
LIABILITIES				
Accounts Payable and Accrued Liabilities	60,627	96,375	180,337	148,754
Interest Payable	-	-	38,195	38,510
Other Payables	-	-	30,684	26,537
Unearned Availability Charges	-	-	51,944	52,038
Long-term Liabilities Due Within One Year	26,223	23,795	268,754	251,140
Noncurrent Liabilities:				
Long-term Liabilities	3,363,165	3,375,483	7,968,537	7,884,777
Total Liabilities	<u>3,450,015</u>	<u>3,495,653</u>	<u>8,538,451</u>	<u>8,401,756</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Items	61,871	45,526	378,575	116,357
NET POSITION				
Net Investment in Capital Assets	1,014,072	1,046,861	16,654,725	16,514,181
Restricted For Debt Service	-	-	260,921	236,878
Restricted for Wastewater Expansion	-	-	151,072	142,428
Unrestricted (Deficit)	(858,854)	(654,299)	(225,859)	(1,007,630)
Total Net Position	<u>\$ 155,218</u>	<u>\$ 392,562</u>	<u>\$ 16,840,859</u>	<u>\$ 15,885,857</u>

Total	
2019	2018
\$ 249,003	\$ 166,088
4,351,839	3,261,002
885,217	870,973
95,066	119,641
33,757	49,961
29,238	17,196
80,741	84,479
-	1,323
487,853	457,142
1,429,332	1,429,332
85,106	134,651
<u>19,500,754</u>	<u>19,137,184</u>
<u>27,227,906</u>	<u>25,728,972</u>
<u>2,197,083</u>	<u>2,608,739</u>
240,964	245,129
38,195	38,510
30,684	26,537
51,944	52,038
294,977	274,935
<u>11,331,702</u>	<u>11,260,260</u>
<u>11,988,466</u>	<u>11,897,409</u>
<u>440,446</u>	<u>161,883</u>
17,668,797	17,561,042
260,921	236,878
151,072	142,428
<u>(1,084,713)</u>	<u>(1,661,929)</u>
<u>\$ 16,996,077</u>	<u>\$ 16,278,419</u>

Running Springs Water District
Statement of Activities
Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Fire Protection	\$ 2,502,432	\$ 294,047	\$ -	\$ 28,289
Business-type Activities:				
Water	2,328,076	2,052,093	-	413,262
Sewer Collection	683,293	1,147,206	-	-
Sewer Treatment	1,266,572	1,233,637	-	-
Ambulance	695,852	638,477	312,774	-
Total Business-type Activities	4,973,793	5,071,413	312,774	413,262
Total Primary Government	\$ 7,476,225	\$ 5,365,460	\$ 312,774	\$ 441,551

General Revenues:
Property Taxes
Special Assessments - Availability Charges
Investment Earnings
Leasing Revenue
Miscellaneous
Gain on Sale of Capital Assets

Total General Revenues

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

Net (Expense) Revenue
and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>\$ (2,180,096)</u>	<u>\$ -</u>	<u>\$ (2,180,096)</u>
-	137,279	137,279
-	463,913	463,913
-	(32,935)	(32,935)
-	255,399	255,399
-	823,656	823,656
<u>(2,180,096)</u>	<u>823,656</u>	<u>(1,356,440)</u>
1,700,578	-	1,700,578
200,688	54,228	254,916
37,426	46,222	83,648
-	11,060	11,060
3,550	13,451	17,001
510	6,385	6,895
<u>1,942,752</u>	<u>131,346</u>	<u>2,074,098</u>
(237,344)	955,002	717,658
<u>392,562</u>	<u>15,885,857</u>	<u>16,278,419</u>
<u>\$ 155,218</u>	<u>\$ 16,840,859</u>	<u>\$ 16,996,077</u>

Running Springs Water District
Statement of Activities
Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Fire Protection	\$ 2,262,574	\$ 401,720	\$ -	\$ 18,953
Business-type Activities:				
Water	2,058,426	1,988,298	-	5,382
Sewer Collection	1,201,618	1,091,737	-	63,235
Sewer Treatment	1,418,684	1,130,601	-	-
Ambulance	678,947	522,700	301,393	-
Total Business-type Activities	5,357,675	4,733,336	301,393	68,617
Total Primary Government	\$ 7,620,249	\$ 5,135,056	\$ 301,393	\$ 87,570

General Revenues:
Property Taxes
Special Assessments - Availability Charges
Investment Earnings
Leasing Revenue
Miscellaneous
Gain on Sale of Capital Assets
Proceeds from Insurance Claim

Total General Revenues

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

Net (Expense) Revenue
and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>\$ (1,841,901)</u>	<u>\$ -</u>	<u>\$ (1,841,901)</u>
-	(64,746)	(64,746)
-	(46,646)	(46,646)
-	(288,083)	(288,083)
-	145,146	145,146
<u>-</u>	<u>(254,329)</u>	<u>(254,329)</u>
<u>(1,841,901)</u>	<u>(254,329)</u>	<u>(2,096,230)</u>
1,603,236	-	1,603,236
200,688	53,866	254,554
25,275	16,576	41,851
-	10,840	10,840
246	3,864	4,110
-	6,725	6,725
94,581	-	94,581
<u>1,924,026</u>	<u>91,871</u>	<u>2,015,897</u>
82,125	(162,458)	(80,333)
<u>310,437</u>	<u>16,048,315</u>	<u>16,358,752</u>
<u>\$ 392,562</u>	<u>\$ 15,885,857</u>	<u>\$ 16,278,419</u>

Running Springs Water District
Balance Sheets
Governmental Fund - Fire Protection
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash	\$ 248,003	\$ 165,088
Temporary Investments	1,417,274	1,445,788
Restricted Cash	7,934	7,934
Accounts Receivable:		
Fire Availability Charges and Other	21,306	41,156
Taxes Receivable	31,225	47,802
Interest Receivable	10,404	9,792
Prepaid Expenses	-	204
	<u>\$ 1,736,146</u>	<u>\$ 1,717,764</u>
Total Assets		
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 60,627	\$ 96,375
	<u>60,627</u>	<u>96,375</u>
Total Liabilities		
Fund Balances:		
Nonspendable:		
Prepays	-	204
Assigned:		
Workers' Compensation Fund	7,369	7,934
Unassigned	1,668,150	1,613,251
	<u>1,675,519</u>	<u>1,621,389</u>
Total Fund Balances		
	<u>\$ 1,736,146</u>	<u>\$ 1,717,764</u>
Total Liabilities and Fund Balances		

The accompanying notes are an integral part of this statement.

Running Springs Water District
Reconciliation of the Balance Sheets to the Statements of Net Position
Governmental Fund
June 30, 2019 and 2018

	2019	2018
Fund balances - total governmental fund	\$ 1,675,519	\$ 1,621,389
<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Capital Assets	2,511,579	2,476,771
Accumulated Depreciation	(1,497,507)	(1,429,910)
<p>Amounts for deferred inflows and deferred outflows related to the District's Net Pension Liability are not reported in the funds.</p>		
Deferred Outflows Related to Pensions	916,886	1,169,116
Deferred Inflows Related to Pensions	(61,871)	(45,526)
<p>Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Compensated Absences	(131,117)	(118,974)
Net Pension Liability	(3,258,271)	(3,280,304)
Net Position of Governmental Activities	\$ 155,218	\$ 392,562

Running Springs Water District
Statements of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Fund - Fire Protection
Years Ended June 30, 2019 and 2018

	2019	2018
REVENUES		
Property Taxes	\$ 1,700,578	\$ 1,603,236
Assessments - Fire Availability Charges	200,688	200,688
Hazard Abatement Program Revenue	23,186	14,161
Other Revenue	274,921	387,805
Investment Earnings	37,426	25,275
Intergovernmental Revenue	28,289	18,953
Total Revenues	2,265,088	2,250,118
EXPENDITURES		
Salaries and Benefits	1,817,512	1,667,786
Services and Supplies	327,920	270,695
Capital Outlay	65,526	254,542
Total Expenditures	2,210,958	2,193,023
Excess (Deficiency) of Revenues Over Expenditures	54,130	57,095
OTHER FINANCING SOURCES (USES)		
Proceeds from Insurance Claim	-	94,581
Total Other Financing Sources (Uses)	-	94,581
Net Change in Fund Balances	54,130	151,676
Fund Balance, Beginning of Year	1,621,389	1,469,713
Fund Balance, End of Year	\$ 1,675,519	\$ 1,621,389

Running Springs Water District
Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund
Balance of Governmental Fund to the Statements of Activities
Years Ended June 30, 2019 and 2018

	2019	2018
Net change in fund balances - governmental fund	\$ 54,130	\$ 151,676
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Capital Outlay	65,525	254,542
Depreciation	(98,314)	(82,080)
Amounts for deferred inflows and deferred outflows related to the District's net pension liability are not reported in the funds. This is the net change in deferred inflows and outflows related to the net pension liability.		
Deferred Outflows Related to Pensions	(252,230)	77,665
Deferred Inflows Related to Pensions	(16,345)	89,658
Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.		
Net change in compensated absences	(12,143)	(28,131)
Net Pension Liability	22,033	(381,205)
Change in Net Position of Governmental Activities	\$ (237,344)	\$ 82,125

The accompanying notes are an integral part of this statement.

Running Springs Water District
Statements of Net Position
Proprietary Funds
June 30, 2019 and 2018

	Water		Sewer Collection	
	2019	2018	2019	2018
ASSETS				
Current Assets:				
Cash	\$ 950	\$ 950	\$ 50	\$ 50
Temporary Investments	1,315,607	958,828	508,395	249,997
Receivables:				
Customers - Net of Allowances	230,886	235,816	205,679	205,161
Other	27,317	25,762	9,064	4,864
Taxes	676	1,078	1,856	1,081
Interest	7,951	4,467	4,702	794
Material and Supplies Inventory	58,506	60,329	22,235	24,150
Prepaid Expenses	-	612	-	288
Restricted:				
Cash	111,065	78,378	271,862	272,850
Total Current Assets	<u>1,752,958</u>	<u>1,366,220</u>	<u>1,023,843</u>	<u>759,235</u>
Noncurrent Assets:				
Capital Assets Not Being Depreciated:				
Land	688,492	688,492	326,164	326,164
Construction in Progress	80,501	41,279	-	-
Capital Assets, Net of Accumulated Depreciation	7,230,572	6,575,892	6,136,409	6,296,774
Total Noncurrent Assets	<u>7,999,565</u>	<u>7,305,663</u>	<u>6,462,573</u>	<u>6,622,938</u>
Total Assets	<u>9,752,523</u>	<u>8,671,883</u>	<u>7,486,416</u>	<u>7,382,173</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Related Items	832,128	806,189	192,030	348,390
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	60,634	81,734	51,781	18,049
Interest Payable	5,107	3,807	33,088	34,618
Other Payables	30,684	26,537	-	-
Unearned Availability Charges	38,210	38,308	13,734	13,730
Current Portion of Long-term Liabilities	125,796	99,815	127,368	132,921
Total Current Liabilities	<u>260,431</u>	<u>250,201</u>	<u>225,971</u>	<u>199,318</u>
Noncurrent Liabilities:				
Noncurrent Portion of Long-term Liabilities	3,836,132	3,138,687	3,168,705	3,767,963
Total Noncurrent Liabilities	<u>3,836,132</u>	<u>3,138,687</u>	<u>3,168,705</u>	<u>3,767,963</u>
Total Liabilities	<u>4,096,563</u>	<u>3,388,888</u>	<u>3,394,676</u>	<u>3,967,281</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Items	246,074	65,160	56,786	28,159
NET POSITION				
Net Investment in Capital Assets	7,247,613	6,901,668	3,868,130	3,908,532
Restricted for Debt Service	89,384	65,341	171,537	171,537
Restricted for Wastewater Expansion	18,348	9,704	66,362	66,362
Unrestricted (deficit)	(1,113,331)	(952,689)	120,955	(411,308)
Total Net Position	<u>\$ 6,242,014</u>	<u>\$ 6,024,024</u>	<u>\$ 4,226,984</u>	<u>\$ 3,735,123</u>

Sewer Treatment		Ambulance		Total Enterprise Funds	
2019	2018	2019	2018	2019	2018
\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
590,344	336,297	520,219	270,092	2,934,565	1,815,214
7,688	-	440,964	429,996	885,217	870,973
37,379	47,859	-	-	73,760	78,485
-	-	-	-	2,532	2,159
3,744	687	2,437	1,456	18,834	7,404
-	-	-	-	80,741	84,479
-	219	-	-	-	1,119
96,992	97,980	-	-	479,919	449,208
<u>736,147</u>	<u>483,042</u>	<u>963,620</u>	<u>701,544</u>	<u>4,476,568</u>	<u>3,310,041</u>
-	-	-	-	1,014,656	1,014,656
1,536	-	-	-	82,037	41,279
<u>5,377,182</u>	<u>5,543,012</u>	<u>160,264</u>	<u>182,693</u>	<u>18,904,427</u>	<u>18,598,371</u>
<u>5,378,718</u>	<u>5,543,012</u>	<u>160,264</u>	<u>182,693</u>	<u>20,001,120</u>	<u>19,654,306</u>
<u>6,114,865</u>	<u>6,026,054</u>	<u>1,123,884</u>	<u>884,237</u>	<u>24,477,688</u>	<u>22,964,347</u>
256,039	285,044	-	-	1,280,197	1,439,623
50,937	30,823	16,985	18,148	180,337	148,754
-	-	-	85	38,195	38,510
-	-	-	-	30,684	26,537
-	-	-	-	51,944	52,038
15,590	11,412	-	6,992	268,754	251,140
<u>66,527</u>	<u>42,235</u>	<u>16,985</u>	<u>25,225</u>	<u>569,914</u>	<u>516,979</u>
963,700	963,395	-	14,732	7,968,537	7,884,777
<u>963,700</u>	<u>963,395</u>	<u>-</u>	<u>14,732</u>	<u>7,968,537</u>	<u>7,884,777</u>
<u>1,030,227</u>	<u>1,005,630</u>	<u>16,985</u>	<u>39,957</u>	<u>8,538,451</u>	<u>8,401,756</u>
75,715	23,038	-	-	378,575	116,357
5,378,718	5,543,012	160,264	160,969	16,654,725	16,514,181
-	-	-	-	260,921	236,878
66,362	66,362	-	-	151,072	142,428
(180,118)	(326,944)	946,635	683,311	(225,859)	(1,007,630)
<u>\$ 5,264,962</u>	<u>\$ 5,282,430</u>	<u>\$ 1,106,899</u>	<u>\$ 844,280</u>	<u>\$ 16,840,859</u>	<u>\$ 15,885,857</u>

Running Springs Water District
Statements of Revenues, Expenses, and Changes in Net Position
Proprietary Funds

Years Ended June 30, 2019 and 2018

	Water		Sewer Collection	
	2019	2018	2019	2018
OPERATING REVENUES				
Monthly Service Charges	\$ 1,165,999	\$ 1,109,851	\$ 884,192	\$ 820,921
Usage Charges	776,071	757,676	61,642	58,884
Special Charges - R&R Fee	64,348	68,112	181,420	192,552
Delinquent Charges	22,969	25,090	11,238	10,237
Other Revenues	5,348	10,274	8,714	9,143
Turn-on and Shut-off Charges	17,358	17,295	-	-
Operating Grants and Contributions	-	-	-	-
Charges to Upstream Users	-	-	-	-
Total Operating Revenues	<u>2,052,093</u>	<u>1,988,298</u>	<u>1,147,206</u>	<u>1,091,737</u>
OPERATING EXPENSES				
Source of Supply	186,090	238,909	-	-
Pumping	61,738	59,750	-	-
Water Treatment	25,465	34,481	-	-
Transmission and Distribution	44	480	-	-
Customers' Accounts	547	1,591	-	-
Sewage Collections	-	-	80,696	76,068
Sewage Treatment	-	-	-	-
Salaries and Benefits	1,724,283	1,437,864	206,920	672,031
Others	74,686	29,032	139,278	102,928
Depreciation	240,626	241,771	206,355	229,966
Total Operating Expenses	<u>2,313,479</u>	<u>2,043,878</u>	<u>633,249</u>	<u>1,080,993</u>
Operating Income (Loss)	<u>(261,386)</u>	<u>(55,580)</u>	<u>513,957</u>	<u>10,744</u>
NONOPERATING REVENUES (EXPENSES)				
Assessments - Availability Charges	39,325	39,817	7,586	7,134
Investment Earnings	22,092	12,158	8,021	859
Leasing Revenue	11,060	10,840	-	-
Miscellaneous	3,559	2,254	9,642	-
Gain/(Loss) on Disposal of Capital Assets	4,675	-	1,710	-
Interest on Long-term Debt	(14,597)	(14,548)	(50,044)	(120,625)
Total Nonoperating Revenue (Expenses)	<u>66,114</u>	<u>50,521</u>	<u>(23,085)</u>	<u>(112,632)</u>
Income (Loss) Before Transfers and Capital Contributions	<u>(195,272)</u>	<u>(5,059)</u>	<u>490,872</u>	<u>(101,888)</u>
Capital Contributions	413,262	5,382	-	63,235
Transfers In	-	-	989	334,197
Transfers Out	-	-	-	-
Change in Net Position	<u>217,990</u>	<u>323</u>	<u>491,861</u>	<u>295,544</u>
Net Position, Beginning of Year	<u>6,024,024</u>	<u>6,023,701</u>	<u>3,735,123</u>	<u>3,439,579</u>
Net Position, End of Year	<u>\$ 6,242,014</u>	<u>\$ 6,024,024</u>	<u>\$ 4,226,984</u>	<u>\$ 3,735,123</u>

Sewer Treatment		Ambulance		Total Enterprise Funds	
2019	2018	2019	2018	2019	2018
\$ 723,430	\$ 671,663	\$ 511,617	\$ 493,499	\$ 3,285,238	\$ 3,095,934
50,434	48,178	-	-	888,147	864,738
-	-	-	-	245,768	260,664
9,050	8,376	-	-	43,257	43,703
-	-	126,860	29,201	140,922	48,618
-	-	-	-	17,358	17,295
-	-	312,774	301,393	312,774	301,393
450,723	402,384	-	-	450,723	402,384
<u>1,233,637</u>	<u>1,130,601</u>	<u>951,251</u>	<u>824,093</u>	<u>5,384,187</u>	<u>5,034,729</u>
-	-	-	-	186,090	238,909
-	-	-	-	61,738	59,750
-	-	-	-	25,465	34,481
-	-	-	-	44	480
-	-	-	-	547	1,591
-	-	-	-	80,696	76,068
249,314	243,721	-	-	249,314	243,721
575,466	595,096	400,289	369,485	2,906,958	3,074,476
152,503	136,251	272,839	273,209	639,306	541,420
289,289	306,641	22,429	35,341	758,699	813,719
<u>1,266,572</u>	<u>1,281,709</u>	<u>695,557</u>	<u>678,035</u>	<u>4,908,857</u>	<u>5,084,615</u>
<u>(32,935)</u>	<u>(151,108)</u>	<u>255,694</u>	<u>146,058</u>	<u>475,330</u>	<u>(49,886)</u>
7,317	6,915	-	-	54,228	53,866
8,889	927	7,220	2,632	46,222	16,576
-	-	-	-	11,060	10,840
250	1,500	-	110	13,451	3,864
-	(136,975)	-	6,725	6,385	(130,250)
-	-	(295)	(912)	(64,936)	(136,085)
<u>16,456</u>	<u>(127,633)</u>	<u>6,925</u>	<u>8,555</u>	<u>66,410</u>	<u>(181,189)</u>
(16,479)	(278,741)	262,619	154,613	541,740	(231,075)
-	-	-	-	413,262	68,617
-	-	-	-	989	334,197
<u>(989)</u>	<u>(334,197)</u>	<u>-</u>	<u>-</u>	<u>(989)</u>	<u>(334,197)</u>
(17,468)	(612,938)	262,619	154,613	955,002	(162,458)
<u>5,282,430</u>	<u>5,895,368</u>	<u>844,280</u>	<u>689,667</u>	<u>15,885,857</u>	<u>16,048,315</u>
<u>\$ 5,264,962</u>	<u>\$ 5,282,430</u>	<u>\$ 1,106,899</u>	<u>\$ 844,280</u>	<u>\$ 16,840,859</u>	<u>\$ 15,885,857</u>

Running Springs Water District
Statements of Cash Flows
Proprietary Funds
Years Ended June 30, 2019 and 2018

	Water	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 2,057,023	\$ 1,963,061
Cash Payments for Employee Services	(1,200,449)	(1,153,674)
Cash Paid to Suppliers	(356,478)	(340,303)
Other Revenue	14,619	13,094
	<u>514,715</u>	<u>482,178</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Availability Charges	38,074	39,367
Cash Received (Paid to) Other Funds	-	-
	<u>38,074</u>	<u>39,367</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(934,528)	(60,387)
Proceeds from Sale of Capital Assets	4,675	-
Proceeds from Installments Payable	400,000	-
Capital Contributions	413,262	5,382
Principal Payments on Debt	(52,043)	(50,318)
Interest Paid	(13,297)	(15,022)
	<u>(181,931)</u>	<u>(120,345)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	18,608	8,681
	<u>18,608</u>	<u>8,681</u>
Net Cash Provided (Used) by Investing Activities	18,608	8,681
Net Increase (Decrease) in Cash and Cash Equivalents	389,466	409,881
Cash and Cash Equivalents, Beginning of Year	1,038,156	628,275
Cash and Cash Equivalents, End of Year	<u>\$ 1,427,622</u>	<u>\$ 1,038,156</u>
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION		
Current Assets:		
Cash	\$ 950	\$ 950
Temporary Investments	1,315,607	958,828
Restricted Cash	111,065	78,378
Totals	<u>\$ 1,427,622</u>	<u>\$ 1,038,156</u>

Sewer Collection		Sewer Treatment		Ambulance		Total Enterprise Funds	
2019	2018	2019	2018	2019	2018	2019	2018
\$ 1,146,688	\$ 1,067,575	\$ 1,225,949	\$ 1,164,156	\$ 940,283	\$ 845,499	\$ 5,369,943	\$ 5,040,291
(511,098)	(1,112,205)	(485,246)	70,636	(403,891)	(370,731)	(2,600,684)	(2,565,974)
(179,722)	(211,183)	(385,539)	(385,012)	(270,400)	(274,704)	(1,192,139)	(1,211,202)
9,642	-	250	1,500	-	110	24,511	14,704
<u>465,510</u>	<u>(255,813)</u>	<u>355,414</u>	<u>851,280</u>	<u>265,992</u>	<u>200,174</u>	<u>1,601,631</u>	<u>1,277,819</u>
2,615	7,034	17,797	6,915	-	-	58,486	53,316
989	334,197	(989)	(334,197)	-	-	-	-
<u>3,604</u>	<u>341,231</u>	<u>16,808</u>	<u>(327,282)</u>	<u>-</u>	<u>-</u>	<u>58,486</u>	<u>53,316</u>
(45,990)	(33,573)	(124,995)	(105,033)	-	(18,597)	(1,105,513)	(217,590)
1,710	-	-	-	-	6,725	6,385	6,725
-	33,608	-	-	-	-	400,000	33,608
-	63,235	-	-	-	-	413,262	68,617
(119,963)	(119,138)	-	-	(21,724)	(6,753)	(193,730)	(176,209)
(51,574)	(86,007)	-	-	(380)	(938)	(65,251)	(101,967)
<u>(215,817)</u>	<u>(141,875)</u>	<u>(124,995)</u>	<u>(105,033)</u>	<u>(22,104)</u>	<u>(19,563)</u>	<u>(544,847)</u>	<u>(386,816)</u>
4,113	133	5,832	240	6,239	1,247	34,792	10,301
4,113	133	5,832	240	6,239	1,247	34,792	10,301
257,410	(56,324)	253,059	419,205	250,127	181,858	1,150,062	954,620
522,897	579,221	434,277	15,072	270,092	88,234	2,265,422	1,310,802
<u>\$ 780,307</u>	<u>\$ 522,897</u>	<u>\$ 687,336</u>	<u>\$ 434,277</u>	<u>\$ 520,219</u>	<u>\$ 270,092</u>	<u>\$ 3,415,484</u>	<u>\$ 2,265,422</u>
\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
508,395	249,997	590,344	336,297	520,219	270,092	2,934,565	1,815,214
271,862	272,850	96,992	97,980	-	-	479,919	449,208
<u>\$ 780,307</u>	<u>\$ 522,897</u>	<u>\$ 687,336</u>	<u>\$ 434,277</u>	<u>\$ 520,219</u>	<u>\$ 270,092</u>	<u>\$ 3,415,484</u>	<u>\$ 2,265,422</u>

Continued

Running Springs Water District
Statements of Cash Flows
Proprietary Funds
Years Ended June 30, 2019 and 2018

	Water	
	2019	2018
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ (261,386)	\$ (55,580)
Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:		
Depreciation	240,626	241,771
Other Income	14,619	13,094
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	4,930	(25,237)
(Increase) Decrease in Prepaid Expenses	612	2,689
(Increase) Decrease in Inventory	1,823	(447)
(Increase) Decrease in Deferred Outflows	(25,939)	(21,908)
Increase (Decrease) in Accounts Payable	(14,490)	22,807
Increase (Decrease) in Accrued Wages	(6,610)	(3,958)
Increase (Decrease) in Other Payables	4,147	(1,109)
Increase (Decrease) in Compensated Absences	41,762	31,656
Increase (Decrease) in Net Pension Liability	333,707	285,695
Increase (Decrease) in Deferred Inflows	180,914	(7,295)
TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 514,715	\$ 482,178
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets on Account	\$ -	\$ -

Sewer Collection		Sewer Treatment		Ambulance		Total Business-type Activities	
2019	2018	2019	2018	2019	2018	2019	2018
\$ 513,957	\$ 10,744	\$ (32,935)	\$ (151,108)	\$ 255,694	\$ 146,058	\$ 475,330	\$ (49,886)
206,355	229,966	289,289	306,641	22,429	35,341	758,699	813,719
9,642	-	250	1,500	-	110	24,511	14,704
(518)	(24,162)	(7,688)	33,555	(10,968)	21,406	(14,244)	5,562
288	85	219	488	-	350	1,119	3,612
1,915	2,549	-	-	-	-	3,738	2,102
156,360	267,830	29,005	(285,044)	-	-	159,426	(39,122)
38,049	(34,821)	16,059	(5,527)	2,439	(1,845)	42,057	(19,386)
(4,317)	2,461	4,055	165	(3,602)	(1,246)	(10,474)	(2,578)
-	-	-	-	-	-	4,147	(1,109)
(39,163)	11,578	20,891	9,825	-	-	23,490	53,059
(445,685)	(693,272)	(16,408)	917,747	-	-	(128,386)	510,170
28,627	(28,771)	52,677	23,038	-	-	262,218	(13,028)
<u>\$ 465,510</u>	<u>\$ (255,813)</u>	<u>\$ 355,414</u>	<u>\$ 851,280</u>	<u>\$ 265,992</u>	<u>\$ 200,174</u>	<u>\$ 1,601,631</u>	<u>\$ 1,277,819</u>
\$ -	\$ 107,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,657

Running Springs Water District
Statements of Fiduciary Assets and Liabilities
Agency Fund (Assessment Districts)
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash with Fiscal Agent	\$ 115,127	\$ 118,974
Temporary Investments	155,177	155,276
Total Assets	\$ 270,304	\$ 274,250
LIABILITIES		
Accounts Payable	\$ 771	\$ 379
Due to Bondholders	269,533	273,871
Total Liabilities	\$ 270,304	\$ 274,250

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
1	Summary of Significant Accounting Policies	39-46
2	Cash and Temporary Investments	47-49
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Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Business and Reporting Entity

The Running Springs Water District (the "District") was organized on March 17, 1958 under authority of the California Water Code. The District has been engaged in financing, constructing, operating, maintaining and furnishing water service to its customers since inception. In 1962, the District established a fire department to provide fire protection for the area included in the Water District. In 1976, the sewage disposal system was completed to provide sewer service for the District. An ambulance service has been provided by the District since 1983. In 2005, the Board adopted Ordinance No. 26 which provides authorization for the removal of dead or dying trees. The District is governed by a five-member Board of Directors whose members are elected by the registered voters in the District to staggered four-year terms.

The Board of Directors and officers of the District at June 30, 2019 are as follows:

NAME	OFFICER	TERM EXPIRES
Tony Grabow	President	December 2022
Errol Mackzum	Vice-President	December 2020
Michael Terry	Director	December 2020
William Conrad	Director	December 2022
Mark Acciani	Director	December 2022
Ryan Gross	General Manager	
Joan Eaton	Secretary/Treasurer	

The Board of Directors meets on the third Wednesday of each month.

Reporting Entity

In determining the agencies or entities which comprise the governmental entity for financial reporting purposes, the criteria of oversight responsibility over such entities, special financing relationships and scope of public service provided by the entities are used. Oversight responsibility is determined by the extent of financial interdependency, control over the selection of the governing authority and management, ability to significantly influence operations and accountability for fiscal matters. Based on these criteria, the District has no component units at this time.

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Government-Wide and Fund Financial Statements - Continued

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the District include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental fund, proprietary funds and fiduciary fund.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Fire assessment taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore have been recognized as revenues within the current fiscal period. Only that portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation - Continued

The District reports the following major governmental fund:

The *Fire Protection Fund* - used to account for all activities relating to the District's Fire department.

The District reports the following proprietary funds:

The *Water Fund* - used to account for all activities relating to the District's water service operations.

The *Sewer Collection Fund* - used to account for all activities relating to the District's sewer collection operations.

The *Sewer Treatment Fund* - used to account for all activities relating to the District's sewer treatment operations.

The *Ambulance Fund* - used to account for all activities relating to the District's ambulance services.

Additionally, the District reports an *Agency Fund* which is used to account for assets held by the District as an agent for property owners.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Donated plant and cash received for capital improvement without the requirement that the District give resources in exchange are recorded as contributions.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District currently reports deferred outflows resulting from the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. See Note 9 – Pension Plans for more information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District currently reports deferred inflows resulting from the District's implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which qualify for reporting in this category.

E. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position.

F. Cash and Investments

Investments for the District are reported at fair value.

For purposes of reporting changes in cash flows, the District considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

G. Customer Billings and Allowance for Uncollectible Accounts

Customers are billed on a monthly basis and the related revenues are recorded when customers are billed. Unbilled services are accrued at year-end.

Ambulance customers are billed after service has been provided. The District provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred in collection of the ambulance receivables. The allowance for uncollectible ambulance fees was \$950,395 and \$964,791 at June 30, 2019 and 2018, respectively.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. Inventories

Inventories of materials and supplies, consisting of parts used for utility plant construction and repair, are carried at cost using the first-in, first-out method.

I. Restricted Assets

The District holds certain funds which are restricted for specific purposes. These restricted funds consist principally of construction receivable - upstream users (for debt service payments and repayment of funds advanced by the District for the water treatment expansion), debt service reserve requirements, and wastewater expansion charges collected. These funds are not available for general operations.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year except for movable assets (assets that are freestanding and movable - vehicles, furniture, software and equipment) which are capitalized with initial cost of \$1,000 or more. As the District acquires or constructs capital assets they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalization value of the assets constructed. For the current fiscal year no interest was capitalized. Total interest charged to expense for the 2018-19 and 2017-18 fiscal years was \$64,936 and \$136,085, respectively.

Capital contributions represent cash or capital asset additions contributed to the District by property owners or developers desiring service that require capital expenditures or capacity commitment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Plant and Facilities	20 - 75
Furniture and Equipment	3 - 10
Trucks and Automobiles	5

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K. Compensated Absences Liability

Employees are entitled to accumulate vacation leave. The total accumulated vacation time shall not exceed the total hours accrued in the preceding year in addition to the current year's accrual. Once the maximum limit is reached, all further accruals will cease until after an employee has taken vacation and his or her accrued vacation has dropped below the maximum limit. Upon termination of employment for any reason, the District shall compensate the employee for his/her accumulated vacation time at his/her straight time rate of pay at the time of termination. If an employee has reached the maximum accrual limit and is unable to take vacation because of the Department's workload, the following alternatives may be made available: (1) the General Manager may approve a waiver on the limit of maximum hours that may be accrued; or (2) the employee may request that the District buy back the unused vacation time, in accordance with the District's personnel policy manual. Any determinations in this regard are at the sole discretion of the General Manager.

Regular full-time 40-hour week employees accrue 8 hours of sick time per month while 24-hour shift regular full-time employees accrue 12 hours of sick time per month. Upon termination of employment accrued sick time is only paid out based on an approved District formula to eligible employees who have 10 or more years of continuous service with the District and voluntarily terminate their employment with the District.

In accordance with generally accepted accounting principles, the liability for the above accruals is reflected on the government-wide and proprietary fund financial statements, and the current year allocation has been expensed.

L. Fund Balance

Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

L. Fund Balance - Continued

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts that may be specified by the Board of Directors by ordinance or resolution to formally commit part of the Fire Fund's fund balance or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal Board of Director's action utilizing the same type of action that was originally used.

Assigned Fund Balance - Amounts that are constrained by the Board's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. The District's fund balance policy delegates the authority to assign amounts to be used for specific purposes to the General Manager.

Unassigned Fund Balance - These are either residual positive net resources of the Fire Fund in excess of what can properly be classified in one of the other four categories, or negative balances.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates based on management's knowledge and experience. Due to their prospective nature, actual results could differ from those estimates.

N. Property Tax

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	March 1	
Levy Year	July 1 to June 30	
Due Dates	November 1	1st Installment
	February 1	2nd Installment
Delinquent Dates	December 10	1st Installment
	April 10	2nd Installment

Under California law, property taxes and other charges (such as assessments) are assessed and collected by counties up to 1% of assessed value, plus other increases approved by voters. Property tax revenues are pooled and then allocated to agencies based on complex formulas prescribed by state statutes.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O. Reclassifications

Certain amounts in the June 30, 2018 financial statements have been reclassified to conform to the June 30, 2019 presentation.

P. New Accounting Pronouncements

The Governmental Accounting Standards Board has issued the following Statements, which may affect the District's financial reporting requirements in the future:

GASB 84 - Fiduciary Activities: This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB 87 - Leases: This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB 89 - Accounting for Interest Cost Incurred before the End of a Construction Period: This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB 90 – Majority Equity Interests: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

Q. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

2) CASH AND TEMPORARY INVESTMENTS

Cash and investments at June 30, 2019 and 2018 are presented as follows:

	Government- wide Statement of Net Position	Statement of Fiduciary Assets and Liabilities	2019 Total	2018 Total
Cash	\$ 249,003	\$ -	\$ 249,003	\$ 166,088
Temporary Investments	4,351,839	155,177	4,507,016	3,416,278
Restricted Cash	487,853	-	487,853	457,142
Cash with Fiscal Agent	-	115,127	115,127	118,974
Total	\$ 5,088,695	\$ 270,304	\$ 5,358,999	\$ 4,158,482

Cash and investments consist of the following at June 30, 2019 and 2018:

	2019	2018
Deposits with Financial Institutions	\$ 262,604	\$ 179,690
Petty Cash	1,000	1,000
Local Agency Investment Fund (LAIF)	4,980,268	3,858,818
Held by Bond Trustee:		
Money Market Fund	115,127	118,974
Total Cash and Investments	\$ 5,358,999	\$ 4,158,482

Restricted Cash

At June 30, 2019 and 2018, the District had the following cash balances restricted for specific purposes:

Restricted for:	Restricted Cash	
	2019	2018
Workers' Compensation Insurance Claims	\$ 14,601	\$ 14,601
SRF Loan Debt Service Reserve	260,922	236,878
Water and Wastewater Capacity Expansion	212,330	205,663
Total	\$ 487,853	\$ 457,142

Investments Authorized by the California Government Code and the District's Investment Policy

The District's investment policy authorizes investment in the LAIF. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk. Cash and investments held and invested by fiscal agents on behalf of the District are pledged for payment or security of certain long-term debt issuances. Fiscal agents are mandated by bond indentures as to the types of investments in which such funds can be invested.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

2) CASH AND TEMPORARY INVESTMENTS - Continued

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rates risk by limiting its investments in the State's investment pool. At June 30, 2019 and 2018, the District had the following investments:

	2019 Amount	2019 Maturity Date 12 Months or Less	2018 Amount	2018 Maturity Date 12 Months or Less
LAIF	\$ 4,980,268	\$ 4,980,268	\$ 3,858,818	\$ 3,858,818
Held by Bond Trustee: Money Market Fund	115,127	115,127	118,974	118,974
Total	<u>\$ 5,095,395</u>	<u>\$ 5,095,395</u>	<u>\$ 3,977,792</u>	<u>\$ 3,977,792</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	2019 Amount	Minimum Legal Rating	Aaa	Not Rated	2018 Amount
LAIF	\$ 4,980,268	None	\$ -	\$ 4,980,268	\$ 3,858,818
Held by Bond Trustee: Money Market Fund	115,127	N/A	115,127	-	118,974
Total	<u>\$ 5,095,395</u>		<u>\$ 115,127</u>	<u>\$ 4,980,268</u>	<u>\$ 3,977,792</u>

Concentration of Credit Risk

The investment policy of the District contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. At June 30, 2019 and 2018, the District had no investments in any one issuer (other than external pools) that represent 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

2) CASH AND TEMPORARY INVESTMENTS - Continued

party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2019, the District did not have any deposits with financial institutions in excess of federal depository insurance limits that were held in uncollateralized accounts.

Fair Value of Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has no investments subject to GASB 72 fair value measurements.

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at cost which approximates fair value at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3) ACCOUNTS RECEIVABLE - CUSTOMERS

Accounts receivable from customers consists of the following at June 30, 2019 and 2018:

	June 30, 2019	June 30, 2018
Customers - Water and Sewer	\$ 444,253	\$ 440,977
Ambulance Receivable	1,391,359	1,394,787
Allowance for Uncollectible Ambulance Charges	(950,395)	(964,791)
	\$ 885,217	\$ 870,973

Management considers the receivables from water and sewer customers to be fully collectible; accordingly, no allowance for doubtful accounts for water and sewer customers has been established.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

4) OTHER RECEIVABLES

	Governmental Activities		Business-Type Activities	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Availability Charges	\$ 15,763	\$ 19,651	\$ 36,221	\$ 30,466
Brookings Mutual Water	-	-	160	160
Upstream Users	-	-	37,379	47,859
Miscellaneous	5,543	21,505	-	-
Total	<u>\$ 21,306</u>	<u>\$ 41,156</u>	<u>\$ 73,760</u>	<u>\$ 78,485</u>

5) CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land and Land Rights	\$ 414,676	\$ -	\$ -	\$ 414,676
Construction in Progress	93,372	18,534	108,837	3,069
Total Capital Assets Not Depreciated	<u>508,048</u>	<u>18,534</u>	<u>108,837</u>	<u>417,745</u>
Capital Assets, Being Depreciated:				
Structures and Improvements	430,434	93,372	-	523,806
Fire Trucks and Mounted Equipment	1,118,770	21,309	30,717	1,109,362
Special Purpose Equipment	371,307	-	-	371,307
Office Equipment	25,849	6,952	-	32,801
Shop and Station Equipment	11,255	34,195	-	45,450
Communication Equipment	11,108	-	-	11,108
Total Capital Assets Being Depreciated	<u>1,968,723</u>	<u>155,828</u>	<u>30,717</u>	<u>2,093,834</u>
Less Accumulated Depreciation:				
Structures and Improvements	(311,606)	(14,270)	-	(325,876)
Fire Trucks and Mounted Equipment	(849,367)	(60,389)	(30,717)	(879,039)
Special Purpose Equipment	(236,771)	(15,667)	-	(252,438)
Office Equipment	(10,307)	(5,034)	-	(15,341)
Shop and Station Equipment	(10,751)	(2,954)	-	(13,705)
Communication Equipment	(11,108)	-	-	(11,108)
Total Accumulated Depreciation	<u>(1,429,910)</u>	<u>(98,314)</u>	<u>(30,717)</u>	<u>(1,497,507)</u>
Total Capital Assets Being Depreciated, Net	<u>538,813</u>	<u>57,514</u>	<u>-</u>	<u>596,327</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,046,861</u>	<u>\$ 76,048</u>	<u>\$ 108,837</u>	<u>\$ 1,014,072</u>

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

5) CAPITAL ASSETS - Continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Not Depreciated:				
Land and Land Rights	\$ 1,014,656	\$ -	\$ -	\$ 1,014,656
Construction in Progress	41,279	993,238	952,480	82,037
Total Capital Assets Not Depreciated	1,055,935	993,238	952,480	1,096,693
Capital Assets, Being Depreciated:				
Water Plant and Facilities	11,152,506	884,532	-	12,037,038
Sewer Plant and Facilities	20,866,484	150,535	4,501	21,012,518
Furniture and Equipment	830,347	29,688	-	860,035
Trucks and Automobiles	984,499	-	35,265	949,234
Total Capital Assets Being Depreciated	33,833,836	1,064,755	39,766	34,858,825
Less Accumulated Depreciation:				
Water Plant and Facilities	(4,689,367)	(217,762)	-	(4,907,129)
Sewer Plant and Facilities	(9,080,672)	(479,079)	(4,501)	(9,555,250)
Furniture and Equipment	(633,113)	(45,706)	-	(678,819)
Trucks and Automobiles	(832,313)	(16,152)	(35,265)	(813,200)
Total Accumulated Depreciation	(15,235,465)	(758,699)	(39,766)	(15,954,398)
Total Capital Assets Being Depreciated, Net	18,598,371	306,056	-	18,904,427
Business-Type Activities Capital Assets, Net	\$ 19,654,306	\$ 1,299,294	\$ 952,480	\$ 20,001,120

For the fiscal year ended June 30, 2019, depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Fire Protection	<u>\$ 98,314</u>
Business-type Activities:	
Water	\$ 240,626
Sewer Collection	206,355
Sewer Treatment	289,289
Ambulance	<u>22,429</u>
Total Business-type Activities	\$ 758,699

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

5) CAPITAL ASSETS - Continued

Capital assets activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land and Land Rights	\$ 414,676	\$ -	\$ -	\$ 414,676
Construction in Progress	-	93,372	-	93,372
Total Capital Assets Not Depreciated	414,676	93,372	-	508,048
Capital Assets, Being Depreciated:				
Structures and Improvements	427,461	2,973	-	430,434
Fire Trucks and Mounted Equipment	1,074,096	44,674	-	1,118,770
Special Purpose Equipment	280,482	113,523	22,698	371,307
Office Equipment	26,442	-	593	25,849
Shop and Station Equipment	11,255	-	-	11,255
Communication Equipment	11,108	-	-	11,108
Total Capital Assets Being Depreciated	1,830,844	161,170	23,291	1,968,723
Less Accumulated Depreciation:				
Structures and Improvements	(300,334)	(11,272)	-	(311,606)
Fire Trucks and Mounted Equipment	(793,911)	(55,456)	-	(849,367)
Special Purpose Equipment	(249,216)	(10,253)	(22,698)	(236,771)
Office Equipment	(6,899)	(4,001)	(593)	(10,307)
Shop and Station Equipment	(10,529)	(222)	-	(10,751)
Communication Equipment	(10,232)	(876)	-	(11,108)
Total Accumulated Depreciation	(1,371,121)	(82,080)	(23,291)	(1,429,910)
Total Capital Assets Being Depreciated, Net	459,723	79,090	-	538,813
Governmental Activities Capital Assets, Net	\$ 874,399	\$ 172,462	\$ -	\$ 1,046,861

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

5) CAPITAL ASSETS - Continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Not Depreciated:				
Land and Land Rights	\$ 1,014,656	\$ -	\$ -	\$ 1,014,656
Construction in Progress	503,733	154,991	617,445	41,279
Total Capital Assets Not Depreciated	1,518,389	154,991	617,445	1,055,935
Capital Assets, Being Depreciated:				
Water Plant and Facilities	11,132,482	35,547	15,523	11,152,506
Sewer Plant and Facilities	20,552,539	618,439	304,494	20,866,484
Furniture and Equipment	818,108	24,572	12,333	830,347
Trucks and Automobiles	1,156,295	1,486	173,282	984,499
Total Capital Assets Being Depreciated	33,659,424	680,044	505,632	33,833,836
Less Accumulated Depreciation:				
Water Plant and Facilities	(4,488,290)	(216,600)	(15,523)	(4,689,367)
Sewer Plant and Facilities	(8,747,396)	(500,795)	(167,519)	(9,080,672)
Furniture and Equipment	(580,359)	(65,087)	(12,333)	(633,113)
Trucks and Automobiles	(974,358)	(31,237)	(173,282)	(832,313)
Total Accumulated Depreciation	(14,790,403)	(813,719)	(368,657)	(15,235,465)
Total Capital Assets Being Depreciated, Net	18,869,021	(133,675)	136,975	18,598,371
Business-Type Activities Capital Assets, Net	\$ 20,387,410	\$ 21,316	\$ 754,420	\$ 19,654,306

For the fiscal year ended June 30, 2018, depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Fire Protection	<u>\$ 82,080</u>
Business-type Activities:	
Water	\$ 241,771
Sewer Collection	229,966
Sewer Treatment	306,641
Ambulance	35,341
Total Business-type Activities	\$ 813,719

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

6) OTHER PAYABLES

Other payables consist of the following at June 30, 2019 and 2018:

	Governmental Activities		Business-Type Activities	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Grants Payable	\$ -	\$ -	\$ -	\$ -
Customer Deposits	-	-	38,175	26,489
Miscellaneous	-	-	48	48
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,223</u>	<u>\$ 26,537</u>

7) LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the year ended June 30, 2019:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 118,974	\$ 213,248	\$ 201,105	\$ 131,117	\$ 26,223
Net Pension Liability	3,280,304	-	22,033	3,258,271	-
Total	<u>\$ 3,399,278</u>	<u>\$ 213,248</u>	<u>\$ 223,138</u>	<u>\$ 3,389,388</u>	<u>\$ 26,223</u>
Business-Type Activities					
Loans from direct borrowings and direct placements:					
Sewer Treatment, SWRCB					
Installment Payable, 2014	\$ 2,714,406	\$ -	\$ 119,963	\$ 2,594,443	\$ 122,243
Water Supply, 2015					
Installment Payable, Ayers	403,995	-	52,043	351,952	53,828
Ambulance, 2016					
Installment Payable	21,724	-	21,724	-	-
Water, SWRCB AMR					
Installment Payable	-	400,000	-	400,000	15,844
Total direct	<u>3,140,125</u>	<u>400,000</u>	<u>193,730</u>	<u>3,346,395</u>	<u>191,915</u>
Compensated Absences	360,707	245,128	221,639	384,196	76,839
Net Pension Liability	4,635,085	-	128,385	4,506,700	-
Total	<u>\$ 8,135,917</u>	<u>\$ 645,128</u>	<u>\$ 543,754</u>	<u>\$ 8,237,291</u>	<u>\$ 268,754</u>

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

7) LONG-TERM LIABILITIES - Continued

The following is a summary of long-term liabilities for the year ended June 30, 2018:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 90,843	\$ 198,000	\$ 169,869	\$ 118,974	\$ 23,795
Net Pension Liability	2,899,099	381,205	-	3,280,304	-
Total	<u>\$ 2,989,942</u>	<u>\$ 579,205</u>	<u>\$ 169,869</u>	<u>\$ 3,399,278</u>	<u>\$ 23,795</u>
Business-Type Activities					
Loans from direct borrowings and direct placements:					
Sewer Treatment, SWRCB					
Installment Payable, 2014	\$ 2,799,936	\$ 33,608	\$ 119,138	\$ 2,714,406	\$ 119,963
Water Supply, 2015					
Installment Payable, Ayers	454,313	-	50,318	403,995	52,043
Ambulance, 2016					
Installment Payable	28,477	-	6,753	21,724	6,992
Total direct	<u>3,282,726</u>	<u>33,608</u>	<u>176,209</u>	<u>3,140,125</u>	<u>178,998</u>
Compensated Absences	307,649	234,070	181,012	360,707	72,142
Net Pension Liability	4,124,914	510,171	-	4,635,085	-
Total	<u>\$ 7,715,289</u>	<u>\$ 777,849</u>	<u>\$ 357,221</u>	<u>\$ 8,135,917</u>	<u>\$ 251,140</u>

2014 SWRCB Installment Payable

The District entered into an installment sale agreement as of May 15, 2015, with the California State Water Resources Control Board (SWRCB), to finance improvements to certain sewer lift stations (project). The SWRCB agreed to provide project funds of up to \$2,800,000 plus accrued interest of \$33,544, of for a total amount loaned of \$2,833,544. The project was completed in fiscal year 2018-19 and the District began making payments on the loan. The District's obligation to pay the installment payments is limited solely to the net revenues of the sewer collection enterprise. Installment payments will include principal and interest at 1.9% per annum. The installment is a direct borrowing. The term of the agreement is from September 8, 2014 to July 31, 2036.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

7) LONG-TERM LIABILITIES - Continued

The following represents the future debt service requirements to maturity:

Year Ending June 30,	Principal	Interest
2020	\$ 122,243	\$ 49,294
2021	124,565	46,972
2022	126,932	44,605
2023	129,344	42,193
2024	131,801	39,736
2025	134,305	37,232
2026	136,857	34,680
2027	139,457	32,080
2028	142,107	29,430
2029	144,807	26,730
2030	147,559	23,978
2031	150,362	21,175
2032	153,219	18,318
2033	156,130	15,407
2034	159,097	12,440
2035	162,119	9,417
2036	165,200	6,337
2037	168,339	3,198
Total	<u>\$ 2,594,443</u>	<u>\$ 493,222</u>

2015 Installment Payable

The District entered into an installment sale agreement on March 1, 2015, with the Municipal Finance Corporation, to finance the District's share of the costs of constructing certain improvements to the water supply facilities. The District received \$550,000 under the agreement, which is to be repaid over a 10-year period, including interest at 3.4%. The District's obligation to pay the installment payments is limited solely to the net revenues of the water enterprise. The net revenues, as defined by the installment agreement, are irrevocably pledged to the payment of the installment payments and any parity obligations. The District has covenanted to set rates and fees which are sufficient to yield net revenues which are at least equal to 115% of the aggregate amount of installment payments each year. The installment payable is a direct borrowing. Debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest
2020	\$ 53,828	\$ 11,513
2021	55,674	9,667
2022	57,583	7,758
2023	59,557	5,784
2024	61,599	3,741
2025	63,711	1,629
Total	<u>\$ 351,952</u>	<u>\$ 40,092</u>

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

7) LONG-TERM LIABILITIES - Continued

2016 Ambulance Installment Payable

On April 27, 2016, the District entered into an installment agreement with the Municipal Finance Corporation for the purchase of an ambulance. Installment payments are due in ten biannual payments, including interest at the rate of 3.5% per annum. The remaining balance of the loan was paid off in fiscal year 2018-19.

SWRCB AMR Water Installment Payable

On May 1, 2018, the District entered into an agreement with the State Water Resources Control Board (SWRCB) for the purchase and installation of automatic meter reading (AMR) technology for water meters in the District. The agreement provided \$800,000 in funding for the project with principal forgiveness upon completion of the project of \$400,000. The \$400,000 principal remaining is payable over 20 years with principal and interest payments beginning on December 31, 2019 with an interest rate of 1.8%. The District's obligation to pay the installment payments is limited solely to the net revenues of the water enterprise. The net revenues, as defined by the installment agreement, are irrevocably pledged to the payment of the installment payments and any parity obligations. The District has covenanted to set rates and fees which are sufficient to yield net revenues which are at least equal to 115% of the aggregate amount of installment payments each year. The installment is a direct borrowing. Debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest
2020	\$ 15,844	\$ 3,609
2021	17,280	6,764
2022	17,439	6,604
2023	17,753	6,290
2024	18,073	5,970
2025	18,398	5,645
2026	18,729	5,314
2027	19,067	4,977
2028	19,410	4,634
2029	19,759	4,284
2030	20,115	3,928
2031	20,477	3,566
2032	20,845	3,198
2033	21,221	2,823
2034	21,603	2,440
2035	21,991	2,052
2036	22,387	1,656
2037	22,790	1,253
2038	23,201	843
2039	23,618	425
Total	<u>\$ 400,000</u>	<u>\$ 76,275</u>

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

8) NO-COMMITMENT DEBT

On July 21, 2003, the District issued \$1,361,000 limited obligation improvement bonds, Series 2003 for Assessment District No. 10. Interest ranging from 2.50% to 6.00% is payable semi-annually on March 2nd and September 2nd each year. The Bonds mature September 2nd commencing September 2, 2004 and continuing through 2023.

The Bonds are limited obligations of the District payable solely from the installments of unpaid assessments levied on the assessment parcels within the District and other funds pledged under the fiscal agent agreement. The District shall only be obligated to pay the principal of the Bonds, or the interest thereon, from funds described in the Indenture and neither the faith and credit nor the taxing power of the District, the State of California or any of its political subdivisions is pledged to the payment of principal or the interest on the Bonds. Therefore none of the limited obligation improvement bonds have been included in the accompanying financial statements. As of June 30, 2019, and June 30, 2018, there were outstanding bonds of \$350,000 and \$430,000, respectively. The District in prior years received assessments for the payment of obligations for Assessment District No. 5, 7 and 9. The said obligations have been paid off; however, the District has a total of \$21,525 in excess assessments from the three Assessment Districts. These funds are being used to fund improvements and operations and maintenance in the three Assessment Districts, and are reported in the Agency Funds.

9) PENSION PLAN

General Information about the Defined Benefit Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous and Safety Employee Pension Plans, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2017 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2017 actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS’ website under Forms and Publications.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

9) PENSION PLAN - Continued

The Plan provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	Highest single year	3-year average
Required employee contribution rates	8%	6.25%
Required employer contribution rates	12.212% + \$317,940	6.842% + \$142

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 50	3% @ 55
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	55
Monthly benefits, as a % of eligible compensation	Highest single year	3-year average
Required employee contribution rates	9%	11.5%
Required employer contribution rates	20.556% + \$241,549	12.141% + \$2,228

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District pays the required employee contribution on behalf of the employees for Miscellaneous and Safety employees hired prior to April 1, 2014. Employees hired after April 1, 2014 pay the required employee contributions. Also, effective July 1, 2015, the District’s Board adopted resolutions to phase out, over a 4-year period, the contributions paid by the District on behalf of the employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The District’s required contribution for the unfunded liability was \$542,220 in fiscal year 2019.

For the year ended June 30, 2019, the contributions recognized as part of pension expense for the Plan was as follows:

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

9) PENSION PLAN - Continued

	Miscellaneous	Safety
Contributions - employer	\$ 463,629	\$ 411,116

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 4,506,700
Safety	3,258,271
Total Net Pension Liability	\$ 7,764,971

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability as of June 30, 2017 and 2018 was as follows:

	Miscellaneous	Safety
Proportion - June 30, 2017	0.11758%	0.05490%
Proportion - June 30, 2018	0.11958%	0.05553%
Change - Increase (Decrease)	0.00200%	0.00063%

For the year ended June 30, 2019, the District recognized pension expense of \$1,414,546. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	\$ 874,745	\$ -
Differences between actual and expected experience	242,923	59,108
Changes in assumptions	833,470	169,049
Change in employer's proportion	73,251	212,289
Differences between the employer's contributions and the employer's proportionate share of contributions	128,353	-
Net differences between projected and actual earnings on plan investments	44,341	-
Total	\$ 2,197,083	\$ 440,446

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

9) PENSION PLAN - Continued

\$874,745 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,		
2020	\$	763,415
2021		440,731
2022		(259,151)
2023		(63,103)
2024		-
Thereafter		-

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	All Plans
Valuation date	June 30, 2017
Measurement date	June 30, 2018
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

- (1) Depending on age, service and type of employment
(2) Derived using CalPERS' Membership Data for all Funds.

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Long-term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

9) PENSION PLAN - Continued

expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.5% used for this period.

(2) An expected inflation of 3.0% used for this period.

Discount Rate – The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
Discount Rate - 1%	6.15%	6.15%
Net Pension Liability	\$ 6,586,632	\$ 4,894,530
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 4,506,700	\$ 3,258,271
Discount Rate + 1%	8.15%	8.15%
Net Pension Liability	\$ 2,789,750	\$ 1,917,649

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

9) PENSION PLAN - Continued

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2019, the District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2019.

10) RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Special District Risk Management Authority (Authority), a joint powers agreement authority. The Authority was created under the provisions of California Government Code Section 6500 *et. seq.* The Authority is governed by a board consisting of seven members who are elected at-large from the membership. The board controls the operations of the Authority including selection of management and approval of operating budgets. The relationship between the District and the Authority is such that the Authority is not a component unit of the District for financial reporting purposes.

The purpose of the Authority is to provide risk financing and risk management services by arranging and administering programs of insurance. The District is insured up to \$10,000,000 with a \$500 deductible per occurrence for property damage claims and \$1,000 per occurrence for property damage losses and up to \$5,000,000 for workers’ compensation liability with no deductible. The District is also insured under the Authority for automobile, property, employment practices, employee dishonesty, public officials and employee liability, and various other claims with various coverage limits. Separate financial statements of Authority may be obtained at Special District Risk Management Authority, 1112 “I” Street, Suite 300, Sacramento, CA 95814.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year. There were no claims liabilities reported in these financial statements as of June 30, 2019 and 2018.

11) SALVAGE VALUES PERTAINING TO GRANT MONIES

The District received a Volunteer Fire Assistance (VFA) award from the State of California Department of Forestry and Fire Protection in the amount of \$180,000 during the year ended June 30, 2006. The grant was to assist with the purchase of the Type II Wildland Fire Engine, which was purchased in September 2005. Under the grant agreement, the Federal Government has a vested interest in the fire engine until such time as the fair market value is less than \$5,000. The VFA percentage used to purchase the equipment will be applied to the sale price and recovered for the Federal Government during the sale. The Federal Government may not have to be reimbursed if the disposal sale amounts to a fair market value of less than \$5,000.

Running Springs Water District
Notes to Financial Statements
June 30, 2019 and 2018

12) LOSS CONTINGENCY

On January 1, 2010, Section 2 of Section 116875 of the Health and Safety Code of California became operative. The section modified the allowed content of lead in pipes and plumbing supplies in order to be considered "lead free." Management is in the process of evaluating the effects that this modified law will have on the District. The District has identified and removed obsolete inventory and there is the potential for additional inventory to be scrapped as obsolete. As of June 30, 2019, and June 30, 2018, the amount of the loss on the additional inventory cannot be reasonably estimated.

13) COMMITMENTS

At June 30, 2019, in the opinion of the District's management, there are no other outstanding matters which could have a significant effect on the financial position of the funds of the District.

REQUIRED SUPPLEMENTARY INFORMATION

**Running Springs Water District
Required Supplementary Information
June 30, 2019 and 2018**

**Schedule of the District's Proportionate Share of the Net Pension Liability
Last 10 Years***

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a % of Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2018	0.08058%	\$ 7,764,971	\$ 2,560,653	303.24%	71.50%
2017	0.07981%	7,915,389	2,662,089	297.34%	69.43%
2016	0.08117%	7,024,013	2,439,595	287.92%	69.63%
2015	0.08544%	5,864,364	2,299,525	255.03%	73.14%
2014	0.08361%	5,073,557	2,047,220	247.83%	69.63%

Notes to the Schedule of the District's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

**Running Springs Water District
Required Supplementary Information
June 30, 2019 and 2018**

**Schedule of Plan Contributions
Last 10 Years***

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2019	\$ 874,745	\$ (874,745)	\$ -	\$ 2,660,579	32.88%
2018	833,990	(833,990)	-	2,560,653	32.57%
2017	785,370	(785,370)	-	2,662,089	29.50%
2016	709,356	(709,356)	-	2,439,565	29.08%
2015	666,615	(666,615)	-	2,299,525	28.99%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/13, 6/30/14, 6/30/15, 6/30/16, 6/30/17

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

Running Springs Water District
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Governmental Fund - Fire Protection
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 1,585,000	\$ 1,585,000	\$ 1,700,578	\$ 115,578
Assessments - Fire Availability Charges	205,000	205,000	200,688	(4,312)
Hazard Abatement Program Revenue	10,000	10,000	23,186	13,186
Other Revenue	180,000	180,000	274,921	94,921
Investment Earnings	12,000	12,000	37,426	25,426
Intergovernmental Revenue	-	-	28,289	28,289
	<u>1,992,000</u>	<u>1,992,000</u>	<u>2,265,088</u>	<u>273,088</u>
EXPENDITURES				
Salaries and Benefits:				
Salaries and Wages	838,368	838,368	1,199,250	(360,882)
Payroll Taxes	18,156	18,156	18,037	119
Workers Comp Insurance	58,910	58,910	64,921	(6,011)
Group Insurance	94,066	94,066	95,945	(1,879)
CalPERS Retirement	467,353	467,353	435,323	32,030
Uniform Allowance	-	-	4,036	(4,036)
Services and Supplies:				
Education, Training & Seminars	13,500	13,500	11,737	1,763
Fuel & Oil	12,318	12,318	11,888	430
Hazard Abatement	8,000	8,000	11,452	(3,452)
Property/Liability Insurance	15,791	15,791	15,998	(207)
Memberships & Subscriptions	5,135	5,135	4,237	898
Office Supplies	7,980	7,980	8,391	(411)
Fees & Permits	7,833	7,833	7,146	687
Professional Services	40,250	40,250	34,719	5,531
Dispatching Services	51,114	51,114	41,185	9,929
General Station Maintenance	9,500	9,500	10,002	(502)
Safety clothing, supplies & equipment	27,300	27,300	31,951	(4,651)
Utilities - Electric, gas, phone, trash	21,733	21,733	23,923	(2,190)
Vehicle & equipment repair & maintenance	36,000	36,000	45,959	(9,959)
Administrative Expense	69,332	69,332	69,332	-
Capital Outlay	-	-	65,526	(65,526)
	<u>1,802,639</u>	<u>1,802,639</u>	<u>2,210,958</u>	<u>(408,319)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>189,361</u>	<u>189,361</u>	<u>54,130</u>	<u>(135,231)</u>
Fund Balance, Beginning of Year	<u>1,621,389</u>	<u>1,621,389</u>	<u>1,621,389</u>	
Fund Balance, End of Year	<u>\$ 1,810,750</u>	<u>\$ 1,810,750</u>	<u>\$ 1,675,519</u>	

Running Springs Water District
Notes to Required Supplementary Information
June 30, 2019 and 2018

BUDGETARY DATA

Annual budgets adopted by the Board of Directors provide for operations, debt service and capital expenditures of the District. Between the months of December and February each year, department supervisors, the General Manager, and the Board of Directors hold a budget workshop at the District office and discuss plans, rates, etc. for the upcoming fiscal year. Each department supervisor prepares a budget after the workshop and submits it to the General Manager for review. The budget is then forwarded to the Finance Committee for their review and approval. Upon the Finance Committee's approval, the budget is presented to the Board of Directors. The Board conducts public meetings on the proposed budget only if there are rate increases and then, on or before June 30, the budget is adopted by the Board. The appropriated budget is prepared by departments. Budgetary controls are set by the Board.

Total expenditures in the Governmental Fund – Fire Protection exceeded appropriations by \$408,319.

SUPPLEMENTARY INFORMATION

Running Springs Water District
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2019 and 2018

	Improvement Act of 1911 Assessment District No. 9	Bond Act of 1915 Assessment District No. 10	Totals	
			2019	2018
ASSETS				
Cash with Fiscal Agent	\$ -	\$ 115,127	\$ 115,127	\$ 118,974
Temporary Investments	21,525	133,652	155,177	155,276
Total Assets	<u>\$ 21,525</u>	<u>\$ 248,779</u>	<u>\$ 270,304</u>	<u>\$ 274,250</u>
LIABILITIES				
Accounts Payable	\$ 651	\$ 120	\$ 771	\$ 379
Due to Bondholders	20,874	248,659	269,533	273,871
Total Liabilities	<u>\$ 21,525</u>	<u>\$ 248,779</u>	<u>\$ 270,304</u>	<u>\$ 274,250</u>

Running Springs Water District
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2019

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Assessment District No. 9</u>				
ASSETS				
Temporary Investments	\$ 31,558	\$ 137	\$ 10,170	\$ 21,525
Total Assets	<u>\$ 31,558</u>	<u>\$ 137</u>	<u>\$ 10,170</u>	<u>\$ 21,525</u>
LIABILITIES				
Accounts Payable	\$ 379	\$ 10,459	\$ 10,187	\$ 651
Due to Bondholders	31,179	77	10,382	20,874
Total Liabilities	<u>\$ 31,558</u>	<u>\$ 10,536</u>	<u>\$ 20,569</u>	<u>\$ 21,525</u>
<u>Assessment District No. 10</u>				
ASSETS				
Cash with Fiscal Agent	\$ 118,974	\$ 99,635	\$ 103,482	\$ 115,127
Temporary Investments	123,718	36,257	26,323	133,652
Total Assets	<u>\$ 242,692</u>	<u>\$ 135,892</u>	<u>\$ 129,805</u>	<u>\$ 248,779</u>
LIABILITIES				
Due to Bondholders	\$ 242,692	\$ 133,838	\$ 127,871	\$ 248,659
Accounts Payable	-	12,070	11,950	120
Total Liabilities	<u>\$ 242,692</u>	<u>\$ 145,908</u>	<u>\$ 139,821</u>	<u>\$ 248,779</u>
<u>Total All Agency Funds</u>				
ASSETS				
Cash with Fiscal Agent	\$ 118,974	\$ 99,635	\$ 103,482	\$ 115,127
Temporary Investments	155,276	36,394	36,493	155,177
Total Assets	<u>\$ 274,250</u>	<u>\$ 136,029</u>	<u>\$ 139,975</u>	<u>\$ 270,304</u>
LIABILITIES				
Accounts Payable	\$ 379	\$ 22,529	\$ 22,137	\$ 771
Due to Bondholders	273,871	133,915	138,253	269,533
Total Liabilities	<u>\$ 274,250</u>	<u>\$ 156,444</u>	<u>\$ 160,390</u>	<u>\$ 270,304</u>

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019

TO: Board of Directors

FROM: Randy Bobroff, Water Operations Manager
Ryan Gross, General Manager

**SUBJECT: CONSIDER AWARDING CONTRACT FOR THE
REPLACEMENT OF THE DISTRICT COMPLEX
GROUNDWATER WELL PUMP AND MOTOR REPLACEMENT**

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors:

1. Award a construction contract for the District Complex Groundwater Well Pump Replacement Project to Harich Enterprise, Inc. for their low bid of \$8,995;
2. Authorize the General Manager to execute the contract, and;
3. Authorize the General Manager to approve change orders for the Project during the course of construction as required not to exceed 15% of the original construction contract amount.

REASON FOR RECOMMENDATION

The Complex well pump and motor was installed in 2013 and is no longer operational. Electrical tests on the motor leads were conducted using the Districts Elite Pro Power Meter. Test results indicate the motor is faulty and in need of replacement.

BACKGROUND INFORMATION

On October 25, 2019 three contractors (Harich Enterprise, Inc., Layne Christenson Company and Taylor Pump Inc.) were contacted to submit quotes for the replacement of the Complex well pump and motor and to upgrade the controls and piping at the facility. All three contractors were emailed an RFQ (request for quote) with a detailed job description and a deadline to submit by 5:00pm November 5, 2019. Staff received two quotes prior to the deadline and no response from Taylor Pump Inc.

The following quotes were received in October 2019:

*A copy of the quotes is attached.

Contractor	Total
1. Harich Enterprise, Inc.	\$8,995.00
2. Layne Christenson Company	\$10,106.46

It is the goal of the District staff to minimize change orders but as the need for construction contract change orders arises during the course of a construction project of this magnitude, there is typically not enough time to stop the progress of the work to obtain Board approval of each change order. Authorizing the General Manager to approve change orders as needed not to exceed 15% of the original construction contract value will allow for the project to progress without delays caused by the District.

FISCAL INFORMATION

If approved, the funding source for this contract would be from the Groundwater Pumping Equipment Replacements CIP account 200-16100.

ATTACHMENTS

Attachment - Harich Enterprise, Inc. proposal

Attachment - Layne Christenson Company

ATTACHMENT 1

HARICH ENTERPRISES CO. INC.

POST OFFICE BOX 960
LAKE ARROWHEAD, CA 92352

CA Lic#618447

Estimate

Date	Estimate #
10/29/2019	RSWD103019

Name / Address
RUNNING SPRINGS WATER DISTRICT PO BOX 2206 RUNNING SPRINGS CA 92382

Description	Qty	Cost	Total
COMPLEX WELL PUMP REPLACEMENT			
Pump Truck Service Rate:Prevailing Wage, two technicians.	8	225.00	1,800.00
Replace submersible pump 20gpm at 750' Starite S20S50	1	1,680.00	1,680.00
Replace motor 2360v/3hp, 5hp Franklin	1	1,426.25	1,426.25
Splice kit	1	10.00	10.00
Check Valves 2", brass	3	113.75	341.25
Install 1" PVC Sounding Tube	480	2.50	1,200.00
Install water level transducer KPSI 0-100 psi, with 500' cable.	1	2,537.50	2,537.50
Use existing pipe, cable, air line, and well seal.			
Estimates are good for 30 days. Thank for the opportunity to bid your project!		Total	\$8,995.00

Phone #	Fax #	E-mail
9098672483	909-337-3805	harichdesigns@verizon.net



Quote: TAH.Complex Well

10/31/2019

Randy Bobroff
Running Springs Water District
31242 Hilltop
Running Springs , Calif 92382

Re: Complex Well - Pull equipment and replace with new

Dear Randy,

We are pleased to present our project estimate for the referenced work to be performed at 31242 Hilltop.

Remove existing pumping equipment from the well. Prepare and install the Layne furnished materials, including pump end, motor, cable splice kit, 1" sounding tube, ss banding and buckles. Layne will re-use the existing column pipe, cable, well seal and air line. Layne will also furnish a 100 psi level transducer and 500' of cable. Layne will not install the transducer in the stilling tube due to not know what the termination will be. Layne assumes that the transducer installation, termination, and any other modifications or retrofitting will be provided by others. Layne assumes that all re-used materials will be in good serviceable condition.

Our estimate is valid for 30 days and is subject to the attached Terms and Conditions. Applicable taxes, bonds, and special insurance requirements are not included with this estimate. Please contact your Layne Christensen Company representative if you have any questions.

Layne Christensen Company has been the industry leader in groundwater development since 1882. Our full range of water-related service encompasses: initial site selection; well field design and development; well drilling and development; pump installation and repair; water treatment; aquifer investigation and remediation; and well rehabilitation.

Thank you for choosing Layne Christensen Company and giving us the opportunity to be your water resource solution provider.

Sincerely,
Layne Christensen Company

A handwritten signature in black ink, appearing to read "Tom Hetzel".

Tom Hetzel
Account Manager
909-747-8139

WATER RESOURCES

10/31/2019
Complex Well

Quote: TAH.ComplexWell

COMPLEX WELL	Qty	Units	Unit Price	Ext Price
Goulds Pump End 18GS50	1	ea	\$1,012.80	\$1,012.80
5HP 230/3 4" Submersible Motor	1	ea	\$1,364.00	\$1,364.00
Cable Splice Kit	1	ea	\$26.67	\$26.67
1"x10' SCH40 Flush Thread Stilling Tube	26	ea	\$15.03	\$390.78
SS Banding and Buckles	1	ea	\$113.33	\$113.33
100PSI Level Transducer and 500' Standard Cable	1	ea	\$1,760.00	\$1,760.00
Pull and Install Pump	1	ea	\$4,977.24	\$4,977.24
Freight	1	ea	\$100.00	\$100.00
			Sub-Total	\$9,744.82
			Sub-Total	\$9,744.73
			Tax	\$361.73
			Estimated Price	\$10,106.46

Our estimate is valid for 30 days and is subject to the attached Terms and Conditions. Our terms and conditions are hereby incorporated by reference and constitute a part of this estimate. Please contact your Layne representative if you have any questions.

WATER RESOURCES

1717 Park Ave, Redlands, CA 92373 | Office: 909-390-2833 | Fax: 909-390-6097 | layne.com



10/31/2019
Complex Well

Quote: TAH.ComplexWell

CONFIRMING ORDER

The undersigned Client instructs Layne Christensen Company to proceed with the work described with the understanding that Layne's Standard Terms and Conditions and attached documents are hereby incorporated as part of this Confirming Order.

Work to be performed per attached quote TAH.ComplexWell.

CLIENT

CONTRACTOR

Running Springs Water District

Layne Christensen Company

By: _____

By:  _____

Title: _____

Title: Account Manager

Date: _____

Date: 10-31-2019

WATER RESOURCES



TERMS AND CONDITIONS

LIABILITY OF CONTRACTOR: *Contractor shall not be liable for any bodily injury, death, or injury to or destruction of tangible property except as the same may have been caused by the negligence of Contractor. In no event shall Contractor be liable for any delays or special, indirect, incidental or consequential damages. Purchaser agrees that the total limit of Contractor's liability (whether based on negligence, warranty, strict liability or otherwise) hereunder, shall not exceed the aggregate amount due Contractor for services rendered under this contract. All claims, including claims for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Contractor within one (1) year after Contractor's completion of work hereunder.*

INSURANCE: Contractor shall provide workers' compensation insurance, public liability and property damage insurance covering its employees and operation. Purchaser, at its option, may maintain such insurance as will protect it against claims arising out of the work.

REIMBURSABLE COST: In addition to the hourly charge provided on the face of this contract, Purchaser will reimburse Contractor for travel and living expenses necessarily incurred by the Contractor in the performance of the work, minor incidental expenses such as overnight mail, telephone and petty cash expenditures necessarily incurred, cost of removal of all debris if so directed by Purchaser, sales, consumer, use and similar taxes required by law and the cost of permits and all licenses necessary for the execution of the work. The foregoing costs shall be billed at actual cost plus fifteen percent (15%) unless otherwise agreed upon.

PRICE ADJUSTMENT: Any cost estimates or time frames stated herein are subject to equitable adjustment in the event of differing or unforeseeable conditions, changes in applicable laws after the date of this contract, unforeseeable delays or difficulties caused by acts of God, Purchaser or any third parties. Prices of goods acquired by Contractor from others shall be adjusted to reflect Contractor's price in effect at time of shipment. The price of Contractor's goods will be adjusted to the price in effect at time of shipment in accordance with Contractor's current escalation policies or as specifically covered in this contract.

TERMS: Thirty (30) days net from date of invoice. For extended projects, Contractor shall submit invoices on a monthly basis for any and all work completed and materials or equipment provided during the previous month. Past due invoices shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month (eighteen percent (18%) per annum) unless a lower charge is required under applicable law, in which case the lower rate shall apply. Purchaser agrees to pay all collection fees, attorneys' fees and costs incurred in the collection of any past due amounts arising out of this contract. Contractor shall have the right to immediately terminate this contract without further liability if Purchaser fails to make timely payment or otherwise materially breaches this contract.

MATERIAL SHORTAGES AND COST INCREASES: If any portion of materials or equipment which Contractor is required to furnish becomes unavailable, either temporarily or permanently, through causes beyond the control and without the fault of Contractor, then in the case of temporary unavailability any completion time frames shall be extended for such period of time as Contractor shall be delayed by such above-described unavailability, and in the case of permanent unavailability Contractor shall be excused from the requirement of furnishing such materials or equipment. Purchaser agrees to pay Contractor any increase in cost between the cost of the materials or equipment which have become permanently unavailable and the cost of the closest substitute which is then reasonably available.

DELAYS: If Contractor is delayed at any time in the progress of work by labor disputes, fire, unusual delays in transportation, unavoidable casualties, weather, or any cause beyond Contractor's reasonable control, then any completion time frames shall be extended by a reasonable period of time, at least equal to the period of delay.

CHANGED CONDITIONS: The discovery of any hazardous waste, substances, pollutants, contaminants, underground obstructions or utilities on or in the job site which were not brought to the attention of Contractor prior to the date of this contract will constitute a materially different site condition entitling Contractor, at its sole discretion to immediately terminate this contract without further liability.

ESCALATION: This contract is made with the understanding that Contractor will be able to begin and continuously proceed with its work on or before the proposed start date on the reverse side hereof. In the event Contractor is unable to commence its work on or before said date because the project is not ready for Contractor's work, Contractor will charge Purchaser the amount of increase in Contractor's cost attributable to such delay, plus Contractor's normal overhead percentage.

GUARANTEE AND LIABILITY: Contractor warrants that its labor supplied hereunder shall be free from defect and shall conform to the standard of care in effect in its industry at the time of performance of such labor for a period of twelve (12) months after substantial completion of Contractor's work. Contractor agrees, to the extent it is permitted, to pass on any warranties provided by the manufacturers of materials and/or equipment furnished under this contract. Contractor itself provides no warranty, express, implied or otherwise, on any such materials or equipment. Contractor will not be responsible for: work done, material or equipment furnished or repairs or alterations made by others.

For any breach hereunder, Contractor shall be liable only for the value of the installation work or, if it wrongfully fails to install, then its liability is limited to the difference between the contract price herein, and the value of other similar installation work. If Contractor's breach damages any materials or equipment furnished hereunder, Contractor shall only be liable for the value of such materials or equipment. Under no circumstances will Contractor be liable for consequential, special or indirect damages, including without limitation, any crop loss or damage, damage to other equipment, structures or property, nor for any other similar or dissimilar damages or losses whether due to delay, failure to furnish or install, delay in installation, defective material or equipment, defective workmanship, defective installation, delay in replacing, nor for any cause or breach whatsoever. In any event, Contractor's total liability towards Purchaser for alleged faulty performance or nonperformance under this contract shall be limited to the total contract price. No materials, equipment or services contracted herein carries any guarantee not mentioned in this contract. THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED.

TITLE AND OWNERSHIP: In case of default on Purchaser's part, Contractor shall have the right to enter the premises upon which any material or equipment furnished herein have been installed and retake such goods not then paid for and pursue any further remedy provided by law, including recovery of attorneys' fees and any deficiency to the maximum extent and in the manner provided by law. Such materials and equipment shall retain their character as personal property of Contractor until payment in full is received by Contractor, regardless of their mode of attachment. Unless prior specific written instructions are received to the contrary, surplus and replaced materials and equipment resulting from repair or installation work shall become the property of Contractor.

DELIVERY: Shipment schedules and dates, expressed or implied, are contingent on normal conditions. Contractor will not be responsible for any delays in shipment or completion caused by factors beyond its control such as, but not limited to, suppliers' failures, accidents, work stoppages or operation of or changes in the law. Shipments will be made as promptly as Contractor's ability to obtain materials and/or equipment and scheduling will permit. No delay in shipments or variances from shipping schedule shall be cause of cancellation or any claim for damage. Any changes in layout or design requested after acceptance of this contract will be made at Purchaser's additional cost. Any such change and/or time taken to supply engineering data or to approve drawings will automatically extend shipping schedules. Equipment will be shipped "knocked down" to the extent Contractor considers necessary, with small parts stripped from equipment and crated. On and after delivery to the carrier for transportation to the Purchaser's site, Purchaser shall be responsible for all loss or damage to materials or equipment due to any cause, including but not limited to loss or damage resulting from casualty.

INDEMNIFICATION: *Purchaser agrees to indemnify and hold Contractor, its directors, officers, stockholders, employees, agents and subcontractors, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) asserted and/or filed by Purchaser or any third party(ies), including without limitation Purchaser's employees, and arising out of or as a result of: (i) the presence of Contractor or its subcontractors at the job site, (ii) the work performed by Contractor or its subcontractors, or (iii) any negligent act or omission of Purchaser, its employees, agents, consultants, other contractors or any person or entity under Purchaser's control; except to the extent that such claims, demands, causes of action, liabilities or costs are caused by the negligence of Contractor or its subcontractors.*

INTERPRETATION: This contract shall be governed by and construed in accordance with the laws of the state of the job site location. If any term, provision or condition contained herein shall, to any extent, be invalid or unenforceable, pursuant to state law or otherwise, the remainder of the terms, provisions and conditions herein (or the application of such term, provision, or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each term, provision and condition of this contract shall be valid and enforceable to the fullest extent permitted by law.

ASSIGNMENT & SUBLETTING: Purchaser shall not have the right to transfer or assign its rights and/or obligations under this contract to any third party, related or unrelated, without the express written consent of Contractor. Contractor shall have the right to transfer, assign or sublet all or any portion of its rights or obligations hereunder, but such transfer, assignment or subletting shall not relieve Contractor from its full obligations to Purchaser unless such transfer, assignment or subletting is pursuant to the sale of Contractor, or the division of Contractor responsible for this contract, to a third party.

MISCELLANEOUS: The terms and conditions set forth herein constitute the entire understanding of the parties relating to the work to be performed, and materials and equipment to be provided, by Contractor for the Purchaser. All previous proposals, offers, and other communications relative to the provisions of the subject work, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated herein. Any modifications or revisions of any provisions herein or any additional provisions contained in any purchase order, acknowledgment, or other form of the Purchaser are hereby expressly objected to by Contractor and shall not operate to modify this contract. This contract shall take effect upon acceptance and execution by both parties.

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER APPROVING LEASE AGREEMENT FOR USE OF HARRIS PROPERTY FOR EQUIPMENT STORAGE

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider approving a lease agreement for use of the District's Harris property for storage of equipment.

REASON FOR RECOMMENDATION

The District was approached by Trinity Construction Company to see if we would be interested in leasing a portion of the Harris property to them for equipment storage. Refer to Attachment 1 email from Trinity.

BACKGROUND INFORMATION

There is enough available space at the Harris property to lease to the contractor. Refer to the exhibit on the next page showing an aerial view of the property.

BB&K has prepared a draft lease agreement which is included as Attachment 2.

DRAFT LEASE AGREEMENT TO BE PROVIDED UNDER SEPARATE COVER



FISCAL INFORMATION

The contractor has proposed a monthly lease amount of \$800.

ATTACHMENTS

Attachment 1 – Email form Trinity Construction

Attachment 2 – Draft Lease Agreement **NOT AVAILABLE AT TIME OF AGENDA POSTING.
DRAFT LEASE AGREEMENT TO BE PROVIDED
UNDER SEPARATE COVER.**

Ryan Gross

From: Dave Walters <dave@trinityconstruction.us>
Sent: Wednesday, November 6, 2019 10:01 AM
To: Ryan Gross
Subject: Rental agreement

Ryan,

Trinity Construction would like to lease Running Springs Water Districts property located at 31050 Hill Top Blvd Running Springs Ca. To store heavy equipment, trailers and general construction equipment. We would like to offer \$ 800.00 per month for the use of this property. Trinity would be willing to sign a one year lease agreement with the option to extend the agreement there after. Please do not hesitate to contact me if you have any questions or concerns. Thank you for your time and consideration.

RUNNING SPRINGS WATER DISTRICT**MEMORANDUM**

DATE: November 13, 2019

TO: Board of Directors

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

SUBJECT: CONSIDER AWARDING CONTRACT FOR SEWER POINT REPAIRS

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors:

1. Award contract for sewer point repairs to Pipeguard Engineering Corp, Inc. for their bid of \$14,950;
2. Authorize the General Manager to execute the contract, and;
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

During the Districts annual line cleaning and CCTV inspection, several spots in the collection system were discovered that are in need of repair. The repairs needed are such that they warrant a point repair, they are not severe enough to replace or reline the pipe but can be fixed using a Cured-In-Place (CIP) liner around 3 feet in length. This CIP repair is an alternative to digging up the pipe and making the point repair from the outside.

FISCAL INFORMATION

Five contractors were contacted to bid on this project; Sancon Inc., Insituform, Pipeguard Engineering, Houston Harris and Robotic Sewer Solutions. I did not receive a bid from Robotic Sewer Solutions and Sancon Inc. and Insituform do not do CIP point repairs. The 2 contractors that do CIP point repairs and provided bids were Pipeguard Engineering and Houston Harris.

1. Houston Harris = \$12,090
2. Pipeguard Engineering = \$14,950

Each contractor was given a copy of the CCTV inspection reports and asked to provide a price to make the necessary repairs noted on the inspection reports. The district is choosing to utilize the services of Pipegaard Engineering due to the price / repair, 5 repairs @ \$2,990 each; UV cured fiberglass liner vs. Houston Harris price / repair, 3 repairs @ \$4,326.67 each.


This project is budgeted for \$12,500 in Fiscal Year 2019-2020. If approved the additional \$2,450 will come from the Wastewater Capital Improvement Project Reserve Fund, which had a balance of \$429,296 as of October 30, 2019.





ATTACHMENTS

Attachment 1 – CCTV Inspection Reports

Attachment 2 – Bids

City : Running Springs


		Houston & Harris PCS, Inc. 21831 Barton Rd. Grand Terrace, CA 92313 Tel: 909-422-8990 Fax: 909-422-0841 E-mail: info@houstonandharris.com			
Inspection Report					
Date 8/1/2018	P.I.O. No.	Weather Dry	Surveyor's Name S. TRAMMELL	Pipe ID:	Section No. 33
Certificate No. U0617-070R03838	Survey Customer	System Owner RUNNING SPRINGS	Date Cleaned	Pre-Cleaning Jetting	Sewer Category
Street City Loc. details Location Code	Valkyrie / EASEMENT EEE Running Springs - GS	Use of Sewer Drainage Area Flow Control Length surveyed	Sanitary - - 130.34 ft	Upstream MH Downstream MH Dir. of Survey Section Length	21 19 Downstream 130.34 ft
Purpose of Survey Year Laid Year Rehabilitated Tape / Media No.	Routine Assessment		Joint Length Dia./Height Material Lining Method	8 Inch Other	
Add. Information :					

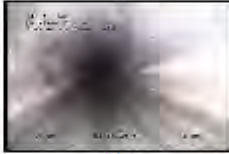

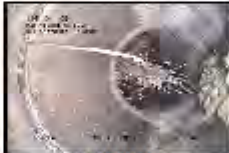


1:315	Position	Code	Observation	Grade	
	21				
	0.00	AMH	Upstream Manhole, Survey Begins / 21		
	0.00	MWL	Water Level, 0 % of cross sectional area		0 FT
	28.17	RFJ	Roots Fine Joint, at 11 o'clock, within 8 inches of joint: YES	M 1	
	100.66	RTB	Roots Tap Barrel, at 01 o'clock, 20 %	M 3	
	104.27	MGP	General Photograph		104.27 FT
	104.27	MGO	General Observation / POSSIBLE LATERS		
	130.34	AMH	Downstream Manhole, Survey Ends / 19		

OSR	QMR	SPR	MPR	OPR	SPRI	MPRI	OPRI
0000	3111	0	4	4	0	2	2

Running Springs 2018 // Page: 1

City : Running Springs



		Houston & Harris PCS, Inc. 21831 Barton Rd. Grand Terrace, CA 92313 Tel: 909-422-8990 Fax: 909-422-0841 E-mail: info@houstonandharris.com			
Inspection Report					
Date 8/16/2018	P.I.O. No.	Weather Very Dry	Surveyor's Name Iran	Pipe ID:	Section No. 107
Certificate No. U-1018-070300333	Survey Customer	System Owner	Date Cleaned	Pre-Cleaning Not Known	Sewer Category
Street City Loc. details Location Code	Parkland Drive Running Springs F4	Use of Sewer Drainage Area Flow Control Length surveyed	Sanitary 284.68 ft	Upstream MH Dowstream MH Dir. of Survey Section Length	140 116 Upstream 284.68 ft
Purpose of Survey Year Laid Year Rehabilitated Tape / Media No.	Routine Assessment		Joint Length Dia./Height Material Lining Method	8 Inoh Asbestos Cement	
Add. Information :					

1:645	Position	Code	Observation	Grade
	116	AMH	Downstream Manhole, Survey Begins / 116	 0 FT
	0.00	MWL	Water Level, 0 %of cross sectional area	
	0.00			
	116.20	TF	Tap Factory Made, at 10 o'clock, -, within 8 Inches of joint: YES, 4"	 170.15 FT
	170.15	RMJ	Roots Medium Joint, from 05 to 12 o'clock, 50 %, within 8 inches of joint: YESR	 262.29 FT
	188.69	TF	Tap Factory Made, at 10 o'clock, -, within 8 Inches of joint: YES, 4"	 264.59 FT
	201.63	TF	Tap Factory Made, at 02 o'clock, -, within 8 Inches of joint: YES, 4"	
	261.89	TF	Tap Factory Made, at 10 o'clock, -, within 8 Inches of joint: YES, 4"	
	262.29	RFJ	Roots Fine Joint, from 12 to 12 o'clock, within 8 inches of joint: YES	 264.59 FT
	264.59	MGO	General Observation / roots at manhole	
	264.59	AMH	Upstream Manhole, Survey Ends / 140	
140				

OSR	QMR	SPR	MPR	OPR	SPRI	MEVB	OPRI
0000	3111	0	4	4	0	2	2

Running Springs 2018 // Page: 1

City : Running Springs

		Houston & Harris PCS, Inc. 21831 Barton Rd. Grand Terrace, CA 92313 Tel: 909-422-8990 Fax: 909-422-0841 E-mail: info@houstonandharris.com			
Inspection Report					
Date 10/22/2018	P.I.O. No.	Weather Very Dry	Surveyor's Name Iran	Pipe ID:	Section No. 1
Certificate No. U-1117-07008820	Survey Customer	System Owner	Date Cleaned	Pre-Cleaning Jetting	Sewer Category
Street Wagon Wheel Drive	City Running Springs	Use of Sewer Sanitary	Drainage Area	Upstream MH 64	Downstream MH 63
Loc. details Map Page E4	Flow Control Length surveyed 65.43 ft	Dir. of Survey Upstream	Section Length 65.43 ft		
Purpose of Survey Routine Assessment			Joint Length Dia./Height 8 Inch	Material Asbestos Cement	
Year Laid			Lining Method		
Year Rehabilitated					
Tape / Media No.					
Add. Information :					

1:165	Position	Code	Observation	Grade
	0.00	MWL	Water Level, 5 %of cross sectional area	0 FT
	0.00	AMH	Downstream Manhole, Survey Begins / 63	65.43 FT
	35.98	TB	Tap Break-In, at 10 o'clock, -, within 8 inches of joint; NO, 4"	65.43 FT
	64.94	MSA	Survey Abandoned / root ball	

GSR	QMR	SPR	MPR	OPR	SPRI	MPRI	OPRI
200	400	2	4	6	2	4	3

Running Springs 10_22_2018 // Page: 1



To Whom It May Concern:

We are pleased to provide you with a quote to perform Ultra-Violet Cured in Place Pipelining for this project.

Scope of Work:

This proposal is to perform "Spot Repairs" in 3 different pipes in the Running Springs area. Spot repairs are 3' long fiberglass patches that are cured with Ultra Violet light. Each of these three pipes have large roots that would need to be cut out prior to putting spot repairs in.

Valkyrie Easement

This is an 8" sewer on that would require (2) fiberglass patches at the 28 foot mark and 100 foot mark.

Parkland Drive

This is an 8" sewer that would require (2) fiberglass patches at the 170 foot mark and the 262 foot mark.

Wagon Wheel Drive

This is an 8" sewer that would require (1) fiberglass patch at the 65 foot mark. The CCTV was abandoned there so if additional repairs are required we can include an add price.

The price to install these (5) patches is NOT including root removal is:

Ten Thousand Seven Hundred and Fifty Dollars.....\$10,750.00

ADD PRICE:

If there are additional patches are requested in these three pipes, they can be performed the same day for an additional \$1,850.00. However, if we need to return another day, this price is no longer valid.

Root Removal with Robotic Cutter

Removal of the roots is necessary prior to installation of the patches. Thick roots such as these are difficult to remove with a jetter so we use a robotic cutter. If you would like to perform the removal of the roots yourself, that is acceptable. If you are not equipped we can do it for the price of:

Four Thousand Two Hundred Dollars.....\$4,200.00

These prices are only good if the work is done all on the same day. If we are not given access to all three pipes on the same day, this price is no longer valid.

237 W Orange Show Lane, San Bernardino, CA 92408 - Phone: (909) 361-4731 - www.pipeguarduv.com



21831 Barton Road - Grand Terrace - CA - 92313
 909-422-8990 - 909-422-0841 Fax
 houstonandharris.com

*First in quality
 First in service*

CCTV Inspection · NASSCO, PACP, MACP Certified Operators · Lateral Launch · Database Customization · Data Conversion CIPP Point Repairs · Hydro-wash · Potholing · CA #884167 · DIR #1000003580 · Non Union

Estimate: This estimate is valid for 90 days

To:	Running Springs Water District	Date:	10-23-2019
Attn:	Trevor Miller	From:	Steve Douros/Pamela Houston
Email/Fax:	TMiller@runningspringswd.com	Email/Fax:	phouston@houstonandharris.com
Re:	Clean, root removal and 3 point repairs	Pages:	2

Our Prevailing Wage estimate on the above noted project is as follows, when scheduling this project please reference this estimate to ensure you are charged the appropriate rate:

Scope of Work: Clean, remove roots and install three (3) each 4 ft. X 8" point repairs in Running Springs.

Houston & Harris will clean, remove the roots shown in the video inspections done in August, 2019. We will then perform a 'pre-repair' video, install the patch and perform a 'post-repair' video. The repairs are 8 inches X 4 feet.

The City of Running Springs is approximately 27 miles from Houston & Harris' corporate yard. The estimated travel charge may be adjusted depending on traffic conditions. Additional travel time is charged as noted below.

All tasks such as pulling permits/plans or providing water source, including water meters & usage and appropriate debris disposal is the responsibility of the client. Additional fees will apply otherwise.

Delays beyond our control will be invoiced at hourly rates for crew and equipment.

Please allow 10 to 15 working days lead time

Clean, video and install three (3) each point repairs @ \$4326.67 each X 3 = **\$ 12,090.00**

(Price includes 1.25 hours of travel to site and return – if additional time is required, charge will be according to Travel Fees listed below.)

All projects are subject to a Four (4)-Hour minimum per mobilization.

Travel Fees:	Wash Unit; <u>One Man Crew</u>	Wash Unit; <u>Two Man Crew</u>	Video Unit <u>One-Man Crew</u>	Video Unit <u>Two Man Crew</u>
Travel to site	\$150.00/Hour	\$225.00/Hour	\$100.00/Hour	\$175.00/Hour
Travel from site	\$175.00/Hour	\$250.00/Hour	\$125.00/Hour	\$200.00/Hour

*As per Prevailing Wage labor code #1771, rates are based on Houston & Harris paying "Operating Engineer, Group 4" & "Laborer, Group 3".

Used as defined:

Estimate: To calculate approximately (size, cost, etc.) **Quote:** To state a price **Bld:** To offer an amount as the price one will accept, or pay

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RUNNING SPRINGS WATER DISTRICT**MEMORANDUM**

DATE: November 13, 2019

TO: Board of Directors

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

SUBJECT: CONSIDER AUTHORIZING EXPENDITURE FOR SPRAY IRRIGATION SITE IMPROVEMENTS

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors authorize staff to procure equipment and services to make the necessary improvements to the District's spray irrigation facilities at the disposal site.

REASON FOR RECOMMENDATION

To satisfy requirements of United States Forest Service (USFS) Special Use Permit (SUP) as requested at meeting in April 2019.

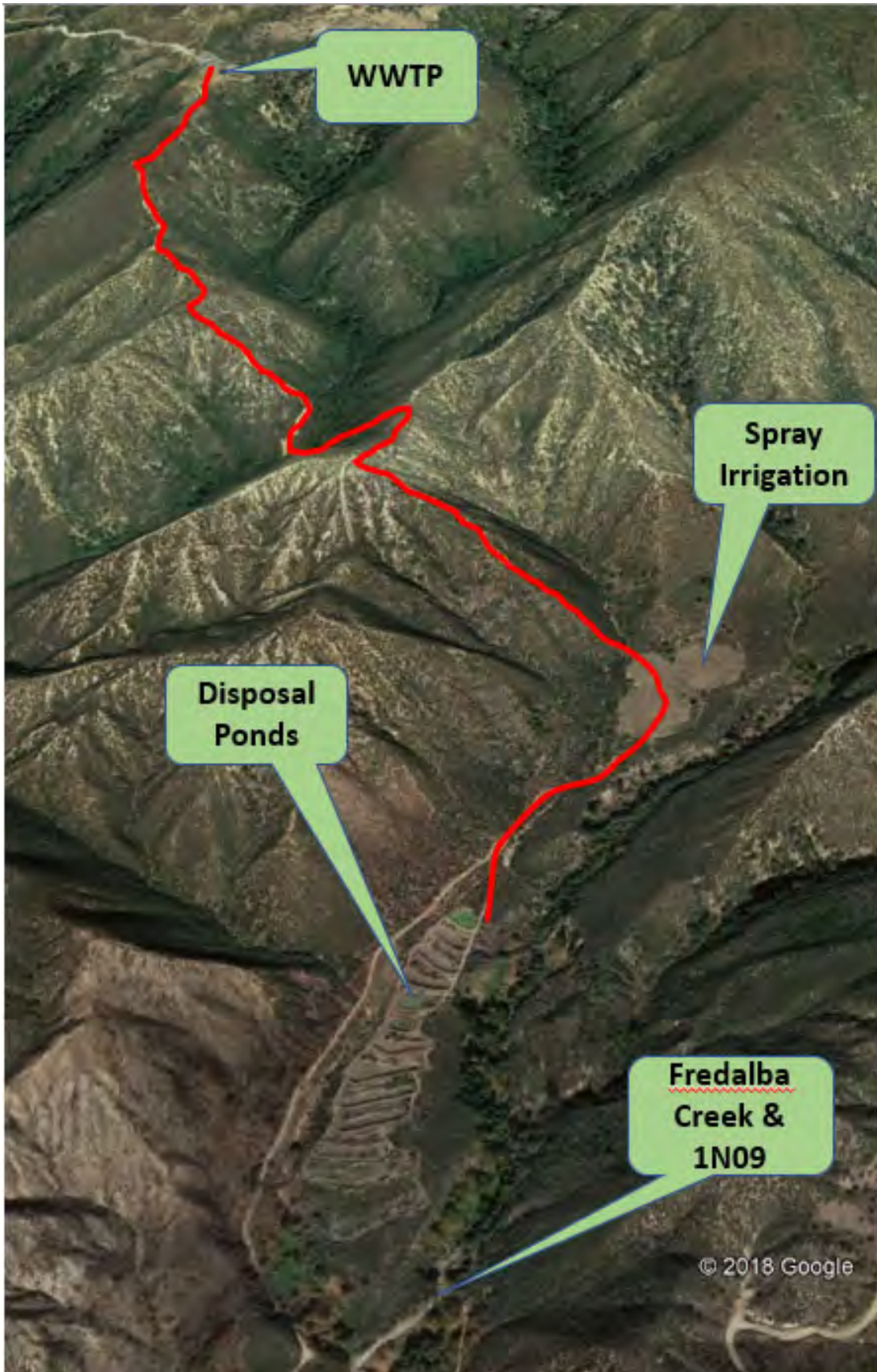
BACKGROUND INFORMATION

The District's treated wastewater effluent is transported through an outfall pipeline from the wastewater treatment plant (WWTP) to the disposal site on USFS property (Refer to the following exhibits).

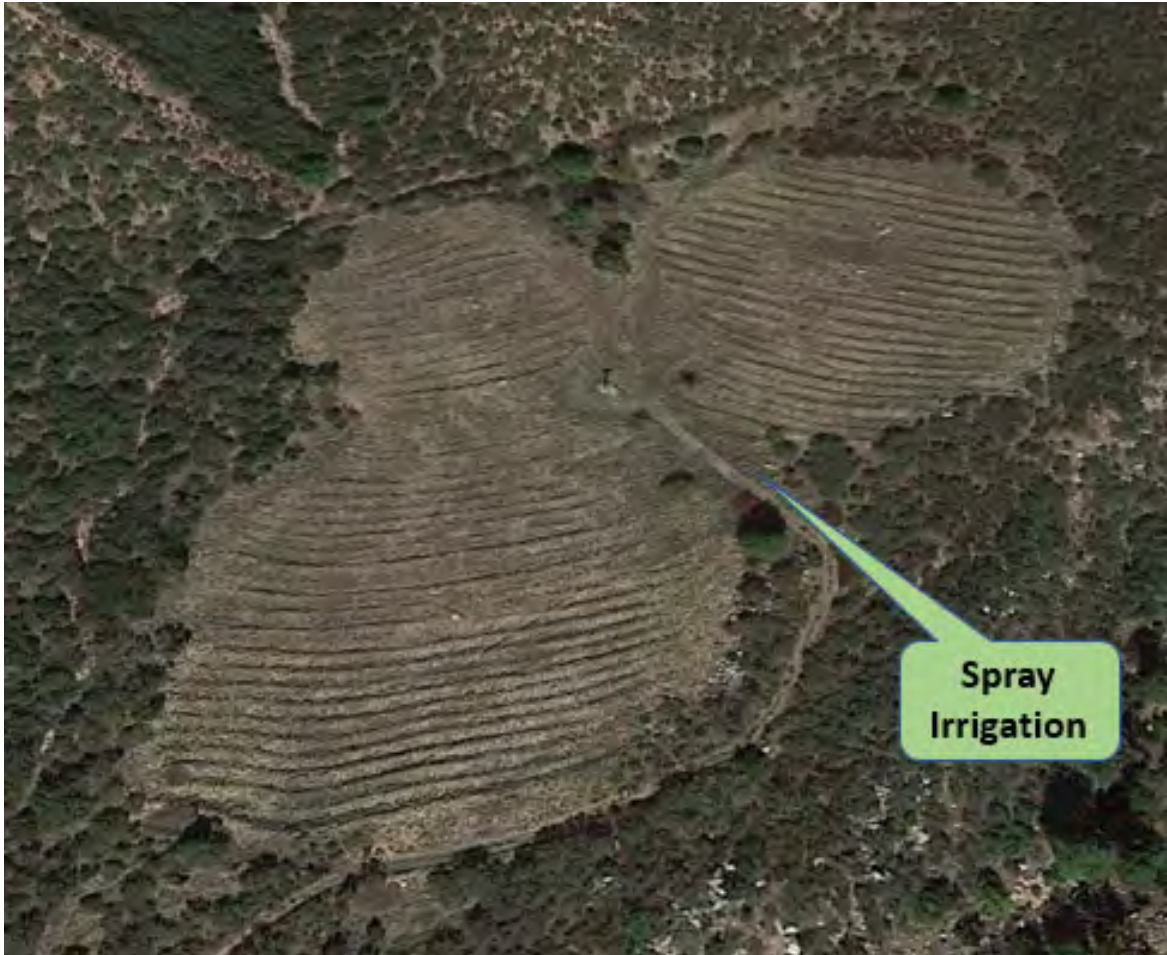
The spray irrigation site was constructed to take the hydraulic load off the disposal ponds during summer so there would be more capacity available in the ponds during wet weather/winter. After the installation of the MBR process, the "unintentional wasting" (solids carryover from the secondary clarifiers during weekends and holidays) was eliminated and the original use for spray irrigation is not needed anymore. Spray irrigation consists of three sprinklers, 2 that are capable of flowing 200 gpm each and 1 capable of flowing 80 gpm. There is approximately 4.65 acres that are irrigated by the sprinklers.

Currently all the treated effluent is sent to the disposal ponds for percolation into the aquifer. This is due to the low suspended solids concentration and being able to manage all the permeate produced with 2 percolation ponds.

The USFS has indicated that they are concerned about a potential influence on Fredalba Creek from the disposal site and has asked the District to begin using the spray irrigation site in order to assess what if any effect it may have on the Total Dissolved Solids and Nitrate levels in Fredalba Creek.







When the original permit was written for the spray irrigation site, wastewater staff were required to visit the site daily if the sprinklers were on, this meant 7 days a week during dry weather. At the time of construction, the ability to monitor the site remotely with reliable data was not available to the district; in addition, the project had not proven itself. Because the District has not been using spray irrigation, the site visits to the area have been reduced to once a week.

With technologies available today for this type of system; the proven performance and reliability of the system, the district is confident that the spray irrigation site could be run seven days a week while maintaining the once a week site visit. An upgrade to the control system will need to be completed. This will consist of adding feedback from the site, replacing the valve actuator, more reliable communication between the irrigation site and the WWTP, remote control of the site through the WWTP SCADA system as well as alarms.

FISCAL INFORMATION

The cost associated with the upgrade is not exceed \$17,500. This will be for outside contractors, additional equipment and replace outdated equipment. If approved, funding for this project will come from the Wastewater Capital Improvement Project Reserve Fund, which had a balance of \$429,296 as of October 30, 2019.

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019

TO: Board of Directors

FROM: Ryan Gross, General Manager

SUBJECT: CONSIDER APPROVING ORDINANCE NO. 54, ADOPTING AMENDED RULES AND REGULATIONS FOR WATER AND WASTEWATER SERVICE

RECOMMENDED BOARD ACTION

Consider approving Ordinance No. 54, Adopting Amended Rules and Regulations for Water and Wastewater Service.

REASON FOR RECOMMENDATION

To incorporate Senate Bill No. 998 new restrictions on residential water service discontinuation when customers are delinquent in paying their water bills in the form attached hereto.

BACKGROUND INFORMATION

The District has previously adopted Ordinance No. 49, Rules and Regulations for Water Service. Ordinance No. 54 incorporates Senate Bill No. 998 new restrictions on residential water service discontinuation when customers are delinquent in paying their water bills in the form attached hereto. Among other things, SB 998 mandates:

- Water systems must adopt written discontinuation policies that are available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any other language spoken by 10 percent or more people within the system's service area. The policies must contain certain information and be posted on the water system's website.
- Water systems may not discontinue residential water service due to delinquent payment until payments are delinquent for at least 60 days. After that time, the water system must attempt to provide notice to customers by telephone or in writing, and provide information about appeals, extensions and alternative repayment options.
- Water systems may not discontinue residential water service if all of the following take place: 1.) a primary care provider certifies that the discontinuation of water service will pose a serious or potentially fatal threat to a resident, 2.) the customer demonstrates inability to pay and 3.) the customer is willing to enter into an

alternative payment arrangement. A customer can demonstrate an inability to pay based on the receipt of certain public assistance by someone in the household, or a declaration from the customer that the household is below 200 percent of the federal poverty level.

- Water systems must limit certain low-income customers' reconnection fees to no more than \$50 during regular business hours, and \$150 during non-regular hours.
- Water systems must attempt to provide notice to renters and mobile home residents that their service may be discontinued due to delinquent payments by their landlords, and that the residents have the right to become customers of the water system without paying the past-due amounts on the landlords' accounts.
- Water systems must annually post on their websites the number of times the system has discontinued service due to inability to pay.

Attachment 1 includes a copy of the newspaper Public Notice that was published on November 7, 2019. As required by California Water Code County Water District law, a post-adoption notice will also be published within 15 days after adoption.

Attachment 2 includes a redline version of the proposed revisions.

Attachment 3 includes a copy of the full clean version of Ordinance No. 54.

ATTACHMENTS

Attachment 1 – Newspaper Public Notice

Attachment 2 – Redline Version

Attachment 3 – Ordinance No. 54

Notice is hereby given that the Board of Directors of the Running Springs Water District will consider adoption of Ordinance No. 54 in the District's Board Room located at 31242 Hilltop Blvd., Running Springs, CA 92382 at 9:00 a.m. on Wednesday, November 13, 2019. A summary of the proposed Ordinance No. 54 is as follows:

**ORDINANCE OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT
ADOPTING AMENDED RULES AND REGULATIONS FOR WATER AND WASTEWATER
SERVICE**

The Running Springs Water District ("District") has adopted Ordinance No. 49, Rules and Regulations for Water and Wastewater Service. This new proposed Ordinance No. 54 Amends the District's Rules and Regulations for Water and Wastewater Service to incorporate Senate Bill No. 998 (SB 998) new restrictions on residential water service discontinuation when customers are delinquent in paying their water bills. Among other things, SB 998 mandates:

- Water systems must adopt written discontinuation policies that are available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any other language spoken by 10 percent or more people within the system's service area. The policies must contain certain information and be posted on the water system's website.
- Water systems may not discontinue residential water service due to delinquent payment until payments are delinquent for at least 60 days. After that time, the water system must attempt to provide notice to customers by telephone or in writing, and provide information about appeals, extensions and alternative repayment options.
- Water systems may not discontinue residential water service if all of the following take place: 1.) a primary care provider certifies that the discontinuation of water service will pose a serious or potentially fatal threat to a resident, 2.) the customer demonstrates inability to pay and 3.) the customer is willing to enter into an alternative payment arrangement. A customer can demonstrate an inability to pay based on the receipt of certain public assistance by someone in the household, or a declaration from the customer that the household is below 200 percent of the federal poverty level.
- Water systems must limit certain low-income customers' reconnection fees to no more than \$50 during regular business hours, and \$150 during non-regular hours.
- Water systems must attempt to provide notice to renters and mobile home residents that their service may be discontinued due to delinquent payments by their landlords, and that the residents have the right to become customers of the water system without paying the past-due amounts on the landlords' accounts.
- Water systems must annually post on their websites the number of times the system has discontinued service due to inability to pay.

The Rules and Regulations for Water and Wastewater Service are contained in the full text of the Ordinance which is available at the Running Springs Water District main office or by calling 909-867-2766.

Interested parties will be given an opportunity to present comments orally or in writing at the Board meeting. Copies of the full text of the proposed ordinance are available at the District office.

PUBLISHED IN THE ALPINE MOUNTAINEER NEWSPAPER ON NOVEMBER 7, 2019

The District may, however, install a water meter to an undeveloped lot if in the opinion of the General Manager, a vacant lot has suffered substantial vegetation damage from a wild fire and the owner of the property wishes to install a meter solely for irrigation purposes and erosion control in accordance with the following provisions:

- a. Customer will pay the Residential meter installation charge then in effect.
- b. A fixed monthly charge will be billed to the customer equal to the monthly Irrigation meter rate then in effect.
- c. Customer will be billed for any and all additional assessments and fees normally billed to Residential metered customers, ~~including the Infrastructure Repair and Replacement (IRR) charge.~~
- d. Customer will not incur any sewer installation or sewer monthly fees until after a structure has been connected to the sewer system.
- e. If customer decides to build a structure at a later date, the customer will be required to pay the Water Facilities Capacity Charge then in effect in addition to all applicable sewer fees.

6.4 Undertaking of Applicant

The act of an owner in signing an agreement for water service to their property signifies willingness and intention to comply with this and other ordinances, regulations, policies and procedures of the District as they now exist or may hereafter be amended, and to make prompt payment for all water delivered to the premises by the District.

6.5 Payment for Previous Service

An application for water service shall not be honored if the applicant has a delinquent account with the District for water or other service, unless the applicant has entered into an agreement with the District pursuant to Section 10.8 to pay the delinquent amount in installments and has complied with the terms of the agreement. The General Manager, in his discretion, shall be authorized to transfer a delinquent bill for water or other service to new premises owned by the person responsible for paying the delinquency, and to secure payment by recording a lien upon the premises as authorized by law.

6.6 Size and Location of Services

The District shall determine the location of all service connections and the size of meters, pipes and other facilities to be installed therein. An owner shall not lay any pipeline from their residence or business establishment to the curb or property line until the Water Division Supervisor has approved the location and size of the water service.

SECTION 9.0
TERMINATION OF WATER SERVICE POLICY

9.1 Termination for Nonpayment

Water service charges are payable to the District on a monthly basis. All bills for water service are due and payable ten (10) calendar days after mailing by the District. Any bills not paid within such period are considered delinquent. Except as hereinafter provided, if a bill is delinquent for at least sixty (60) calendar days, ~~the failure to pay a delinquent water bill within twenty one (21) days after the District mails notice of the delinquency shall result in~~ the District may terminate~~ing~~ water service to the premises by locking the meter, and the District shall not unlock the meter and resume service to the premises until all delinquent amounts, plus the unlocking fee then in effect, are paid in full. Further, the failure to pay a delinquent bill for water service within two (2) months from the date such locking occurs shall result in the District deactivating the water service account. Accounts that are locked and subsequently deactivated due to nonpayment shall not be reactivated until all delinquent bills for water service including the District's reconnection/reactivation fee ~~and any accumulated loan repayment and/or Infrastructure Repair and Replacement (IRR) charges for the time period that the meter was deactivated~~ have been paid in full. Fees for unlocking and reactivating the account shall be established by resolution of the Board of Directors, and may be changed from time to time. Notwithstanding the above, the District will not terminate water service for non-payment for the following reasons:

- a. While a District investigation of a customer dispute or complaint is still pending;
- b. When a customer has been granted an installment agreement or extension of time for payment of the bill;
- c. During an appeal to the District's Board of Directors;
- ed. Upon certification by a licensed ~~physician~~ primary care provider that to do so will be life threatening or pose a serious threat to the health and safety of a resident of the premises; the customer is deemed financially unable to pay the bill in the normal payment period; and the customer ~~has~~ is willing to executed an agreement with the District to pay the delinquency in installments over a period of time.

A customer is deemed financially unable to pay during the normal billing cycle if: (1) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (2) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer is responsible for demonstrating that the above conditions have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) calendar days and either: (1) request the customer's signed agreement to pay the delinquency in installments; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the required conditions.

The District may discontinue water service if a customer who has been granted an installment agreement under this section fails to do either of the following for sixty (60) calendar days or more: (1) to pay any amount due under the installment agreement; or (2) to pay his or her current charges for water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

9.2 Notice of Impending Termination of Water Service

~~Upon delinquency in payment of the District's bill for water service, t~~The District will mail written notice of impending termination of water service, postage prepaid, to the person to whom such service is billed at least fifteen (15) days prior to the date of the proposed termination of service. Written notice will include the following information:

- a. The name and address of the customer whose account is delinquent;
- b. The amount of the delinquency;
- c. The date by which payment or an arrangement for payment is required in order to avoid termination of service;
- d. The procedure for obtaining information on the availability or non-availability of financial assistance; and
- e. A description of the procedure by which the customer may request an alternative payment arrangement, which may include an extension or other payment arrangement;
- f. The procedure by which the customer may initiate a complaint or request an investigation or appeal concerning service or charges [If there is room we need to include this information on or with the District's water bills. If this information is included with the bills, it is not required to be included in the notice, and this subsection (f) may be removed.];
- ge. The telephone number of the District's General Manager or other District representative to discuss arrangements for payment.

In addition, if the District furnishes water through a master meter or furnishes individually metered service to a single-family dwelling, multi-unit residential structure, mobile home park, or farm labor camp and the customer of record's mailing address is not the same as the service address, the District will also post a notice to the occupants living at the service address at least ten (10) calendar days before discontinuation of water service. The notice will be addressed to "Occupant," will contain the information required above, and will also inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account as provided in Section 10.11.

The District will also make a reasonable, good faith effort to contact the customer of record or an adult person living at the service address in person or by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide a written copy of Sections 9.0 and 10.0 and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.

Finally, if the District is unable to make contact with the customer or an adult person living at the service address in person or by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of Sections 9.0 and 10.0 in a conspicuous place at the service address. The notice and copy of these sections will be left at the residence at least forty-eight (48) hours before discontinuation of service.

~~the District will make a reasonable, good faith effort to contact an adult person residing at the premises by telephone, in person or by hanging a door tag at least ten (10) days prior to termination of service.~~ Water service will not be terminated for non-payment of a delinquency on any Saturday, Sunday, legal holiday, or at any time during which the District's business office is not open to the public.

9.3 Voluntary Disconnection

An owner may request in writing that the water service to the premises where water service is received be deactivated or disconnected. Upon receipt of written request, the District shall deactivate and/or physically disconnect the water service to such premises. Following such a deactivation or disconnection, the owner may have the water service reactivated and/or reconnected by paying the balance on the account including the District's reactivation/reconnection fee then in effect ~~and all accumulated loan repayment and/or Infrastructure Repair and Replacement (IRR) charges for the time period that the meter was deactivated and/or disconnected.~~

9.4 Emergency Discontinuance

Upon request of the owner or customer in the event of an emergency, if the control valve on the customer's side of the meter is not working properly, the District may turn off the District's curb stop. In such event, if the Water Division Supervisor determines

that the customer's control valve is not operating properly through no fault of the customer, no charge shall be made for such service regardless of when the request is made. However, if such request is made outside of normal working hours of the District, field personnel and the Water Division Supervisor determines that there was no emergency or that the customer's control valve was not functioning as a result of improper maintenance, or if there was no customer control valve as required by these Rules and Regulations, the customer shall be liable to the District for the District's cost in having its employees provide such service. The customer shall remain responsible for any water which passes through the meter, notwithstanding the District's failure to comply with a request to turn off the curb stop or failure of its District's curb stop to operate correctly, it being the responsibility of the customer to regulate such flows with the installation of a control valve on the customer's side of the meter.

9.5 Vacating Premises

Owners desiring to discontinue service shall notify the District prior to the owner or tenant vacating the premises receiving water service, and an owner or customer who vacates premises without notifying the District thereof and requesting a discontinuance of service shall continue to be liable to the District for all water supplied by the District through the service connection and meter to said premises until the District is made aware of the fact that the premises have been vacated and an Application for water services is made by the new owner or occupant of such premises.

9.6 Restoration of Service.

Customers whose water service has been discontinued may contact the District by telephone or in person regarding restoration of service. Restoration shall be subject to payment of: (a) any required past-due amounts, including applicable interest or penalties; (b) any reconnection fees, if applicable; (c) and a security deposit, if required by the District.

9.7 Contact Information.

For questions or assistance regarding your water bill, the District's Customer Service staff can be reached at 909-867-2766. Customers may also visit the District's Customer Service desk in person Monday from 9 a.m. to 5 p.m. and Tuesday through Friday, from 8 a.m. to 5 p.m., except on District holidays.

SECTION 10.0 BILLING

10.1 Billing

The General Manager shall establish water meter reading and billing periods so that water meters will be read and bills sent on approximately the same day of each month.

10.2 Payment of Bills

The customer and/or the property owner shall be responsible for payment of the District's bills for all water which passes through the meter serving the premises. Bills for water and/or wastewater service shall be due and payable as of the date of mailing and shall be delinquent ~~twenty one (21) days~~ ten (10) calendar days thereafter. Payment of bills shall be made in cash, by personal check (other than a second party check), certified check, credit card, debit card or other cash-equivalent. A customer whose check is returned by their bank for insufficient funds shall be charged a service charge as set forth by resolution of the District's Board of Directors. The General Manager has the discretion to require any customer to pay their bill in cash.

10.3 New Service

New water and/or wastewater services installed during and for less than a full billing period shall receive an adjustment on the District's monthly service charges based upon the number of days during said billing period when water and/or wastewater services are supplied through such new service.

10.4 Inclement Weather

At times when water meters cannot be read because of inclement weather, the District may bill based upon average monthly consumption during the immediately preceding two-month period and the prior year month, or at the customer's option, shall bill only the minimum monthly charge applicable to that water meter until conditions permit the recommencement of regular water meter readings, whereupon the District will adjust the next subsequent bill to reflect the quantity of water actually consumed and amounts paid during the period when the meters could not be read; provided that a customer shall have the option of paying more than the charge for previous average consumption based upon their estimate of the amount of water which the customer has and will consume during the period when the meter cannot be read.

10.5 Owner Responsibility

Except as otherwise provided in Section 6.1 or as hereinafter provided, the owner of the premises to be served shall be the only person authorized to apply for water and/or wastewater service from the District and shall be responsible for payment of all District fees and charges for such service. In the event of the owner's failure to pay any District

fee or charge when due, the District shall be entitled to record a lien upon the premises receiving water and/or wastewater service, or upon other property owned by the owner if authorized by law, in addition to pursuing any other remedy legally available to the District. In unusual circumstances when an occupant of premises needs water and/or wastewater service from the District before an application for water and/or wastewater service can be signed by the owner and returned to the District, the District in its discretion may accept a deposit from the occupant prior to commencement of water and/or wastewater service equal to twice the District's average monthly usage charge plus service fees for that type of service or a similar type of service, and thereafter may provide temporary water service to the premises pending receipt of an application for water and/or wastewater service signed by the owner of the premises.

10.6 Water Use without Application

A person who takes legal title to and occupies premises and thereafter uses water from an active service connection without having made application to the District for water service shall be liable to the District for water delivered from the date of the District's last meter reading of a meter at such premises, and if the meter is found to be inoperative, the billing for such water delivered shall be based upon an estimate of the amount delivered. If such a person does not make proper application for water service within ten (10) days after receipt of notification to do so from the District, or if such person does not promptly pay the District's bill for water delivered from the date of the District's last meter reading to the date of such bill, the water service to such person's premises shall be discontinued by the District without further notice.

10.7 Responsibility for Water Loss or Resulting Damage

The customer and/or the property owner shall be responsible for paying all charges for water supplied through a water meter as a result of leaks in the owner's water system or plumbing, or as a result of the owner or occupant leaving plumbing fixtures turned on during the time when the owner or occupant is absent from the premises, or for any other water loss on the owner's side of the meter, and the District shall not be responsible for any damage or monetary loss which may result therefrom. If the District is requested by an owner or occupant to turn on the water to a residence, and such residence is vacant and the District's employees ascertain that the water meter to the residence is registering, the District's employees shall not turn on the water service but shall leave the same turned off at the curb stop on the inlet side of the water meter. Upon discovery of a leak in an owner's water system, which in the discretion of the General Manager is causing a waste of water, the General Manager may discontinue service to the premises until such leak is repaired. Water service to the premises may not be resumed until all delinquent bills for water service have been paid in full.

10.8 Disputes and Appeals

If a customer, ~~within five (5) days after receipt of a bill,~~ disputes the amount of a bill for water and/or wastewater service or that such a bill is owed by him/her, the customer

shall notify the District in writing of such dispute. A timely dispute will be reviewed by a manager, who will provide a written determination to the customer. The review will include consideration of whether the customer may ~~The District may~~ enter into an agreement with the ~~customer-District~~ permitting ~~him/her~~the customer to pay the bill or the adjusted balance in installments over a specified period of time not to exceed twelve (12) months. The District will not terminate water and/or wastewater service for non-payment of the bill during the term of such an agreement, so long as the customer is complying with the agreement and also paying the District's bills for subsequent water and/or wastewater service when due. However, upon breach of the agreement, the customer shall only be entitled to a ten (10) day notice of termination. Customers who qualify for special medical-financial qualifications and enter into an installment agreement will be subject to the rules in Section 9.1(d).

Any customer whose timely dispute has resulted in an adverse determination by the District may appeal the determination to the Board of Directors by filing a written notice of appeal with the District Secretary within ten (10) business days of the District's mailing of its determination. Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least ten (10) calendar days before the meeting. The decision of the Board shall be final.

10.9 Extension of Payment Period

~~Within twenty (20) days after the date the District has mailed a notice of delinquency the~~ A customer may seek an extension of the payment period of a bill asserted to be beyond their ability to pay during the normal payment period. The request will be reviewed by a manager of the District. ~~An extension may be granted by the District Administration Staff.~~ If the customer has not requested an extension in advance and requests it at the time a serviceman arrives at the residence to lock the meter, there will be a service charge which is equal to one-half of the current locking charge. District decisions regarding extensions are final and are not subject to appeal.

If a customer fails to pay the delinquent amount by the extension date, and if the original payment is already delinquent by at least sixty (60) calendar days, the District may terminate water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

10.10 California Public Records Act

Except as otherwise provided in the California Public Records Act, the name, credit history, utility usage data, home address and telephone number of District customers and employees shall be exempt from disclosure to the public.

10.11 Owner and Tenant/Agent Billing Agreements

Effective January 1, 2015, the Running Springs Water District is required to notify delinquent occupants of a residence that they may become a customer of the District for residential water and/or wastewater services without paying the prior delinquent charges if they are willing and able to assume responsibility for subsequent charges. Tenants may now become a co-customer of the owner and therefore, a signed agreement from both the owner and tenant must be on file at the District. Tenants, who have become co-customers of the District, will then receive the monthly Water and Sewer Bill in place of the owner on record. If the account becomes delinquent, both the owner and tenant will receive a copy of the Termination of Water Service Notice.

To be eligible to become a customer without paying the prior amount due on the delinquent account, the occupant shall verify that the delinquent account customer of record is or was the owner (including the landlord, manager, or agent) of the residence. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the District.

A deposit of \$200 will be required for tenants to establish co-customer service with the District. This deposit will be refunded at the close of account and only when the closed account is paid in full. In addition, tenants must comply with all policies of the Running Springs Water District.

Owner and Tenant/Agent Billing Agreements are available at the District office.

10.12 Specific Programs for Low-Income Customers.

For residential customers who demonstrate to the District a household income below 200 percent of the federal poverty line, the District will:

a. Limit any reconnection fees during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150). The limits will only apply if the District's reconnection fees actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.

b. Waive interest charges on delinquent bills once every 12 months. The District will apply the waiver to any interest charges that are unpaid at the time of the customer's request.^[1]

The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under

[penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.](#)

10.1213 Extraordinary Water Loss Policy

Under the following circumstances the District may approve a request by a Customer to reduce the consumption fees portion of a Customer's high-consumption water bill, on a one-time basis, if the Customer has properly installed a Customer shut-off valve immediately adjacent to the Customer's water meter, downstream of the meter.

In the event a customer incurs an extraordinary water loss due to system failure or some other catastrophic event, not due to the Customer's own negligence, the District may adjust the unit rate charged for the water to equal only the rate the District is then paying to the Crestline Lake Arrowhead Water Agency (CLAWA) plus 15%. If the District also determines that the water loss occurred outdoors and did not enter the District's sewer system, the 15% sewer usage fee component of the sewer bill will also be waived.

This adjustment will not be applied to any losses of water after the date that the Customer has been notified by the District of suspicious or unusual water deliveries through the Customer's connection. Said notification may be made by any means available including, but not limited to, telephone, electronic mail, personal contact or United States mail service.

The District may provide this one-time only reduction to the consumption fees portion of a Customer's high-consumption water bill, to Customers who make the request and then provide evidence of a new, properly installed, Customer shut-off valve installation. A Customer who receives an adjustment will not qualify for consideration of a subsequent adjustment, even if caused by a separate event.

meter service. The customer agrees to make the customer's water system available for District inspection to determine that compliance with this stipulation is maintained.

16.5 Monthly Service Charge

Each customer that receives active residential landscape irrigation meter service from the District shall pay a monthly service charge. The monthly service charge is established by the District's Board of Directors and may be revised from time to time. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.6 Water Usage Charge

The water usage charge for water consumed and recorded by a residential landscape irrigation meter will be the same as the water usage charge for water consumed and recorded by a normal residential meter. The residential landscape irrigation meter service water usage charge is established by the District's Board of Directors and may be revised from time to time. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.7 Not-Applicable Fees and Charges

Residential landscape irrigation meter service will not be subject to the District's Water Facilities Capacity Charge, ~~any Infrastructure Repair and Replacement (IRR) charges~~ or the Residential Wastewater Service System Usage Charge.

16.8 Other Terms, Conditions, Fees and Charges for Service

With the exception of the non-applicable fees and charges identified above, residential landscape irrigation meter service will be subject to all applicable terms, conditions, fees, and charges for water service. This includes the terms and conditions set forth in the District's Rules and Regulations for Water and Wastewater Service, as well as the fees and charges identified in the most recent Resolution setting forth fees and charges for the District. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.9 Violation of Agreement

Violation of any of the provisions of this Section may result in termination of residential landscape irrigation meter service and will be subject to other remedies as are set forth in the District's Rules and Regulations for Water and Wastewater Service.

ORDINANCE NO. 54
ORDINANCE OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT ADOPTING AMENDED RULES AND REGULATIONS FOR WATER AND WASTEWATER SERVICE

WHEREAS, The Running Springs Water District (“District”) has adopted Ordinance No. 49, Rules and Regulations for Water Service; and

WHEREAS, the District now desires to amend the District’s Rules and Regulations for Water and Wastewater Service to incorporate Senate Bill No. 998 new restrictions on residential water service discontinuation when customers are delinquent in paying their water bills in the form attached hereto.

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

1. The Rules and Regulations for Water and Wastewater Service as set forth in Exhibit “A” which is attached and incorporated by reference are adopted; and
2. Ordinance No. 49 is rescinded, superseded and replaced with this Ordinance No. 54; and
3. The Board of Directors may, by ordinance or resolution, update Ordinance No. 54, as the Board deems necessary.

ADOPTED this 13th day of November, 2019.

Ayes:
Noes:
Abstentions:
Absent:

President of the Board of Directors
of Running Springs Water District

ATTEST:

Board Secretary

Running Springs Water District



Rules and Regulations for Water and Wastewater Service

Adopted: November 13, 2019
Ordinance No. 54

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SECTION 1.0 - GENERAL PROVISIONS

1.1 Introduction

The rules and regulations for water and wastewater service set forth herein identify the terms and conditions under which the Running Springs Water District will provide water and wastewater service to its customers. By accepting service, customers and owners explicitly and implicitly agree to be bound by these rules and regulations for water and wastewater service and to hold harmless the District, its employees, Board members, agents and representatives from any liability associated with the implementation of these rules and regulations for water and wastewater service or for service provided hereunder.

1.2 General Policy

The general policy of the District is to acquire, maintain, and operate adequate water and wastewater systems within the District to serve the residents of the District and to serve such areas outside the District as deemed appropriate by the Board of Directors. This is an ordinance regulating the use and construction of public water and wastewater facilities, the installation and connection of sewer laterals, and the discharge of wastes into the public sewer systems, and providing penalties for violation thereof, as ordained and enacted by the Boards of Directors of said District.

1.3 Authority

The general powers of the District are contained in the County Water District Law, beginning with Section 30000 of the California Water Code. These powers include, without limitation, the right to levy taxes; to acquire, construct, and operate water and wastewater facilities within the District; and to compel connection to the sewerage systems.

1.4 Short Title

This Ordinance shall be known and may be cited as "Rules and Regulations for Water and Wastewater Service."

1.5 Words and Phrases

For purposes of this Ordinance, all words used herein in the present tense shall include the future tense; all words in the plural number shall include the singular number; all words in the singular number shall include the plural number; and all words in either gender shall include the other gender.

1.6 Water System

The functional system owned, operated and maintained by the District for the supply, treatment, storage and distribution of potable water for public and private uses and

including all raw water pumping, facilities, transmission mains, treatment plants, storage reservoirs, distribution pipelines, fire hydrants and appurtenances, lands, right-of-ways and easements.

1.7 Wastewater System

The functional system owned, operated and maintained by the District for the collection, treatment and disposal of wastewater coming from public and private dischargers and including all sewers, manholes, pumping stations, treatment and disposal facilities, appurtenances, lands, right-of-ways and easements.

1.8 Validity

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance, not held invalid, and to this end the provisions of this Ordinance are declared to be severable.

1.9 Pressure Conditions

All applicants for water service connection or water service shall accept such conditions of water pressure and service as are provided by the District's distribution system at the location of the proposed service connection, and the District shall not be responsible for any damages arising from low pressure or high pressure conditions. Water pressure shall, as a minimum, comply with standards set forth by the State Health Department.

1.10 Interruption of Service for Emergency Repairs

The District may interrupt water and/or wastewater service to any customer or customers when necessary to make emergency repairs or when other such emergencies necessitate such interruption, and the District shall not have any responsibility for damage arising out of such an interruption in service.

1.11 Tampering with District Property

No one except an employee or representative of the District shall at any time or in any manner operate the curb stops, meter valves, main-cocks, gates or valves of the District's water or wastewater system or interfere with water meters, their connections, street mains, or other parts of such water or wastewater system; provided that licensed plumbers may close and open District curb stops in order to repair a customer's control valve.

1.12 Penalty for Violation

If any person fails to comply with all or any part of these rules and regulations, or a District resolution, ordinance or order fixing rates and fees, the District may pursue any

remedy provided to it by law. Violations and penalties are further considered in Section 21.0 of these rules and regulations.

1.13 Charges for Work by District Personnel

The Board of Directors shall establish by resolution a charge for work done by District personnel and District equipment to be paid by owners or customers requesting such work, or in the event of damage to District water or wastewater system facilities, by the person or persons responsible for such damage. The amount owing for any such work shall be billed by the District to the person requesting same or responsible therefor as soon as is reasonably possible following the completion of such work, and said amount shall be due and payable as of the date of the District's bill and delinquent if not paid within thirty (30) days thereafter. The schedule of rates for work by District personnel and equipment shall be made available at the District office for inspection by any interested person.

1.14 Notices

Notice from the District shall be given in writing and shall be mailed, postage prepaid, to the customer to whom water and/or wastewater service is billed; provided that where conditions warrant, in emergencies, and where required by law, the District may provide notification either by telephone, email or messenger. Notice from an owner or customer to the District shall be given either in writing, by email or verbally at the District office or by telephone to the District office.

1.15 Annexation

The District has the power, pursuant to applicable provisions of law, to annex areas that can be served by the District. The terms of annexation may include, among others, the payments of fees and transfer of facilities.

1.16 Fees

The District has the power, subject to approval of Board of Directors, to charge special fees. Generally, charges will be made for operations performed by the District for the benefit of those charged.

1.17 Sale of By Products

The District has the power, subject to approval of Board of Directors, to sell treated and reclaimed wastewater or any other by-product to private individuals, corporations or to public entities.

SECTION 2.0 - DEFINITIONS

2.1 Applicant for Permit

"Applicant for Permit" shall mean the person making application for a water and/or sewer connection permit hereunder and shall be the owner of the premises involved or their authorized agent or authorized licensed plumber or contractor.

2.2 Board of Directors

"Board of Directors" means the Board of Directors of the Running Springs Water District, County of San Bernardino, State of California.

2.3 Building Sewer

"Building sewer" shall mean that portion of sewer from the building sewer drain to the public sewer, including the sewer lateral and cleanout.

2.4 Contractor

"Contractor" shall mean an individual, firm, corporation, partnership, or association duly licensed by the State of California to perform the type of work to be done under the permit, contract or agreement.

2.5 Cost

"Cost" means the cost of labor, material, transportation, supervision, engineering, and all other necessary overhead expenses.

2.6 County

"County" shall mean the County of San Bernardino, State of California.

2.7 Cross-Connection

"Cross-Connection" means any physical connection between the piping system from a District service connection and that of any other water supply which is not or cannot be, approved as safe and potable for human consumption, whereby water from the unapproved source may be forced or drawn into the District's distribution mains.

2.8 Customer

"Customer" means a person who receives water service from the District.

2.9 Developer

"Developer" means a person who makes application to the District for water service for subdivided property within the District.

2.10 District

"District" means Running Springs Water District.

2.11 District Engineer

"District Engineer" shall mean the engineer appointed by the Board and acting for the District.

2.12 Dwelling or Living Unit

"Dwelling or living unit" shall mean any residence, apartment, habitation, or other structure designed to be occupied by persons or family and requiring water and/or wastewater service.

2.13 Fire Service Connection

"Fire Service Connection" means the service line extending from a District water main to the property line of premises for the purpose of providing private fire protection service and the shut-off valve, meter and meter box, back-flow protection device, check valve and detector check meter, if any.

2.14 Fixture Unit Equivalent

"Fixture unit equivalent" shall mean the unit equivalent of a plumbing fixture as indicated in the latest edition of Uniform Plumbing Code.

2.15 General Manager

"General Manager" shall mean the person appointed by the Board as the Manager of Running Springs Water District.

2.16 Inspector

"Inspector" shall mean the person who shall perform the work of inspecting sewerage facilities under the jurisdiction or control of the District.

2.17 Main

"Main" means a waterline in a street, highway, alley, or easement used for public and private fire protection and for general distribution of water.

2.18 Owner

“Owner” shall mean the person owning in fee, or the person in whose name the legal title to the property appears, by deed duly recorded in the County Recorder’s Office, or the person in possession of the property or buildings under claim of ownership, or exercising acts of ownership over same for himself, or as executor, administrator, guardian or trustee of the owner.

2.19 Permit

“Permit” shall mean any written authorization required pursuant to this Ordinance or may any other regulation of the Board.

2.20 Person

"Person" means an individual or a company, association, co-partnership, or public or private corporation.

2.21 Premises

"Premises" means a lot or parcel of real property under one ownership, except where there are well defined boundaries or partitions such as fences, hedges, or other restrictions preventing the common use of the property by the several occupants, in which case each portion so separated shall be deemed as separate premises. Each living unit in an apartment house or condominium and each separate office in an office building shall be considered a single premise.

2.22 Private Fire Protection Service

"Private Fire Protection Service" means water service and facilities for building sprinkler systems, hydrants, hose reels, and other facilities installed on private property for fire protection, and the water available therefor.

2.23 Public Fire Protection Service

"Public Fire Protection Service" means the services and facilities of the entire water supply, storage, and distribution system of the District, including the fire hydrants affixed thereto and the water available for fire protection, excepting house service connections and appurtenances thereto.

2.24 Public Sewer

“Public sewer” shall mean a sewer lying within a public right of way or easement which is controlled by or under the jurisdiction of the District. It shall not include any portion of a building sewer.

2.25 Regular Water Service

"Regular Water Service" means water service and facilities rendered for normal, domestic, commercial, and industrial purposes on a permanent basis, and the water available therefor.

2.26 Service Connection

"Service Connection" means the service line extending from a District water main to the property line of premises and the meter and curb stop installed at or near the property line.

2.27 Sewage Treatment Plant

"Sewage treatment plant" shall mean any arrangement of devices and structure used for treating sewage.

2.28 Sewerage Works

"Sewerage works" shall mean all facilities for collecting, plumbing, treating and disposing of sewage.

2.29 Sewer

"Sewer" shall mean a pipe or conduit for carrying sewage.

2.30 Sewer Lateral

"Sewer lateral" shall mean that portion of a sewer lying within a public right of way or easement connecting a building sewer to the public sewer.

2.31 Subdivision

"Subdivision" means any division of an existing parcel of land within the District into five (5) or more lots, including a subdivision, a land division subject to a parcel map, and a condominium project.

2.32 Suspended Solids

"Suspended solids" shall mean solids that either float on the surface of, or are in suspension in, water, sewage or other liquids and which are removable by laboratory filtering.

2.33 Temporary Fire Hydrant Service

"Temporary Fire Hydrant Service" means temporary service from a District fire hydrant for construction work and other uses of limited duration with approved meter and appurtenances and the water available therefor.

2.34 Uniform Plumbing Code

"Uniform Plumbing Code" shall mean that code as published by the International Association of Plumbing and Mechanical Officials and adopted by the County of San Bernardino as its plumbing code. The code shall be the latest edition published and adopted by the County, and by this reference shall be incorporated herein and made a part of this Ordinance.

2.35 Uniform Plumbing Code Definitions

"Uniform Plumbing Code Definitions" being Chapter 1 of the County Plumbing Code are hereby incorporated as part of the definitions of this Ordinance except as specifically modified herein.

2.36 User

"User" shall mean the person or person owning or controlling property or improvements to which the sewer facilities of the District are connected or available.

2.37 Wastewater Department

"Wastewater Department" means the Board of Directors of the District performing functions related to the District wastewater service, together with the General Manager, the Wastewater Collection and Treatment Division Supervisors and the Administration Supervisor and other duly authorized representatives.

2.38 Watercourse

"Watercourse" shall mean a channel in which a flow of water occurs, either continuously or intermittently.

2.39 Water Department

"Water Department" means the Board of Directors of the District performing functions related to the District water service, together with the General Manager, the Water Division Supervisor and the Administration Supervisor and other duly authorized representatives.

SECTION 3.0 - GENERAL USE REGULATIONS

3.1 Waste

No customer shall knowingly permit leaks or waste of water. When water is wastefully or negligently used on a customer's premises, the District may discontinue service to such premises if such conditions are not corrected by the customer within fourteen (14) days after receipt of a verbal or written notice thereof from the District and such service shall not be resumed until such condition is corrected. In the absence of the customer from premises where water is being wasted due to an apparent leak, the District may close the curb stop to prevent further loss of water, and shall thereupon notify the customer of such action at the address on file at the District office; and provided that the District shall not be liable for any damage to the premises or appliances therein due to such action.

3.2 District Facilities on Private Property

Upon making application for water and/or wastewater service, an owner or customer consents to the installation by the District on customer's property of such facilities as may be necessary to provide water and/or wastewater service thereto, and all such facilities installed by the District on such premises for the purpose of providing water and/or wastewater service shall be and remain the property of the District and may be maintained, repaired, or replaced by the District without the consent of the owner or occupant of the property. No payments shall be made by the District to the owner or customer for placing or maintaining such District facilities on the premises and the owner or customer shall use reasonable care not to damage such facilities. Any relocation of such facilities at the request of the owner shall be at the expense of the owner.

3.3 Damage to Water and/or Wastewater System Facilities

Owners of premises shall be liable for damage to District water and/or wastewater service facilities resulting from acts of the owners or their tenants agents, employees or contractors' including the breaking or destruction of locks on or near meters and any damage to a meter, including damage by hot water or steam from a boiler or heater on the owner's premises. An owner shall reimburse the District for the cost of repairing any such damage promptly upon presentation of a bill therefor.

3.4 Ground Wire Attachments

No person, firm or corporation shall attach any ground wire or wires or otherwise use as part of any electrical circuit any pipe or other plumbing which is or may be connected to a service connection or main belonging to the District, and the District may disconnect any such ground wire that has been connected to a District main or service connection. The owner of the premises where any such ground wire connection has been made, and the person responsible for making the ground wire connection, shall be liable to the

District for any damage occasioned thereby to the District's water system or injury to District personnel.

3.5 Owner's Control Valve

The owner shall arrange for the installation of a control valve (stop-and-waste valve) on the customer's side of each service connection to control the flow of water to the water system on the premises. If the on-site plumbing includes outside faucets or sprinklers, the owner shall place the control valve at a location which allows water to be shut off to the outside fixtures as well, or alternatively may install another control valve for the shutoff of water to outside plumbing fixtures. The owner shall not rely on the District's curb stop to control the flow of water through the meter and shall pay for all water delivered to the premises regardless of whether the District's curb stop is turned on or off. Except as provided in Section 1.11 of Section 1, the District's curb stop may only be operated by District employees, and no owner or occupant of any premises shall use the District's curb stop to control the water supply to the water system on such premises. The customer shall be responsible for turning off their control valve(s) in order to protect against water loss from leaks in the plumbing on the customer's side of the meter. In the event that the District finds it necessary to shut off the flow of water at the District's curb stop or meter in order to prevent the loss of water as a result of the customer's failure to use the control valve(s), the customer will be required to pay the District's standard service charge then in effect.

3.6 Cross-Connections

All owners of premises and customers in the District shall comply with state and federal laws governing the separation of dual water systems and the installation of back-flow protective devices to protect the public water supply from the danger of contamination through cross-connection. Whenever such back-flow protective devices are found to be necessary with respect to any premises, all water supply lines from the District's mains entering such premises or any buildings or structures thereon shall be protected by an approved back-flow device and such back-flow protective device shall be installed as close to the District's service connection as possible. Plans for the installation of such back-flow protective devices shall be approved by the District prior to installation and the District shall inspect each such device and its installation. Immediately following such installation, the owner shall be responsible for having such back-flow protective device tested by a District approved tester at the expense of the owner. Annually thereafter, the owner shall have the device tested, as may be required by the District or by the health department having jurisdiction, and shall be serviced, repaired or replaced whenever they are found to be defective, at the expense of the owner. Lawn sprinkler heads shall be equipped with an air gap separating the sprinkler heads from the other portions of the water system on the premises. Water service shall be discontinued to any premises if any defect is found in a back-flow protective device or if the District finds dangerous unprotected cross-connections on such premises, and service shall not be restored until such defect or dangerous condition is corrected.

3.7 Special Circumstances

When an owner of premises or the occupant is engaged in the handling of dangerous corrosive liquids or industrial or processed waters, the District may require such owner or occupant to eliminate certain plumbing or piping connections on such premises as an additional precaution and in order to protect against back-flow.

3.8 Pressure Regulating Valves

Pressure regulating valves shall be installed on the customer's side of all water service connections by the owner to protect the owner's water system from damage due to variations in water pressure in the District's main.

3.9 Ingress and Egress

District employees shall have the right of ingress and egress to all premises to which the District provides water and/or wastewater service, but not to buildings and structures on such premises, at reasonable hours for any purpose reasonably connected with the furnishing of water and/or wastewater service thereto. Water and/or Wastewater Department employees shall carry identification cards with them at all times during working hours, and upon entering premises for the purposes aforesaid shall display same to the owner or occupant thereof upon request.

3.10 Non-Registering Water Meters

If a water meter is found not to be registering, the District shall bill the person whose name appears on the application for service through said meter for the period of time from the date of the last meter reading when said meter was registering through the date of the discovery that said meter was not registering, based upon the District's minimum monthly water rate or based upon the estimated consumption of water through said meter during said period of time to which shall be applied the District's water rate schedule, whichever method results in a greater amount; provided that such an estimate of consumption shall be made based upon previous consumption of water through said meter for a comparable period or by such other method as is determined by the General Manager to be most equitable.

3.11 Replacement

The District may replace a water meter for testing or in the event that the General Manager or Water Division Supervisor determines that it may not be registering accurately or should be replaced because of its age or condition.

SECTION 4.0 - WATER AND WASTEWATER DEPARTMENTS

4.1 Water Department

The District's Water Department consists of the General Manager, the Administration Supervisor, the Water Division Supervisor and District employees under the supervision of said Division Supervisor.

4.2 Wastewater Department

The District's Wastewater Department consists of the General Manager, the Administration Supervisor, the Wastewater Collection Division Supervisor, Wastewater Treatment Division Supervisor and District employees under the supervision of said Division Supervisors.

4.3 General Manager

The General Manager shall be responsible for the application and enforcement of the rules and regulations herein set forth and for the general supervision of the Administration Supervisor, Water Division Supervisor and other employees of the Water Department.

4.4 Administration Supervisor

The Administration Supervisor shall oversee the billing for and collection of charges for water and wastewater services. This includes the computation, preparation and mailing of all bills for water service, the making and depositing of collections, maintenance of proper books of account, collections, account for and refund deposits, and whatever else is necessary or directed by the District Auditor to set up and maintain an efficient and economical bookkeeping system for the District and shall perform any other duties now or hereafter prescribed by the General Manager.

4.5 Water Division Supervisor

The Water Division Supervisor shall be responsible for the operation and maintenance of the water system and shall regularly inspect all physical facilities related to said system to insure that they are in good repair and proper working order. The Water Division Supervisor shall supervise all repair or construction work authorized by the Board of Directors or the General Manager and perform such other duties as may be prescribed by the General Manager.

4.6 Wastewater Collection Division Supervisor

The Wastewater Collection Division Supervisor shall be responsible for the operation and maintenance of the wastewater collection system and shall regularly inspect all physical facilities related to said system to insure that they are in good repair and proper working order. The Wastewater Collection Division Supervisor shall supervise all repair

or construction work authorized by the Board of Directors or the General Manager and perform such other duties as may be prescribed by the General Manager.

4.7 Wastewater Treatment Division Supervisor

The Wastewater Treatment Division Supervisor shall be responsible for the operation and maintenance of the wastewater treatment system and shall regularly inspect all physical facilities related to said system to insure that they are in good repair and proper working order. The Wastewater Treatment Division Supervisor shall supervise all repair or construction work authorized by the Board of Directors or the General Manager and perform such other duties as may be prescribed by the General Manager.

SECTION 5.0 - WATER AND WASTEWATER RATES, CONNECTION FEES AND CAPACITY CHARGES

5.1 Water and Wastewater Rates

The rates and charges for different classes of water service and wastewater service by the District shall be established by resolution of the Board of Directors. Any such resolution adopted by the Board of Directors may also provide for and establish an amount to be deposited with the District by an applicant for water and/or wastewater service as a deposit to insure payment of bills for water and wastewater services supplied by the District. Nothing in this Ordinance shall be construed as limiting the authority of the Board of Directors to establish any fee or charge related to water service which is legally permissible. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

5.2 Connection and Capacity Charges

The Board of Directors, by resolution, shall establish and from time to time revise charges for installation of service connections to the District's water and wastewater systems and for the use of capacity in the District's water and wastewater systems. Such charges may vary depending upon the size of the meter or any other factors set forth in the resolution; provided, however, that the charges shall not exceed the estimated reasonable costs of making the connections or providing the capacity unless the schedule of charges is submitted to, and approved by, a popular vote of two-thirds of the electors in the District who vote on the issue. Any resolution establishing or revising connection or capacity charges shall be adopted only at a regularly scheduled meeting of the Board of Directors, with notice of the meeting mailed at least fourteen (14) days prior to the meeting to any interested party who has filed a written request with the District for notice of the meeting within one year preceding the meeting. At least ten (10) days prior to the meeting, the District shall make available to the public data substantiating the District's estimate of the reasonable costs of making connections and providing capacity in the District's water and wastewater systems, and the revenue sources anticipated to cover these costs. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

SECTION 6.0 - REGULAR WATER SERVICE

6.1 Application

An owner requesting water service for their property shall make application for water service at the District office. Such owner shall furnish the District with all information necessary for the District to complete a water service agreement and shall thereafter sign such agreement, and at such time the owner shall also pay the District's service installation, connection, water development, capacity and other applicable charges in full. Each new owner of property who fails to make proper application for water service shall have their water service discontinued pursuant to Section 10.6 of these Rules and Regulations. An application for water service shall not be approved unless signed by the owner of the property to be served; provided, however, that any person who receives residential water service through a master meter, or who receives individually metered service in a multi-unit residential structure or mobile home park shall be entitled to become a customer of the District even if the owner of the property to be served refuses to sign the application for service, if such service is feasible and the person agrees to such terms and conditions of service as may be imposed by the Board of Directors on a case-by-case basis.

6.2 Contractor Convenience

When a contractor desires service to a building under construction and the owner is not available to sign the water service agreement and pay the required service installation, connection and capacity charges, the contractor may obtain temporary water service by paying these charges; provided that the District shall make no refund of said charges to the contractor and the contractor shall look solely to the owner for reimbursement; and provided further that if the District is unable to obtain from the owner a signed agreement for water service within thirty (30) days after the contractor obtains temporary water service from the District, the District may discontinue water service to the contractor. This section does not apply to temporary fire hydrant service for construction water.

6.3 Undeveloped Property

The District shall not install a water meter to serve undeveloped property until installation of the building pad for the structure to be served is complete or it is determined by the District that there is sufficient evidence of construction progress on the property. In the event that the building pad has not been installed within one year after the applicant has submitted a signed application and has paid applicable fees and charges, the application shall be void and the applicant shall be entitled to a refund of all fees and charges deposited with the District, less the District's service charge for processing the application.

The District may, however, install a water meter to an undeveloped lot if in the opinion of the General Manager, a vacant lot has suffered substantial vegetation damage from a

wild fire and the owner of the property wishes to install a meter solely for irrigation purposes and erosion control in accordance with the following provisions:

- a. Customer will pay the Residential meter installation charge then in effect.
- b. A fixed monthly charge will be billed to the customer equal to the monthly Irrigation meter rate then in effect.
- c. Customer will be billed for any and all additional assessments and fees normally billed to Residential metered customers.
- d. Customer will not incur any sewer installation or sewer monthly fees until after a structure has been connected to the sewer system.
- e. If customer decides to build a structure at a later date, the customer will be required to pay the Water Facilities Capacity Charge then in effect in addition to all applicable sewer fees.

6.4 Undertaking of Applicant

The act of an owner in signing an agreement for water service to their property signifies willingness and intention to comply with this and other ordinances, regulations, policies and procedures of the District as they now exist or may hereafter be amended, and to make prompt payment for all water delivered to the premises by the District.

6.5 Payment for Previous Service

An application for water service shall not be honored if the applicant has a delinquent account with the District for water or other service, unless the applicant has entered into an agreement with the District pursuant to Section 10.8 to pay the delinquent amount in installments and has complied with the terms of the agreement. The General Manager, in his discretion, shall be authorized to transfer a delinquent bill for water or other service to new premises owned by the person responsible for paying the delinquency, and to secure payment by recording a lien upon the premises as authorized by law.

6.6 Size and Location of Services

The District shall determine the location of all service connections and the size of meters, pipes and other facilities to be installed therein. An owner shall not lay any pipeline from their residence or business establishment to the curb or property line until the Water Division Supervisor has approved the location and size of the water service.

6.7 General

Service installation shall be made only to property abutting distribution mains in public streets, alleys and easements, or extensions of such mains as herein provided. The

District shall not be responsible for the relocation of services installed in new subdivisions prior to the completion of street improvements.

6.8 Curb Stop

Every service connection installed by the District shall be equipped with a curb stop on the inlet side of the meter. Such curb stops shall be used exclusively by the District, and shall not relieve the owner of responsibility for installing their own control valve on the owner's side of the service connection. If a curb stop is damaged as a result of use thereof by an owner or occupant of premises, such curb stop shall be replaced at the owner's expense.

6.9 Changes Resulting in Increased Water Consumption

An owner who plans to make material changes in the size, character or extent of equipment or operations utilizing water service through a District service connection which will result in a significant increase in use of water through such connection shall, prior to making any such change, notify the District in writing of such plans so that the District may determine whether an increased capacity charge will be due and payable, and whether any changes will be necessary in the size of the meter and other parts of the service connection to accommodate the expected increase in water usage. If the District determines that such changes in the service connection will be necessary, the owner shall file a new application for water service with the District and pay to the District the District's charge for the modifications of the service connection. If the District finds that an owner has made such material changes which have resulted in a significant increase in water usage on such owner's premises without notifying the District thereof, the District shall notify such owner of:

- a. Any increased capacity charge that may be due and payable;
- b. The modifications, if any, which will be necessary in the service connection to accommodate such increased water usage; and
- c. The District's requirement for the Owner to make a new application for water service and to pay the District's charge for modification of such water service.

If the owner does not make such application and pay applicable charges within ten (10) days after receipt of such notification, the District may discontinue water service to the owner's premises until the owner makes such application and pays such charges and the necessary modification of the service connection is completed.

6.10 Number of Buildings Served by a Single Connection

Service connections shall be installed by the District in accordance with the following requirements:

- a. One Connection per Building. Each residence or building under separate ownership shall receive water service through a separate service connection; provided that two (2) or more residences owned by the same person and located on the same lot or parcel may at the discretion of the General Manager be supplied water through the same service connection, and the General Manager may limit the number of such residences which may be supplied with water.
- b. Adjoining Lots. A service connection to one property shall not be used to supply water to an adjoining property, whether such adjoining property is owned by the same or a different owner, or to supply property across a street or alley from the property where the service connection is located.
- c. Division of Property. When a lot or parcel for which a service connection has been installed is subdivided or split, the service connection shall be used only to supply the portion of such lot or parcel where such service connection is located and the owner or owners of the other lots or parcels created by such subdivision or lot split shall make application to the District for water service.

6.11 Resale or Use of Water Away from Property Served

Water supplied by the District to any customer or customer of the District shall not be resold as a commodity to any other person, either within or outside the District, except as specifically permitted in writing by the Board of Directors upon such terms and conditions as the Board of Directors may impose in its discretion. Further, water supplied by the District may be utilized only upon the property served, and shall not be transported for use upon any other property either within or outside the District, except as specifically permitted in writing by the Board of Directors upon such terms and conditions as the Board of Directors may impose in its discretion. Exceptions permitted by the Board of Directors pursuant to this Section may be revoked or modified by the Board of Directors in the event of a water shortage.

6.12 Service Connections as Property of the District

The portion of a service connection extending from the District's water main to the property line and including the meter, meter box, curb stop and check valve are the property of and shall be maintained by the District.

6.13 Owner's System

All pipes and fixtures installed and located beyond the meter or check valve to provide water services to premises shall be installed by the owner of such premises in compliance with the requirements of the County of San Bernardino and shall thereafter be maintained by the owner. The District shall not be responsible for water loss due to leaks or any other occurrence involving facilities on the owner's side of the service connection not furnished and maintained by the District.

SECTION 7.0 - WATER METERS

7.1 Installation and Ownership

Water meters shall be installed by the District as near to the property line as is practicable. Meters when installed shall be owned by the District. Water meters may be locked by the District and no lock shall be altered or broken except by an authorized District employee.

7.2 Testing and Deposit

Water meters shall be tested by the District prior to installation and no meter shall be installed which registers more than two percent (2%) fast or slow. An owner requesting that a water meter serving property owned or occupied by him/her be tested at the District office shall deposit with the District an amount which in the opinion of the General Manager shall cover the cost of such testing. If the water meter registers more than two percent (2%) fast, such deposit shall be refunded but if the water meter registers less than two percent (2%) fast such deposit shall be retained by the District. The owner requesting a water meter test, or the owner's representative, may request to be present when said test is conducted. No deposit shall be required for the testing of a water meter with the District's portable test meter prior to the removal of such water meter.

7.3 Adjustments for Water Meter Errors

If a water meter is tested and found to be registering more than two percent (2%) fast or slow, the District will immediately replace the inaccurate water meter and recalculate the probable flow through the water meter during the period in which the water meter is determined by the District to have been inaccurate. If the water meter is determined to have registered fast, the District shall refund to the existing owner the excess amounts collected from such owner during the period of inaccuracy. If a water meter is determined to have registered slow, the District shall bill the owner for the water which has been consumed by such owner and not paid during the period of inaccuracy.

SECTION 8.0 - TEMPORARY FIRE HYDRANT SERVICE

8.1 General

The General Manager or appointed designee may make water service available for construction work and other uses of limited duration through meters installed on fire hydrants in the District's water system. Such water service is hereinafter referred to as "temporary fire hydrant service."

8.2 Application Deposit

A person, firm or corporation seeking temporary fire hydrant service must first obtain permission from the General Manager, and complete and sign the Fire Hydrant Meter/Hydrant Use Rental Agreement. In signing the agreement, the applicant shall agree to using and operating the hydrant in accordance with instructions issued by the General Manager. At the time the Fire Hydrant Meter/Hydrant Use Agreement is signed, the applicant shall make a deposit with the District. The deposit amount required, based on meter size, is identified in the attached Exhibit A-1 – Rates, Fees and Charges.

In addition to the meter deposit, a meter set-up fee of \$50 will be charged to cover the cost of setting and picking up the meter.

8.2.1 Daily Hydrant Meter Rental Fee

A hydrant meter rental fee of \$2.50 will be charged each day the applicant has requested the use of the meter. This fee will be charged daily, whether or not water was consumed on any given day. The rental fee will commence on the date the meter is set. It is the responsibility of the applicant to notify the District when the customer has finished with the use of the meter. The daily rental charge will cease on the notification date from the applicant, whether or not the meter is picked up by the District on that date.

8.2.2 Moving of Fire Hydrant Meters

Once a fire hydrant meter has been installed in the location specified by District staff, an additional \$25 charge shall be paid before a change in location, size or type of meter is made. Any change in the location of the fire hydrant meter also must be approved by District staff.

8.3 Installation and Operation

All meters and control valves for temporary fire hydrant service shall be initially installed by District employees. The control valve must be used to control the flow of water from the hydrant, and the hydrant valve shall not be used for this purpose. Proper wrenches must be used to operate hydrant valves.

8.4 Responsibility for Meters and Valves

The applicant shall exercise due care to prevent damage to the meter and control valve. If the meter is not locked to the fire hydrant, applicant shall remove the meter and control valve and store them in a safe place at the conclusion of each workday. The applicant shall then be responsible for securing the hydrant caps snugly enough so that they cannot be removed without the use of a hydrant wrench. If a meter or control valve is damaged or lost, the applicant shall be responsible for the cost of replacement or repairs.

8.5 Unauthorized Use

Temporary fire hydrant service shall be taken only from the hydrant or hydrants designated by the District. Tampering with or using any fire hydrant for the unauthorized use of water therefrom is a criminal misdemeanor and may also result in civil penalties.

8.6 Payment of Water Usage Charges

Temporary fire hydrant service meters shall be read at least every thirty (30) days during such service and at the conclusion thereof. The customer shall be billed on the basis of such meter readings at the District's then current rate for such service at the end of each calendar month and all such bills shall become delinquent on the fifteenth (15th) day of the following month. Failure to pay any bill for temporary fire hydrant service shall result in the discontinuance of such service and the District shall apply the customer's deposit to the delinquent amount. The District shall not resume such service until said deposit is restored and any further delinquent amounts are paid in full. If at the conclusion of temporary fire hydrant service all bills for such service have been paid in full, the customer's deposit shall be refunded; provided that no such refund shall be made until all such bills are paid in full, and if this does not occur within thirty (30) days after the conclusion of such service, the District shall apply the customer's deposit to the delinquent bills and refund the balance if any to the customer or in the event that the deposit is not sufficient to fully pay such delinquent amounts bill the customer for the balance.

8.7 Discontinuance of Service

The District may discontinue temporary fire hydrant service at any time, if in the opinion of the General Manager such action is warranted to protect District property or in the event of an emergency, and the District shall exercise every reasonable effort to notify the customer of an impending discontinuance before actually discontinuing service.

SECTION 9.0 - TERMINATION OF WATER SERVICE POLICY

9.1 Termination for Nonpayment

Water service charges are payable to the District on a monthly basis. All bills for water service are due and payable ten (10) calendar days after mailing by the District. Any bills not paid within such period are considered delinquent. Except as hereinafter provided, if a bill is delinquent for at least sixty (60) calendar days, the District may terminate water service to the premises by locking the meter, and the District shall not unlock the meter and resume service to the premises until required delinquent amounts, plus the unlocking fee then in effect, are paid in full. Further, the failure to pay a delinquent bill for water service within two (2) months from the date such locking occurs shall result in the District deactivating the water service account. Accounts that are locked and subsequently deactivated due to nonpayment shall not be reactivated until all delinquent bills for water service including the District's reconnection/reactivation fee have been paid in full. Fees for unlocking and reactivating the account shall be established by resolution of the Board of Directors, and may be changed from time to time. Notwithstanding the above, the District will not terminate water service for non-payment for the following reasons:

- a. While a District investigation of a customer dispute or complaint is still pending;
- b. When a customer has been granted an installment agreement or extension of time for payment of the bill;
- c. During an appeal to the District's Board of Directors;
- d. Upon certification by a licensed primary care provider that to do so will be life threatening or pose a serious threat to the health and safety of a resident of the premises; the customer is deemed financially unable to pay the bill in the normal payment period; and the customer is willing to execute an agreement with the District to pay the delinquency in installments over a period of time.

A customer is deemed financially unable to pay during the normal billing cycle if: (1) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (2) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer is responsible for demonstrating that the above conditions have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) calendar days and either: (1) request the customer's signed agreement to pay the delinquency in installments; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the required conditions.

The District may discontinue water service if a customer who has been granted an installment agreement under this section fails to do either of the following for sixty (60) calendar days or more: (1) to pay any amount due under the installment agreement; or (2) to pay his or her current charges for water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

9.2 Notice of Impending Termination of Water Service

The District will mail written notice of impending termination of water service, postage prepaid, to the person to whom such service is billed at least fifteen (15) days prior to the date of the proposed termination of service. Written notice will include the following information:

- a. The name and address of the customer whose account is delinquent;
- b. The amount of the delinquency;
- c. The date by which payment or an arrangement for payment is required in order to avoid termination of service;
- d. The procedure for obtaining information on the availability or non-availability of financial assistance; and
- e. A description of the procedure by which the customer may request an alternative payment arrangement, which may include an extension or other payment arrangement;
- f. The procedure by which the customer may initiate a complaint or request an investigation or appeal concerning service or charges;
- g. The telephone number of the District's General Manager or other District representative to discuss arrangements for payment.

In addition, if the District furnishes water through a master meter or furnishes individually metered service to a single-family dwelling, multi-unit residential structure, mobile home park, or farm labor camp and the customer of record's mailing address is not the same as the service address, the District will also post a notice to the occupants living at the service address at least ten (10) calendar days before discontinuation of water service. The notice will be addressed to "Occupant," will contain the information required above, and will also inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account as provided in Section 10.11.

The District will also make a reasonable, good faith effort to contact the customer of record or an adult person living at the service address in person or by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide a written copy of Sections 9.0 and 10.0 and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.

Finally, if the District is unable to make contact with the customer or an adult person living at the service address in person or by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of Sections 9.0 and 10.0 in a conspicuous place at the service address. The notice and copy of these sections will be left at the residence at least forty-eight (48) hours before discontinuation of service.

Water service will not be terminated for non-payment of a delinquency on any Saturday, Sunday, legal holiday, or at any time during which the District's business office is not open to the public.

9.3 Voluntary Disconnection

An owner may request in writing that the water service to the premises where water service is received be deactivated or disconnected. Upon receipt of written request, the District shall deactivate and/or physically disconnect the water service to such premises. Following such a deactivation or disconnection, the owner may have the water service reactivated and/or reconnected by paying the balance on the account including the District's reactivation/reconnection fee then in effect.

9.4 Emergency Discontinuance

Upon request of the owner or customer in the event of an emergency, if the control valve on the customer's side of the meter is not working properly, the District may turn off the District's curb stop. In such event, if the Water Division Supervisor determines that the customer's control valve is not operating properly through no fault of the customer, no charge shall be made for such service regardless of when the request is made. However, if such request is made outside of normal working hours of the District, field personnel and the Water Division Supervisor determines that there was no emergency or that the customer's control valve was not functioning as a result of improper maintenance, or if there was no customer control valve as required by these Rules and Regulations, the customer shall be liable to the District for the District's cost in having its employees provide such service. The customer shall remain responsible for any water which passes through the meter, notwithstanding the District's failure to comply with a request to turn off the curb stop or failure of its District's curb stop to operate correctly, it being the responsibility of the customer to regulate such flows with the installation of a control valve on the customer's side of the meter.

9.5 Vacating Premises

Owners desiring to discontinue service shall notify the District prior to the owner or tenant vacating the premises receiving water service, and an owner or customer who vacates premises without notifying the District thereof and requesting a discontinuance of service shall continue to be liable to the District for all water supplied by the District through the service connection and meter to said premises until the District is made aware of the fact that the premises have been vacated and an Application for water services is made by the new owner or occupant of such premises.

9.6 Restoration of Service.

Customers whose water service has been discontinued may contact the District by telephone or in person regarding restoration of service. Restoration shall be subject to payment of: (a) any required past-due amounts, including applicable interest or penalties; (b) any reconnection fees, if applicable; (c) and a security deposit, if required by the District.

9.7 Contact Information.

For questions or assistance regarding your water bill, the District's Customer Service staff can be reached at 909-867-2766. Customers may also visit the District's Customer Service desk in person Monday from 9 a.m. to 5 p.m. and Tuesday through Friday, from 8 a.m. to 5 p.m., except on District holidays.

SECTION 10.0 - BILLING

10.1 Billing

The General Manager shall establish water meter reading and billing periods so that water meters will be read and bills sent on approximately the same day of each month.

10.2 Payment of Bills

The customer and/or the property owner shall be responsible for payment of the District's bills for all water which passes through the meter serving the premises. Bills for water and/or wastewater service shall be due and payable as of the date of mailing and shall be delinquent ten (10) calendar days thereafter. Payment of bills shall be made in cash, by personal check (other than a second party check), certified check, credit card, debit card or other cash-equivalent. A customer whose check is returned by their bank for insufficient funds shall be charged a service charge as set forth by resolution of the District's Board of Directors. The General Manager has the discretion to require any customer to pay their bill in cash.

10.3 New Service

New water and/or wastewater services installed during and for less than a full billing period shall receive an adjustment on the District's monthly service charges based upon the number of days during said billing period when water and/or wastewater services are supplied through such new service.

10.4 Inclement Weather

At times when water meters cannot be read because of inclement weather, the District may bill based upon average monthly consumption during the immediately preceding two-month period and the prior year month, or at the customer's option, shall bill only the minimum monthly charge applicable to that water meter until conditions permit the recommencement of regular water meter readings, whereupon the District will adjust the next subsequent bill to reflect the quantity of water actually consumed and amounts paid during the period when the meters could not be read; provided that a customer shall have the option of paying more than the charge for previous average consumption based upon their estimate of the amount of water which the customer has and will consume during the period when the meter cannot be read.

10.5 Owner Responsibility

Except as otherwise provided in Section 6.1 or as hereinafter provided, the owner of the premises to be served shall be the only person authorized to apply for water and/or wastewater service from the District and shall be responsible for payment of all District fees and charges for such service. In the event of the owner's failure to pay any District fee or charge when due, the District shall be entitled to record a lien upon the premises receiving water and/or wastewater service, or upon other property owned by the owner

if authorized by law, in addition to pursuing any other remedy legally available to the District. In unusual circumstances when an occupant of premises needs water and/or wastewater service from the District before an application for water and/or wastewater service can be signed by the owner and returned to the District, the District in its discretion may accept a deposit from the occupant prior to commencement of water and/or wastewater service equal to twice the District's average monthly usage charge plus service fees for that type of service or a similar type of service, and thereafter may provide temporary water service to the premises pending receipt of an application for water and/or wastewater service signed by the owner of the premises.

10.6 Water Use without Application

A person who takes legal title to and occupies premises and thereafter uses water from an active service connection without having made application to the District for water service shall be liable to the District for water delivered from the date of the District's last meter reading of a meter at such premises, and if the meter is found to be inoperative, the billing for such water delivered shall be based upon an estimate of the amount delivered. If such a person does not make proper application for water service within ten (10) days after receipt of notification to do so from the District, or if such person does not promptly pay the District's bill for water delivered from the date of the District's last meter reading to the date of such bill, the water service to such person's premises shall be discontinued by the District without further notice.

10.7 Responsibility for Water Loss or Resulting Damage

The customer and/or the property owner shall be responsible for paying all charges for water supplied through a water meter as a result of leaks in the owner's water system or plumbing, or as a result of the owner or occupant leaving plumbing fixtures turned on during the time when the owner or occupant is absent from the premises, or for any other water loss on the owner's side of the meter, and the District shall not be responsible for any damage or monetary loss which may result therefrom. If the District is requested by an owner or occupant to turn on the water to a residence, and such residence is vacant and the District's employees ascertain that the water meter to the residence is registering, the District's employees shall not turn on the water service but shall leave the same turned off at the curb stop on the inlet side of the water meter. Upon discovery of a leak in an owner's water system, which in the discretion of the General Manager is causing a waste of water, the General Manager may discontinue service to the premises until such leak is repaired. Water service to the premises may not be resumed until all delinquent bills for water service have been paid in full.

10.8 Disputes and Appeals

If a customer, disputes the amount of a bill for water and/or wastewater service or that such a bill is owed by him/her, the customer shall notify the District in writing of such dispute. A timely dispute will be reviewed by a manager, who will provide a written determination to the customer. The review will include consideration of whether the

customer may enter into an agreement with the District permitting the customer to pay the bill or the adjusted balance in installments over a specified period of time not to exceed twelve (12) months. The District will not terminate water and/or wastewater service for non-payment of the bill during the term of such an agreement, so long as the customer is complying with the agreement and also paying the District's bills for subsequent water and/or wastewater service when due. However, upon breach of the agreement, the customer shall only be entitled to a ten (10) day notice of termination. Customers who qualify for special medical-financial qualifications and enter into an installment agreement will be subject to the rules in Section 9.1(d).

Any customer whose timely dispute has resulted in an adverse determination by the District may appeal the determination to the Board of Directors by filing a written notice of appeal with the District Secretary within ten (10) business days of the District's mailing of its determination. Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least ten (10) calendar days before the meeting. The decision of the Board shall be final.

10.9 Extension of Payment Period

A customer may seek an extension of the payment period of a bill asserted to be beyond their ability to pay during the normal payment period. The request will be reviewed by a manager of the District. If the customer has not requested an extension in advance and requests it at the time a serviceman arrives at the residence to lock the meter, there will be a service charge which is equal to one-half of the current locking charge. District decisions regarding extensions are final and are not subject to appeal.

If a customer fails to pay the delinquent amount by the extension date, and if the original payment is already delinquent by at least sixty (60) calendar days, the District may terminate water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

10.10 California Public Records Act

Except as otherwise provided in the California Public Records Act, the name, credit history, utility usage data, home address and telephone number of District customers and employees shall be exempt from disclosure to the public.

10.11 Owner and Tenant/Agent Billing Agreements

Effective January 1, 2015, the Running Springs Water District is required to notify delinquent occupants of a residence that they may become a customer of the District for residential water and/or wastewater services without paying the prior delinquent charges if they are willing and able to assume responsibility for subsequent charges.

Tenants may now become a co-customer of the owner and therefore, a signed agreement from both the owner and tenant must be on file at the District. Tenants, who have become co-customers of the District, will then receive the monthly Water and Sewer Bill in place of the owner on record. If the account becomes delinquent, both the owner and tenant will receive a copy of the Termination of Water Service Notice.

To be eligible to become a customer without paying the prior amount due on the delinquent account, the occupant shall verify that the delinquent account customer of record is or was the owner (including the landlord, manager, or agent) of the residence. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the District.

A deposit of \$200 will be required for tenants to establish co-customer service with the District. This deposit will be refunded at the close of account and only when the closed account is paid in full. In addition, tenants must comply with all policies of the Running Springs Water District.

Owner and Tenant/Agent Billing Agreements are available at the District office.

10.12 Specific Programs for Low-Income Customers.

For residential customers who demonstrate to the District a household income below 200 percent of the federal poverty line, the District will:

- a. Limit any reconnection fees during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150). The limits will only apply if the District's reconnection fees actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.
- b. Waive interest charges on delinquent bills once every 12 months. The District will apply the waiver to any interest charges that are unpaid at the time of the customer's request.

The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

10.13 Extraordinary Water Loss Policy

Under the following circumstances the District may approve a request by a Customer to reduce the consumption fees portion of a Customer's high-consumption water bill, on a one-time basis, if the Customer has properly installed a Customer shut-off valve immediately adjacent to the Customers water meter, downstream of the meter.

In the event a customer incurs an extraordinary water loss due to system failure or some other catastrophic event, not due to the Customer's own negligence, the District may adjust the unit rate charged for the water to equal only the rate the District is then paying to the Crestline Lake Arrowhead Water Agency (CLAWA) plus 15%. If the District also determines that the water loss occurred outdoors and did not enter the District's sewer system, the sewer usage fee component of the sewer bill will also be waived.

This adjustment will not be applied to any losses of water after the date that the Customer has been notified by the District of suspicious or unusual water deliveries through the Customer's connection. Said notification may be made by any means available including, but not limited to, telephone, electronic mail, personal contact or United States mail service.

The District may provide this one-time only reduction to the consumption fees portion of a Customer's high-consumption water bill, to Customers who make the request and then provide evidence of a new, properly installed, Customer shut-off valve installation. A Customer who receives an adjustment will not qualify for consideration of a subsequent adjustment, even if caused by a separate event.

SECTION 11.0 - COLLECTION OF DELINQUENT BILLS

11.1 Legal Action

The District may collect delinquent bills for water and/or wastewater service by civil action in court.

11.2 Collection on Tax Bills

Pursuant to Sections 31701 and 31701.5 of the Water Code, the District may cause delinquent or unpaid charges for water and/or wastewater service which have been delinquent and unpaid for sixty (60) days or more on July 1 of any year to be added to the annual taxes next levied upon the property upon which the water and/or wastewater services were used. Such delinquent or unpaid charges shall be collected along with the annual taxes levied against such property.

11.3 Statement of Lien

Upon discontinuance of water and/or wastewater service for failure to pay delinquent rates, charges or fees, the District may immediately record a statement of lien with the county recorder of any county in which the customer responsible for paying the delinquency is known or suspected to own real property. The statement of lien shall set forth the name of the customer responsible for paying the delinquency, the amount and nature of the delinquency, and applicable filing fees, penalties, and interest. The lien shall be released upon payment in full of all amounts due.

SECTION 12.0 - MAIN EXTENSIONS

12.1 Deposit and Design

If the General Manager determines upon reviewing an application for regular water service that a District water main is not available to the property, or if an existing water main is not capable because of its size or condition to provide adequate water pressure and fire protection service to the premises for which application is made, the owner-applicant shall deposit with the District concurrently with the filing of their application for water service the estimated cost, as determined by the District's engineer, of the design and installation of an extension of the District's water main or of a new main which will provide adequate water service to the applicant's premises. Thereafter, the District's engineers shall design the water main extension or new water main and the District shall have such main extension or new main installed. The main shall be designed and constructed to extend to the far boundary of the property to be served.

12.2 Oversizing, Participation, Transfer of Services

The District may elect to install a main extension or a new main of a diameter which exceeds the diameter of the main which, in the opinion of the District's engineer, would be necessary to provide water service to an applicant's premises; in which case the District shall pay the difference between that cost as estimated by the District's engineer and the cost of the labor and materials actually installed. Provided, that if a new main is installed, the District may elect to transfer services from the existing District main to the new main, and to connect to such new main new homes and business establishments constructed on properties that were adjacent to and would have received water service from such existing main, and no reimbursement shall be owing to the applicant as a result thereof.

12.3 Additional Cost or Refund

If the cost of a main extension or new main, or the applicant's share of such cost, exceeds the amount of the applicant's deposit, the applicant shall pay such excess to the District before receiving water service from the District. If the cost of such a main extension or new main, or the applicant's share thereof, is less than the amount of the applicant's deposit, the District shall refund the balance thereof to the applicant.

12.4 Reimbursement

The District may enter into a reimbursement agreement with an applicant who pays for a water main extension or new water main whereby the District shall for a period of ten (10) years or until the applicant is fully reimbursed the cost or their proportionate share of the cost of the water main extension or new water main, whichever first occurs, collect from each property owner who connects a service lateral to such water main a reimbursement charge in an amount to be determined by the Board of Directors which represents a proportionate fair share of such cost, and pay over such charge to the applicant; provided that pursuant to Section 12.2 no reimbursement shall be owing to

the applicant with respect to connections to such water main resulting from the transfer of services from an existing District main or with respect to service laterals for new homes and business establishments constructed on properties that were adjacent to and would have received water service from such existing main.

SECTION 13.0 - WATER SERVICE TO SUBDIVISIONS

13.1 Application

A developer requesting water service for a subdivision within the District shall file a letter of application with the District containing or accompanied by the following:

- a. The name, address and telephone number of the developer and the developer's engineer;
- b. Three (3) copies of a map showing the topography and boundaries of the proposed subdivision and tentative lot and road layout;
- c. A legal description of the property which is proposed for subdivision; and
- d. A statement as to whether or not the subdivision of the proposed property is to be phased and, if so a projection of the timing of the development of each phase of the subdivision.

13.2 Feasibility Study and Availability Letter

Upon receipt of such a letter of Application, the District shall conduct an investigation and determine the District's cost of conducting a feasibility study with regard to providing water service to the proposed subdivision, and upon completion of such study shall transmit to the developer a statement of the District's cost for the feasibility study. Upon receipt from the developer of the cost of the feasibility study, the District staff shall undertake an investigation of the feasibility of providing water service to the proposed subdivision and shall report the findings of such study to the Board of Directors. Upon receiving the feasibility study report from the District staff, the Board of Directors shall either approve or disapprove of the District providing water service to the proposed subdivision, and if the Board approves such service, shall authorize the General Manager to issue a letter to the San Bernardino County Planning Department and the developer stating that the District's water system is available to the proposed subdivision, and that upon the developer making satisfactory financial and other arrangements with the District regarding the construction of facilities to extend the District's water system to the proposed subdivision and the construction of the water system within the proposed subdivision and otherwise complying with the District's rules and regulations regarding water service, the District will provide water service to the proposed subdivision.

13.3 Main Extensions

If the General Manager determines that it is necessary to extend a District water main or mains to bring the District's water system to the exterior boundaries of a proposed subdivision or if the General Manager determines that an existing District water main is not of sufficient size to provide adequate water pressure and fire protection service to a proposed subdivision, the developer shall deposit with the District at the time he

presents the plans and specifications for the water system for the proposed subdivision to the District for approval for purposes of the recording of the final map for the proposed subdivision the estimated cost, as determined by the District's engineer, of the design and installation of the water main extension or the water main which in the opinion of the District's engineer is needed to replace an existing inadequate water main. Such amount shall be utilized by the District to design and install such water main extension or new water main; provided that the District may determine to install a main of greater size than, in the opinion of the District's engineer, would be necessary to supply the proposed subdivision with water service, in which event the District shall be responsible for the difference between that cost as estimated by the District's engineer and the cost of labor and materials actually installed. If the cost of the design and installation of the water main extension or new water main, not including the cost differential, if any, for oversized pipe exceeds the amount of the developer's deposit, the District shall notify the developer thereof in writing and the developer shall pay such excess to the District before receiving water service for the subdivision from the District, or if the cost of the design and installation of such water main extension or new water main is less than the amount of the developer's deposit, the District shall refund the balance thereof to the developer.

13.4 Reimbursement

Upon completion of the installation of a main extension or new water main and upon payment by the developer of the full amount of the cost of the design and installation of the water main extension or new water main, not including the cost differential, if any, for oversized pipe, the District may enter into a reimbursement agreement with the developer whereby the District shall for a period of ten (10) years or until the developer is fully reimbursed the cost of the non-oversized portion of the water main extension or new water main, whichever first occurs, collect from each property owner who connects a service lateral to such water main, a reimbursement charge in an amount to be determined by the Board of Directors which represents a proportionate fair share of such cost, and pay over such charge to the developer; provided that if such a water main replaces an existing District water main, the District may elect to transfer existing water customers from such existing main to the new main and to connect to such new main new homes and business establishments constructed on properties that were adjacent to and would have received water service from such existing main, and no reimbursement shall be owing to the developer as a result thereof.

13.5 On-Site Water System

The developer shall also construct and install at the developer's sole expense the water system within the proposed subdivision, including service lines from the main to the lots to be served. The plans and specifications for such water system shall be prepared in accordance with the District's standard construction specifications and such water system shall be constructed and installed in compliance with the District's requirements.

13.6 Plan Check

A developer requesting approval of the plans and specifications for a water system for a proposed subdivision for purposes of the recording of the final map for the proposed subdivision with the County Recorder of the County of San Bernardino shall pay to the District the District's plan check fee and shall concurrently therewith deliver to the District the following documents:

- a. Three (3) copies of the plans and specifications for the water system;
- b. A performance bond in a form and issued by a surety acceptable to the District, naming the District as obligee, and issued in a principal amount equal to 100% of the total estimated cost, as determined by the District's engineer, of the construction of the water system and facilities shown in said plans, and conditioned upon the satisfactory completion of the construction and installation of the water system and facilities and guaranteeing that such water system and facilities shall be free from defects resulting from faulty materials or workmanship for a period of two (2) years from the acceptance thereof by the District;
- c. A labor and material payment bond in a form and issued by a surety acceptable to the District naming the District as obligee, and issued in a principal amount equal to 100% of the total estimated cost as determined by the District's engineer, of the construction and installation of the water system and facilities and conditioned upon the payment by the developer and the developer's contractor of claims of all persons entitled to file mechanic's liens or stop notices pursuant to Civil Code Secs. 3110, 3111, 3112 and 3118.

Upon delivery of such plans, documents and the plan check fee, the District's engineer shall review the plans and specifications and if they are prepared in conformance with the District's requirements and if such other documents are in satisfactory form, shall certify same to the Board of Directors, whereupon the Board of Directors shall authorize the General Manager to make the required certifications to the County of San Bernardino for recording of the final map for the subdivision, and the District shall thereupon also issue to the developer a construction permit authorizing construction of the water system and facilities for the subdivision.

13.7 Construction and Inspection

Prior to commencing construction of a water system in a proposed subdivision or any required extension or replacement of a District water main (hereinafter collectively referred to as "water system"), the developer shall notify the District and shall deposit with the District the District's inspection fee for inspecting the installation and construction of the water system. The District shall inspect the construction and installation of the water system, to insure that such construction is accomplished in compliance with the District's requirements. The District's employees and agents who

perform such inspection shall have no duty to the developer or the developer's contractor and shall inspect solely for the District to insure that the water system is constructed and installed in accordance with the District's requirements.

13.8 Acceptance of Water System

Upon satisfactory completion of the construction and installation of a water system in a subdivision and any required extension or replacement of a District water main, as determined by the District's engineer, the developer or their contractor shall file a notice of completion with the County Recorder of the County of San Bernardino and shall furnish the District with a conformed copy of such notice containing thereon the stamp of the Recorder indicating the time and date of recording and the book and page number where said notice was recorded. Upon the expiration of the statutory period for the filing of mechanic's liens, the developer or the developer's contractor shall deliver to the District copies of all mechanic's liens which have been recorded and lien waivers or releases from all persons filing such mechanic's liens and from all other subcontractors, material and equipment suppliers, and all persons supplying labor for the construction and installation of the water system indicating that all such persons have been paid in full for the labor, equipment or materials supplied by them for such construction. At such time the developer shall also deliver to the District (1) duly executed and acknowledged grants of easements for all pipelines and other water system facilities which have been constructed and installed other than in the public streets within the subdivision, (2) a duly executed and acknowledged grant deed conveying unto the District all water system facilities installed within the subdivision and all extensions of the District's water mains to provide water service to the subdivision, and (3) a duly executed and acknowledged grant deed conveying to the District all water rights pertaining to the subdivision. All such instruments shall be in a form acceptable to the District's legal counsel. The developer shall also deliver to the District one set of reproducible record drawings for the water system and one set of prints showing the exact locations, depths and descriptions of all water system facilities within the subdivision. Upon receipt of all such drawings and documents, and upon receiving written certification from the District's engineer that the water system has been constructed and installed in accordance with the District's requirements, the Board of Directors shall adopt a resolution accepting the water system and all such grants of easements and deeds and authorizing the recordation of same.

SECTION 14.0 - PUBLIC FIRE PROTECTION

14.1 Use of Fire Hydrants

Fire hydrants are installed in the District's water system for the use of District employees and firefighters and employees and firefighters of other fire protection agencies, and no other person shall use a District fire hydrant without first obtaining the written approval of the General Manager. A person obtaining such written approval shall operate the specified hydrant or hydrants in accordance with instructions issued by the General Manager.

14.2 Relocation or Replacement of Hydrants

Any person requesting the relocation or replacement of a fire hydrant in the District's water system shall be responsible for all costs of such relocation or replacement, and shall deposit with the District at the time of such request, the estimated cost of such relocation or replacement, and if the actual cost thereof exceeds the amount of such deposit, shall pay the balance of such cost to the District within ten (10) days after receipt of an invoice therefor from the District, or if such cost is less than the amount of such deposit, the District shall refund the balance to the depositor.

14.3 Additional Hydrants

If a property owner requests installation of additional fire hydrants in the District's water system in order to comply with increased requirements for the spacing of hydrants necessitated by a change in the zoning for the owner's property or an intended change in use of such property, or if the District determines upon examining an application for water service that the intended use of the property for which such application is made will necessitate the installation of additional hydrants, the owner of such property shall be responsible for the cost of installing such additional hydrants and shall deposit with the District the estimated cost of such installation, and if the actual cost thereof exceeds the amount of such estimate, shall pay the balance of such cost to District within ten (10) days after receipt of an invoice therefor from the District, or if such cost is less than the amount of such deposit, the District shall refund the balance to such owner.

14.4 Maintenance

The District's personnel shall maintain all fire hydrants installed in the District's water system. If a fire hydrant is damaged by act of any person, such person shall be responsible for the cost of the repair or replacement of said hydrant.

SECTION 15.0 - PRIVATE FIRE PROTECTION SERVICE

15.1 Application and Deposit

A person seeking private fire protection service from the District shall enter into an agreement with the District setting forth the terms and conditions of such service. Each such applicant shall deposit with the District, concurrently with the execution of such agreement, an amount equal to the estimated cost of the installation of the fire service connection which may include at the General Manager's discretion, a shut-off valve, meter box and meter, back-flow protection device and detector check meter. If the actual cost of such installation exceeds the amount of such deposit, the applicant shall pay to the District the balance of such cost within ten (10) days after receiving an invoice therefor from the District, or if such actual cost is less than the amount of such deposit, the District shall refund the balance to the applicant. The installation of all fire service connections shall be made by District employees or a contractor selected by the District.

15.2 On-Site System

Each applicant for private fire protection service shall be responsible for and bear the entire cost of the installation of the building sprinkler system and other facilities to be installed on the applicant's property beyond the fire service connection. Upon the installation of such facilities and the fire service connection, the applicant shall be responsible for the maintenance and annual testing of the back-flow protection device, check valve and detector check meter, if any, and the facilities installed on the applicant's property to provide fire protection service. If the District finds that a back-flow protection device, check valve or detector check meter is not operating properly, it may repair or replace same and charge the owner the cost thereof.

15.3 Cross-Connections

There shall be no connection between a private fire protection service and any other water distribution system on an applicant's property and such private fire protection service shall be equipped with back-flow protective devices to protect against contamination of the public water supply.

15.4 Use of Water

There shall be no water used through a private fire protection service except for extinguishing fires and for testing the building sprinkler system and other facilities on the applicant's property. Any consumption recorded on a meter for private fire protection service which relates to water which is used for purposes other than those hereinabove permitted shall be billed at twice the District's regular domestic water rate.

15.5 Monthly Rates

Each person receiving private fire protection service from the District shall pay a monthly rate for such service to be established by the District's Board of Directors upon receipt of the application and which may be revised from time to time. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

15.6 Storage Tanks

No water storage tank connected to a building sprinkler system shall be filled with water from the private fire service connection without the written approval of the General Manager. All water thus used shall be billed at the District's regular domestic water rates.

15.7 Violation of Agreement

If water is used from a private fire service connection in violation of the agreement for such service or this Ordinance, the District may disconnect and remove the fire service connection.

15.8 Water Pressure

The District does not by entering into an agreement for or providing private fire protection service assume responsibility for loss or damage due to lack of water or pressure and agrees only to furnish such quantities and pressures as are available in its general distribution system. Private fire protection service is subject to shut-downs and variations required by the operation of the District's water system.

15.9 Commencement of Service

When a fire service connection is installed, the valve governing same shall be closed and sealed, and remain so until a written order is received from the applicant to have the water turned on. If the District does not require a meter in such a connection and if water is used through the connection for any purpose other than extinguishing fires, the District may install a meter in the fire service connection at the applicant's expense.

SECTION 16.0 - RESIDENTIAL LANDSCAPE IRRIGATION METER SERVICE POLICY

16.1 Application and Deposit

A District customer who has an active residential water meter serving a single family residence on a one acre or less in size parcel may request that a separate residential landscape irrigation meter be installed to service the same property. The residential landscape irrigation meter will be installed by the District and paid for by the customer at the actual cost of material, labor, and equipment, including District overhead (“time-and-material”). To initiate a request for residential landscape irrigation meter service, the customer will submit a completed Residential Landscape Irrigation Meter Service Application to the District Office. The size of the requested meter will be specified at the time of application.

An estimated residential landscape irrigation meter connection deposit is required prior to installation. The deposit amount required, based on meter size, is identified in the attached Exhibit A-1 – Rates, Fees and Charges. In the event the actual time-and-material installation cost is less than the estimated meter connection deposit, the difference will be refunded to the customer. If the actual time-and-material installation charge is more than the estimated meter connection deposit, the customer will be billed for the difference.

The installation of all irrigation meter services shall be made by District employees or a contractor selected by the District.

16.2 Irrigation Meter Connection

It will be the responsibility of the customer to make the connection from the customer’s landscape irrigation system pipeline to the District residential landscape irrigation meter.

16.3 Backflow Prevention

If the District determines a backflow prevention device is warranted, the customer shall install an approved device on the customer’s irrigation system pipeline at a suitable location as determined by the District. To activate the residential landscape irrigation meter service, the District requires that the device be initially tested and certified by a San Bernardino County Certified Backflow Tester. Thereafter, annual testing of the backflow device at the customer’s expense is required to keep the residential landscape irrigation meter service active.

16.4 Cross-Connections

There shall be no connections between the residential landscape irrigation meter service line and any other residential plumbing on the customer’s property. Failure to abide by this provision will result in termination of the residential landscape irrigation meter service. The customer agrees to make the customer’s water system available for District inspection to determine that compliance with this stipulation is maintained.

16.5 Monthly Service Charge

Each customer that receives active residential landscape irrigation meter service from the District shall pay a monthly service charge. The monthly service charge is established by the District's Board of Directors and may be revised from time to time. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.6 Water Usage Charge

The water usage charge for water consumed and recorded by a residential landscape irrigation meter will be the same as the water usage charge for water consumed and recorded by a normal residential meter. The residential landscape irrigation meter service water usage charge is established by the District's Board of Directors and may be revised from time to time. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.7 Not-Applicable Fees and Charges

Residential landscape irrigation meter service will not be subject to the District's Water Facilities Capacity Charge or the Residential Wastewater Service System Usage Charge.

16.8 Other Terms, Conditions, Fees and Charges for Service

With the exception of the non-applicable fees and charges identified above, residential landscape irrigation meter service will be subject to all applicable terms, conditions, fees, and charges for water service. This includes the terms and conditions set forth in the District's Rules and Regulations for Water and Wastewater Service, as well as the fees and charges identified in the most recent Resolution setting forth fees and charges for the District. The current rates are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

16.9 Violation of Agreement

Violation of any of the provisions of this Section may result in termination of residential landscape irrigation meter service and will be subject to other remedies as are set forth in the District's Rules and Regulations for Water and Wastewater Service.

SECTION 17.0 - USE OF THE PUBLIC WASTEWATER SYSTEM

17.1 Use of Public Sewers

Use of public sewer shall be specified in Chapter 3, General Regulations, of the Uniform Plumbing Codes and the provisions of this Ordinance. The Board may adopt rules and regulations on permissible discharges to the sewer system; providing for the control of prohibited wastes; grease, oil and sand interceptors; maintenance of flow equalizing systems; swimming pool discharges, and tests. The determination of a permissible discharge may require an acceptable analysis or tests from the discharges as evidence that the discharged wastes will not adversely affect the sewer system and/or treatment facilities.

17.2 Occupancy Prohibited

No building, industrial facility or other structure shall be occupied until the owner of the premises has complied with all rules and regulations of the District.

17.3 Sewer Required

The owner of any house, building, or property used for human occupancy, employment, recreation, or other purposes situated within the District and abutting on any street in which there is or shall have been located a public sewer of the District, is hereby required at their expense to connect said building directly with sewers of the District, in accordance with the provisions of this Ordinance, and to pay the District's rates and charges then in effect for connection to the public sewer, within such time as the District may require, but in no event more than 90 days after installation of the sewer. The District, in its discretion, may suspend enforcement of this requirement for any property connected to a septic system on the date of adoption of this Ordinance, provided that such property is not located within the Deep Creek watershed (generally north of Highway 18), and further provided that enforcement shall not be suspended beyond the date of a change in ownership of any such property.

17.4 Septic Tank System Use

Use of a septic tank system within the District is generally prohibited. The District may grant an exemption to this prohibition if the property using a septic tank is two hundred (200) feet or more from the nearest District sewer line and the septic tank system is fully approved, permitted and operational in accordance with the regulations of the San Bernardino County Department of Building and Safety and Department of Environmental Health Services. The District will not grant such an exemption if an assessment district or other regulation prohibits use of a septic tank system in a particular area. If a property is already using a septic tank and the septic tank is not failing and the property is outside an assessment district boundary and the property is not otherwise required to connect to the wastewater system, then the District may allow the property to continue using a septic tank so long as the requirements of this section are met.

SECTION 18.0 - BUILDING SEWER AND CONNECTIONS TO PUBLIC WASTEWATER SYSTEM

18.1 Permit Required

No person shall make a connection to any public sewer without first obtaining a written permit from the District and paying all required fees. The owner or his agent shall make application on a form furnished by the District. The permit application shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the General Manager.

18.2 Connection

The connection of the building sewer to the public sewer system shall be inspected by the District and if found to be satisfactory, the District shall affix an approval tag to the connection. The building sewer shall be inspected by the Department of Building and Safety of the County, but not before the approval tag of the District has been affixed.

18.3 Rules and Regulations

The District may adopt, subject to approval of the Board, rules and regulations for making connection to public sewers, including but not limited to permit, connection and inspection fees, procedures for installation for services, notices, testing and other regulations.

18.4 Separate Sewers

Reference is made to the Uniform Plumbing Code – Independent Systems.

18.5 Old Building Sewers

Old building sewers may be used in connection with new buildings only when they are found, on examination and tested by the District, to meet all requirements of this Ordinance. If an existing building sewer is not to be used after demolition of a building, the building sewer must be disconnected at the property line and the building sewer remaining between the property line and the public sewer must be capped by the owner at the property line. Disconnection and capping after demolition is subject to inspection and approval by the District.

18.6 Building Sewer Too Low

Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor. In all buildings in which any building drain is too low to permit gravity flow to the public sewer, sanitary sewage carried by such building drain shall be lifted to the public sewer by a pump or other approved means installed, owned and operated by the owner.

18.7 Backwater Valve Required

The District may require the installation of an approved backwater valve as specified in the Uniform Plumbing Code, wherever the lowest plumbing fixture in the building is lower than the elevation of the sewer in the street, or whenever deemed necessary by the District to protect the owner's property.

18.8 Illegal Connection

No person shall make connection of roof downspouts, exterior foundation drains, areaway drains, or other sources of surface runoff or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sewer.

18.9 Local Regulations

The connection of the building sewer into the public sewer or sewer lateral shall conform to the requirements of the District, shall be under District jurisdiction, and shall be installed by a licensed and insured contractor.

18.10 Building Sewer Maintenance

The user shall bear the burden and all expenses related to maintenance and repair or replacement of the building sewer.

18.11 Inspection of Private Property

The District's inspector shall inspect, as often as they deem necessary, buildings and premises for the purpose of ascertaining any violation of the purpose or provisions of this Ordinance and of any other law or standard affecting sewer service. Whenever the District's inspector finds it necessary to make such an inspection, the inspector is authorized to enter such building or premises at all reasonable times to inspect the same or to perform any duty authorized by this Ordinance; provided that if such building or premises is occupied, the inspector shall first present proper credentials and request entry, and if such building or premises is unoccupied, the inspector shall first make a reasonable effort to locate the owner or other persons having charge or control of the building or premises and request entry. If such entry is refused, the inspector shall have recourse to every remedy provided by law to secure entry, and shall be authorized to obtain a proper inspection warrant or other remedy provided by law to secure entry. Owners, occupants or any other persons having charge, care or control of any building or premises shall, after proper request is made as herein provided, promptly permit entry therein for the purpose of inspection and examination pursuant to this Ordinance.

SECTION 19.0 - PUBLIC SEWER CONSTRUCTION

When deemed appropriate by the District, in its discretion, the District may reimburse the user for maintenance costs incurred by the user to remove a blockage in the public sewer which prevents proper operation of the user's building sewer. Conversely, the District may bill the user for costs incurred by the District to remove a blockage produced by use of the user's building sewer, and to pursue any and all remedies for nonpayment within 30 days thereafter.

19.1 Approval Required

No person shall construct or extend any public sewer without first obtaining written approval from the District and paying all fees. The provision does not apply to condominiums and private sewers and appurtenances under contracts entered into with the District. Design and construction of public sewer systems shall be in accordance with the Design Criteria and Technical Specifications of the District.

19.2 Bonding of Improvements

A Faithful Performance Bond, when required, shall be furnished by the owner to the District. The bond shall be not less than one hundred twenty five percent (125%) of the construction estimate as approved by the engineer. The bond shall guarantee the completion of construction of those sewerage facilities proposed. The bond should be accompanied by an improvement agreement between the owner and the District.

19.3 Liability

The District and its officers, agents, and employees shall not be responsible for any liability, injury or death to any person, or damage to any property arising during, or growing out of the performance of any work or construction by any applicant, contractor or owner. The applicant shall hold the District and its officers, agents, and employees harmless from any liability imposed by law upon District or its officers, agents, or employees, including all costs, expenses, fees and interest incurred in defending same, or in seeking to enforce this provision. Applicant shall be solely liable for any defects in the performance of his work, or any failure which may develop therein.

19.4 Subdivisions

The developer or his engineer shall contact the District to determine whether or not sewer service is feasible. They will furnish a tentative tract map showing lot sizes, street layout, and elevations based on USGS datum, points of connection to the District's sewers, possible pump station and flow data based on the design criteria of the District. The District Engineer will review the tract map and determine whether sewer service is feasible and whether any oversizing will be required to facilitate extension of the District's system.

19.5 Main Extensions Other Than Subdivisions

Main extensions to serve one or more parcels of land may be made by the owner or owners of said land. The owner or his engineer shall follow the same procedure for main extensions as outlined for subdivisions in Section 20.4. In lieu of this procedure, the owner or owners may request the District to make the necessary investigation, prepare plans and have the work constructed. The owner or owners shall advance all necessary funds for the investigation, plan preparation and construction prior to the District commencing any of the work described above.

19.6 Main Service Charge

When persons, owning land to which sewer mains are adjacent in streets or rights-of-way (which mains have been installed by the District or an applicant for service) make application for sewer service to a lot, parcel, tract or subdivision, they shall reimburse the District or applicant for their proportionate share of the cost of said main. Their proportionate share of said cost shall be cost per frontage foot for benefited land, as set forth in the application and so determined by the District.

19.7 Payment of Cost of Oversized Mains

In the event the District elects to install sewers of greater size than, in the opinion of the District, shall be adequate to supply any new subdivision with sewer service, the owner or owners of the proposed subdivision shall not be required to pay more than the cost of mains which, in the opinion of the District, are adequate to supply such subdivision with sewer service. The District shall pay for the incremental cost of the oversized pipeline facilities, but no other adjustment of the cost of installation shall be made.

19.8 Refunds

When sewer main extensions are made and paid for by an applicant and said main extension shall be of benefit to another person or persons in the future, said applicant may enter into a refund agreement with the District. Said refund agreement shall provide for a refund payment from main service charges collected by the District for service connection to a main, paid for by a new applicant. Said refund shall be computed on the basis of actual cost to the person making the original main extension per frontage foot benefited for which the main service charge is collected. All refund agreements shall become null and void ten years from the date first written.

19.9 Plans and Specifications

The developer, their engineer and any other person proposing the construction of public sewers within the District will prepare plans and specifications for construction of said sewer in accordance with the District's "Design Criteria and Technical Specifications". Plans and specifications along with a copy of the tract map indicating sewer easements shall be submitted to the District Engineer for approval. This submittal will not relieve the

developer or other persons constructing public sewer facilities from compliance with other requirements of State and local agencies.

19.10 Plan Checking

The District Engineer will review the sewer plans for compliance with its requirements and will approve such plans after the following conditions have been satisfied:

- a. The District has certified the plans as complying with District's rules and regulations and as being in accordance with master sewerage plans for the area.
- b. The applicant has paid the required plan checking fee, the schedule for which shall be adopted by the Board.

19.11 Construction

The developer shall arrange for construction of facilities in accordance with the approved plans and specifications and construction methods as set forth by the District's rules and regulations. A five day advanced notice to start construction is required along with approval for construction plans and specifications. Construction of public sewers or sewer laterals as defined by this Ordinance shall be performed by a person or contractor duly licensed by the State of California.

19.12 Inspection

All public sewer construction and/or repair work shall be inspected by the District, its representative or an inspector acting for the District to insure compliance with all requirements of the District. No construction shall be accepted until it has been inspected and approved for acceptance. No work shall commence until the required inspection fee has been paid. The schedule of inspection fees shall be determined by the General Manager or District Engineer.

19.13 Service Refused

The District may refuse service for noncompliance with its rules and regulations, ordinances, resolutions and policies, and for failure to pay applicable fees.

19.14 Acceptance of facilities

Before the District will accept sewers and/or appurtenances into its maintained system, the developer shall furnish:

- a. A recorded Notice of Completion and evidence that the sewer work has been completed in accordance with approved plans and specifications.

- b. One set of reproducible as-built plans, plus one set of prints, showing exact locations, depths and description of all facilities in both hard copy and electronic format.
- c. Original recorded easement documents for sewers not in public property, or not within a tract boundary.
- d. The original recorded quitclaim deed transferring the title of the sewer facilities to the District.
- e. A letter from the District Engineer certifying that facilities were installed according to plans and specifications.
- f. Operation and maintenance manuals on any pump stations and/or mechanical equipment.

19.15 Easement

Where it is necessary to cross private property to achieve construction, or to provide access for future sewers serving adjacent or upstream tributary land, the following procedure shall be used in the preparation, review and processing of the easements and easement documents. The developer shall prepare easement documents with description for all sewer mains which do not lie within public roads, are outside of recorded tracts, and/or are on private property. The easements shall be delineated on the plans and the recording data shall be shown on the as-built plans. All District sewer easements shall be of not less than ten feet in width. The District Engineer shall review easement documents with descriptions as part of the plan review. The developer shall have them executed, notarized, and submit completed documents to the District for recording.

SECTION 20.0 - PERMITS AND FEES

20.1 Permit Required

No authorized person shall uncover, make any connection with or opening into, use, alter, or disturb any public sewer or perform any work on any public sewer and lateral sewer without first obtaining a written permit from District.

20.2 Permit Procedure

The Board shall adopt procedures for application and approval of permits regulating the use and construction of the sewer facilities. Permits shall specifically state the obligations and liability for costs of the permittee.

20.3 Street Excavation Permit

A separate permit must be secured from the County, or any other agency having jurisdiction there over, by the owners or contractors intending to excavate in a public street for the purpose of installing sewers or making lateral connections.

20.4 Connection Permit

A connection permit will not be issued until the County Road Department Excavation Permit and/or State Highway Encroachment Permit, as required, is issued. The connection permit will not be issued until the required set of prints have been submitted and all fees paid.

20.5 Fee Requirements

The Board shall adopt, by resolution, fees for the issuance of permits and for special services, including but not limited to, inspection, construction, plan checking and preparing special studies, and may further require fees for annexations, connections and use of sewer facilities. The current rates, fees and charges are identified in the attached Exhibit A-1 – Rates, Fees and Charges.

SECTION 21.0 - VIOLATION, ENFORCEMENT AND PENALTIES

21.1 Unlawful Wastewater Disposal

It is unlawful for any person to connect, construct, install, provide, maintain or use any other means of sewage disposal from any building in the area served by sewer of said District except as provided herein. Septic tank use must be in accordance with Section 17.4 of these rules and regulations. Any person violating this provision may be subject to the penalties provided by law and these rules and regulations.

21.2 Unlawful Water Use

It is unlawful for any person to connect and otherwise extract water from the District's water supply and distribution system other than as stated in these rules and regulations. Any person violating this provision may be subject to penalties provided by law and these rules and regulations.

21.3 Protection from Damage

No person shall willfully or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance or equipment that is part of the District's water or wastewater systems. Any person violating this provision may be subject to the penalties provided by law and these rules and regulations.

21.4 Investigation Powers

No person may represent himself or herself to be an authorized employee or representative of the District except as designated by the General Manager. Each duly authorized employee and representative of the District shall carry evidence establishing his or her position as such.

Upon exhibiting the proper credentials and identification, such an authorized employee or representative of the District shall be permitted to enter in and upon any and all buildings, industrial facilities and properties for the purpose of inspection, re-inspection, observation, measurement, sampling, testing or otherwise performing such duties as may be necessary to assure compliance with the provisions of these rules and regulations of the District. If such entry is refused the District shall have recourse to every remedy provided by law to secure entry.

Such an entry for inspection shall only be done upon two (2) days prior notice to the owner/customer of the subject property unless an emergency situation exists. Such notice may be given in writing or by phone or in person. The investigation shall be made with the consent of the owner/customer, or the tenant, of the subject property. If consent is refused, then the District may proceed to obtain a warrant as provided by law.

21.5 Violation

Any person found to be violating any provision of these rules and regulations of the District may be served by the District with a written correction notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations.

Whenever a violation creates an emergency or hazard, the notice of violation may be oral, followed by a written notice as soon as reasonably possible and may require immediate correction.

Each person may be held strictly responsible under the provisions of this or any other ordinance, resolution, rule or regulation of the District for their own acts and for any and all authorized acts of their authorized representatives or employees.

Upon being notified by the District or authorized representative of any violations of these rules and regulations, the person having responsibility for the property, facility or work causing the violation shall immediately cease and desist from such violation and shall cause the commencement of such measures and procedures as may be necessary to correct the violation within the time specified by the District.

If the violation or hazard is not terminated and corrected during the length of time specified, the District shall cause the violation or hazard to be corrected and shall collect from the owner the cost thereof.

21.6 Public Nuisance

Continued habitation of any building or continued operation of any commercial facility in violation of the provisions of these rules and regulations or any other ordinance, resolution, rule or regulation of the District shall constitute a public nuisance. The District shall cause proceedings to be brought for the abatement of the occupancy of the building or commercial facility during the period of such violation.

21.7 Disconnection of Service

As an alternative method of enforcing the provisions of this or any other ordinance, rule or regulation of the District, the District, at its discretion, shall have the power to turn off and/or to disconnect the customer from the sewer and/or water system or facilities of the District.

Upon turn off and/or disconnection the District shall estimate the cost of the turn off and turn on and/or the estimated cost of the disconnection and reconnection to the system and before such user is turned on and/or reconnected the District shall require payment or a deposit covering the estimated costs. This amount may be in addition to any outstanding fees owed by the customer to the District.

The District shall refund or credit any part of such deposit remaining after payment of all costs of turn on or turn off and/or disconnection of service and reconnection or shall bill the customer for any related costs in excess of the deposit.

The District shall give ten (10) days written notice to the occupant, owner or user of the premises or property that said system will be shut off or disconnected, unless the San Bernardino County Health Department determines that an emergency situation exists that endangers the health of people within the area, in which case written notice of the turn off and/or disconnection need to be given. Where there is a shut off and/or disconnection, a "Notice of Turn off and/or Disconnection" shall be posted on the property. During the period of such disconnection, occupancy of such premises by human beings shall constitute a public nuisance, whereupon the District shall cause proceedings to be brought for the abatement of the occupancy of said premises by human beings during the period of such disconnection. In such event, and as a condition of reconnection, there is to be paid to the District a reasonable attorney's fee and cost of suit arising in said action.

Neither the District nor any of its employees or agents may be held accountable for any damage which may occur to a person or a property during or because of disconnection of service.

21.8 Abatement

During any period of disconnection of service from an authorized water or wastewater system, habitation of affected premises by humans may constitute a public nuisance whereupon the District may cause proceedings to be brought for the abatement of such nuisance. This provision shall not apply to any premises that are not required by these rules and regulations to be connected to the District's water and/or wastewater system.

21.9 Liability for Violation

Any person violating any of the provisions of any ordinance, resolution, rule or regulation of the District shall be liable to the District for all expense, loss and damage accruing to the District by reason of such violation, including reimbursement of attorney fees. This provision shall be enforced in addition to any other remedy provided by law to the District because of such violation.

21.10 Civil Enforcement

The District hereby declares that the foregoing procedures are established as a means of civil enforcement of the terms and conditions of its ordinances, resolutions, rules and regulations, and not to affect forfeiture.

21.11 Variance

When any person claims special circumstances and is of the opinion that a variance is necessary or that any provision of any ordinances, resolutions, rule or regulation of the District is unjust or inequitable as applied to his or her facilities or property, and that such special circumstances make his or her facilities or property different from any other properties which are subject to the provision disputed, that person may file a written statement request for variance with the District stating the special circumstances, citing the provision disputed and requesting suspension or modification of that provision as applied to his or her facilities or property.

The Board shall hold a hearing on the written request for variance within ninety (90) days of the receipt of the request, at which the person requesting the variance shall put forth all evidence of special circumstances necessitating the variance. Within a reasonable time after the hearing, the Board may either deny, approve, or conditionally approve with conditions the variance. Any approval or conditional approval shall include findings that (1) a special circumstance exists, which causes the property in question to differ from other properties in the District, (2) strict enforcement of the rule in question would be unjust or inequitable in the circumstances, (3) the variance is reasonably necessary to avoid or mitigate the unjust or inequitable condition, and (4) the variance will not negatively impact the health, safety, and welfare of the community.

The Board may impose any conditions on the variance, including limitations on the scope or time of the variance. Any variance with a stated time limitation shall automatically expire unless extended by the Board. In no event, regardless of the stated conditions, shall any variance remain in effect beyond the time in which the special circumstances exist.

A variance may be revoked where: (1) the variance is no longer necessary due to changed circumstances, (2) the conditions on the variance are not strictly complied with, or (3) the variance negatively impacts the health, safety, and welfare of the community or the public interest otherwise requires revocation. The Board shall give notice of an intent to revoke and a hearing on the proposed revocation prior to completing any revocation. The Board may, in its sole discretion, provide an "amortization period," constituting a reasonable period of time in which a variance will terminate.

Nothing herein shall create any right to approval of a request for a variance. A variance shall not modify any fee or fees imposed by the District.

21.12 Appeals

If the District determines to impose a fine on a person ("violator") who has violated any provision of these rules and regulations, the District shall cause a written notice of the violation to be sent to the violator. The notice shall provide, in sufficient detail, the violation(s), the amount of the penalty being imposed, and the date or times by which the penalty shall be paid to the District. Service of any notice required under this Section

shall be made by personal service in the same manner as a summons in a civil action; or registered United States mail, which service shall be completed at the time of deposit into the United States mail.

A violator may appeal the imposition of any penalty by submitting the appeal in writing to the District. All appeals shall be submitted to the District within thirty (30) calendar days of the date of the notice of the imposition of the penalty.

The District General Manager, or his/her designee, shall review the appeal and any related information provided by the violator and, if necessary, cause an investigation and report to be made concerning the imposition of any penalty. The District General Manager, or his/her designee, shall have twenty (20) calendar days from the submission of the appeal to render a decision on whether to grant the appeal and mail notice thereof to the violator. If the General Manager, or his/her designee, grants the appeal and determines that any penalty was imposed in error or should be reduced, within fifteen (15) calendar days of such determination, the District General Manager, or his/her designee, shall either refund the penalty or any portion thereof, if paid by the violator, for which the appeal was granted, including any additional penalties or interest related thereto and give written notice thereof or determine and correct the amount of the penalty for the violator, including any additional penalties or interest related thereto and give written notice thereof.

The decision of the District General Manager, or his/her designee, may be appealed by the violator to the Board. Such appeal must be submitted in writing and filed with the District within fifteen (15) calendar days of the date of decision of the General Manager, or his/her designee. The Board shall conduct a hearing on such appeal at its next regularly scheduled Board meeting; provided, however, the Board shall have received the notice of appeal at least fifteen (15) calendar days prior to such meeting. If the appeal is not submitted within at least fifteen (15) calendar days prior to a regularly scheduled Board meeting, then the hearing shall be held at the next following regularly scheduled Board meeting. A notice of the hearing shall be mailed to the violator at least ten (10) calendar days before the date fixed for the hearing. The Board shall review the decision of the District General Manager, or his/her designee. The determination of the Board shall be conclusive and constitute a final order. Notice of the determination by the Board shall be mailed to the violator within ten (10) calendar days of such determination.

If the appeal is granted in whole or in part, within ten (10) calendar days from the date of the mailing of the notice of determination by the Board, the District shall either refund the penalty or any portion thereof, if paid by the violator, including any other penalties or interest related thereto for which the appeal was granted or determine and impose the correct amount of the penalty for the violator, including any other penalties or interest related thereto.

If the appeal is denied or granted in part, the violator shall have twenty (20) calendar days from the date of the mailing of the notice of determination by the Board to pay the penalty, and any other penalties and interest fixed by the Board.

Until the conclusion of the appeal process, all provisions and decisions under appeal shall remain in full force and effect until the conclusion of the appeal process.

If a violator subject to the imposition of a penalty pursuant to these rules and regulations, after notice has been provided as set forth herein, fails to pay the penalty when due, the violator shall become liable to the District for interest at the rate of one percent (1%) per month on the delinquent penalty(ies) amount.

21.13 Penalties for Violation

As authorized by law, with regard to construction and use of water and wastewater facilities, any person violating any of the provisions of these rules and regulations and failing to correct such violation within the time allowed therefore, shall be guilty of a misdemeanor.

As authorized by law, any person convicted of a violation of any provision of these rules and regulations, unless otherwise stated specifically provided in these rules and regulations, shall be punishable by a fine or by imprisonment in the County jail or by both such fine and imprisonment.

21.14 Continuing Violations

Each person who violates any provision of these rules and regulations may be guilty of a separate offense for each and every day during any portion of which such violation is committed, continued or permitted by such person and may be punished accordingly.

SECTION 22.0 - STANDARDS FOR DOMESTIC WATER AND SEWER FACILITIES

The District's design criteria, technical specifications and standards for domestic water and sewer facilities shall be adopted by resolution of the Board of Directors and may be amended from time to time. A copy of the subject resolution as adopted shall be on file in the office of the District and shall be available for inspection upon request.

RUNNING SPRINGS WATER DISTRICT

RATES AND FEES EFFECTIVE JULY 1, 2019

WATER FEES:

MONTHLY WATER BASE CHARGE RATES:

METER SIZE	MONTHLY SERVICE FEES	GALLONS PER MINUTE
3/4" METER	\$ 34.19	20 GPM
1" METER	\$ 79.01	50 GPM
1.5" METER	\$ 153.70	100 GPM
2" METER	\$ 243.33	160 GPM
3" METER	\$ 482.34	350 GPM

GALLONS PER MINUTE - BASED ON METER SIZE AND MANUFACTURER'S MAX FLOW RATE

VOLUMETRIC RATE: \$0.0483 PER CU. FT.

7.48 GAL PER CU. FT. - 43,560 CU. FT. PER ACRE FOOT = APPROX \$2,104

OUT OF DISTRICT: \$0.0483 PER CU. FT

METER INSTALLATION:

3/4" METER	\$1,091.00
1" METER	\$1,310.00
1.5" METER	\$724.00 PLUS ACTUAL COST OF METER, INSTALLATION, PLUS 10%,

WATER FACILITIES CAPACITY CHARGE: \$4,452.00 PER EDU

DELINQUENT FEE: \$10.00 OR 3% OF UNPAID BALANCE

TURN OFF/ON AND LOCK/UNLOCK: \$50.00 (\$25.00 EA. CALL) REG. HRS. MON-FRI
AN ADDITIONAL \$50.00 FEE WILL BE CHARGED FOR AFTER HRS. (5PM), INCLUDING WEEKENDS AND HOLIDAYS. METERS ARE NOT UNLOCKED BETWEEN THE HOURS OF 7PM-7AM

CUSTOMER SERVICE FEE: \$25.00

(EACH TIME AN OPERATOR IS SENT TO THE RESIDENCE TO LOCK THE METER AND AN EXTENSION IS GRANTED PER THE REQUEST OF THE CUSTOMER)

REACTIVATION/RECONNECT FEES: \$200.00 PER EDU

WASTEWATER FEES:

MONTHLY WASTEWATER BASE CHARGE RATES:

MONTHLY BASE CHARGE \$50.98 PER EDU

VOLUMETRIC RATE: \$0.0099 PER CU. FT.

SEWER USE (CF)=WATER USE (CF) x90%

SEWER FACILITIES CAPACITY CHARGE: \$5,815.00 PER EDU

DISCHARGE OF PUMPED SEWAGE: \$50.00

FOR EACH LOAD OF 1,500 GALLONS OR LESS

CUSTOMER SERVICE:

SEWER HOT TAPS- THE FEE FOR HOT TAPPING SHALL BE TIME AND MATERIAL WHICH CONSISTS OF THE REGULAR WAGE SCHEDULE FOR STRAIGHT TIME PLUS MATERIAL (NOT TIME CHARGEABLE TO OTHERS)

PLUGGED LATERALS/DYE TESTING: THE USER/CUSTOMER MAY BE RESPONSIBLE FOR REIMBURSING THE DISTRICT FOR TIME AND MATERIAL IF IT IS DETERMINED TO BE THE CUSTOMER'S RESPONSIBILITY FOR BLOCKAGE OF THE BUILDING SEWER/LATERAL/SEWER LINE (ORDINANCE #23)

RESIDENTIAL LANDSCAPE IRRIGATION METER:

METER SIZE	INSTALLATION DEPOSIT	MONTHLY SERVICE FEES
3/4" METER	\$ 300.00	\$ 34.19
1" METER	\$ 400.00	\$ 79.01
1.5" METER	\$ 600.00	\$ 153.70
2" METER	\$ 800.00	\$ 243.33

VOLUMETRIC RATE: \$0.0483 PER CU. FT.

FIRE SERVICE WATER FEES:

METER SIZE	INSTALLATION DEPOSIT	MONTHLY SERVICE FEES
1" OR SMALLER	\$ 2,500.00	\$ 3.20
1.5" METER	\$ 3,000.00	\$ 5.40
2" METER	\$ 3,500.00	\$ 9.18
3" METER	\$ 4,000.00	\$ 22.77
4" METER	\$ 4,500.00	\$ 46.20
6" METER	TIME & MATERIAL	\$ 130.30
8" METER	TIME & MATERIAL	\$ 275.36

VOLUMETRIC RATE: \$0.0966 PER CU. FT.

HYDRANT METER RENTAL CHARGE (RESOLUTION 22-17)

METER SIZE	INSTALLATION DEPOSIT
3/4" METER	\$ 100.00
1" METER	\$ 150.00
1.5" METER	\$ 400.00
2.5" METER	\$ 900.00

SET-UP FEE: \$50.00 **DAILY RENTAL FEE** \$2.50

METER RELOCATION: \$50.00

VOLUMETRIC RATE: \$0.0483 PER CU. FT.

MISCELLANEOUS FEES:

PLAN CHECK: \$50.00 FOR WATER/SEWER

ANNUAL AVAILABILITY FEES:

\$30.00 WATER \$10.00 SEWER \$65.00 FIRE SUPPRESSION

(FEES VARY BASED ON PARCEL SIZE & NUMBER OF STRUCTURES ON THE PROPERTY)

DISTRICT BOUNDARY MAP

AS DETERMINED BY THE GENERAL MANAGER

SPHERE OF INFLUENCE MAPS: \$2.00

STANDARDS & SPECS: \$25.00

PHOTOCOPYING SERVICE: \$0.15 /COPY

DISTRICT DOCUMENTS: \$0.15 /COPY + PERSONNEL & OVERHEAD COSTS

RECORDING LIEN FEE: \$50.00

RETURN CHECK FEE: \$30.00

DELINQUENT COLLECTION FEE: \$40.00

TAMPER/VANDALISM FEE \$75.00 PLUS ADDITIONAL TIME AND MATERIAL

CONCEPTUAL DEVELOPMENT \$120.00 PER HOUR

TECHNICAL CONSULTATION \$40.00 PER HOUR FOR DEPARTMENT

TIME OR ACTUAL CONSULTANT FEE FOR OUTSIDE ASSISTANCE

REVISED 07/19/19 WM

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER AUTHORIZING EXPENDITURE FOR SECURITY CAMERA SYSTEM REPLACEMENT

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider authorizing expenditure for replacement of the District's security camera system.

REASON FOR RECOMMENDATION

The existing security camera system is past its useful life and in need of replacement. The Digital Video Recorder (DVR) component is failing.

FISCAL INFORMATION

Attachment 1 includes a proposal from our IT consultant is to completely replace the existing security camera system for the amount of \$12,519.21. Attachment 2 includes a proposal from our IT consultant is to replace the existing security camera DVR component only for the amount of \$2,274.18. If approved the funding source would be split between each of the District's capital improvement reserve funds. This is not a budgeted item.

ATTACHMENTS

Attachment 1 – Proposal for Complete Replacement
Attachment 2 – Proposal for DVR Only Replacement

DESCRIPTION	PRICE	QTY	SUBTOTAL
Network-Video-Recorder & IP 4K HD Camera System -(1) NSN-7164K-16P 16 Channel 4K Super NVR for IP Cameras -(2) WD Purple 8TB Surveillance Internal Hard Drive - 5400 RPM Class, SATA 6 Gb/s, 256 MB Cache, 3.5" Internal Hard Disk Drive -(12) NSC-268G-BTZF1 4K (8MP) Ultra HD WDR Motorized Vari-Focal Bullet IP Security Camera 2.8-12mm	\$6,836.12	1	\$6,836.12
Networking Hardware <ul style="list-style-type: none"> • CAT5e Cable • CAT5e Patch cables • RJ45 jacks / faceplates / ends • Wire Management materials 			\$392.61

DESCRIPTION	PRICE	QTY	SUBTOTAL
IT Project	\$5,565	1	\$5,565
<ul style="list-style-type: none"> • Complete CAT5e cable installation for (12) camera/data locations. <ul style="list-style-type: none"> ◦ Cameras at standard ladder height, cabling routed directly through attic space (7 locations) ◦ Cameras requiring extension ladder (high mounting), cabling routed along interior walls (3 @ garage) and routed underground through existing conduit (2 @ telephone pole, rear left of property) • Mount, install, adjust (12) new 4K IP cameras. (Terminate at switch in F.D. garage storage room) • Install, configure & onboard NVR. • Train staff on basic use of camera system. • Update all ITGlue documentation. 			\$4,730.25
			Discount(-15%)
Sales Tax 7.75% (San Bernardino County)	\$7,228.73	.0775	\$560.23
<i>Total</i>			<i>\$12,519.21</i>

Signature

1.The above reference items are New, and include shipping and Tax, unless otherwise specified. Prices are good for 30 days, unless otherwise specified.

2.If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.

3.Once you feel confident about everything and are ready to move forward, please click the 'sign here' button below.

4.Once we receive notification of your acceptance, we'll contact you shortly to sort out next steps and get the project rolling.

5.If you'd like to speak to us by phone, don't hesitate to call 909-793-6338

Authorized representatives of the parties hereby execute this Request for Quotation and if price and terms are acceptable, Then CCO will prepare the proforma invoice.



SIGNATURE

Ryan Gross

Ryan Gross, Running Springs Water District

A handwritten signature in black ink, appearing to read 'Brad'.

Brad McDermith, California Computer Options, Inc.



DESCRIPTION	PRICE	QTY	SUBTOTAL
16-Channel DVR -(1) NSDV-216UK 16 Channel Tribrid HD-TVI DVR -(2) WD Purple 8TB Surveillance Internal Hard Drive - 5400 RPM Class, SATA 6 Gb/s, 256 MB Cache, 3.5" Internal Hard Disk Drive	\$1,252.14	1	\$1,252.14
IT Project <ul style="list-style-type: none">• Document existing DVR settings and retire.• Install, configure & onboard new DVR.• Train staff on basic use of camera system.• Update all ITGlue documentation.	\$925	1	\$925
Sales Tax 7.75% (San Bernardino County)	\$1,252.14	.0775	\$97.04
<i>Total</i>			\$2,274.18

Signature

1.The above reference items are New, and include shipping and Tax, unless otherwise specified. Prices are good for 30 days, unless otherwise specified.

2.If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.

3.Once you feel confident about everything and are ready to move forward, please click the 'sign here' button below.

4.Once we receive notification of your acceptance, we'll contact you shortly to sort out next steps and get the project rolling.

5.If you'd like to speak to us by phone, don't hesitate to call 909-793-6338

Authorized representatives of the parties hereby execute this Request for Quotation and if price and terms are acceptable, Then CCO will prepare the proforma invoice.

 SIGNATURE
Ryan Gross

Ryan Gross, Running Springs Water District



Brad McDermith, California Computer Options, Inc.



RUNNING SPRINGS WATER DISTRICT**MEMORANDUM**

DATE: November 13, 2019
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: CONSIDER AUTHORIZING EXPENDITURE FOR PHONE SYSTEM REPLACEMENT

RECOMMENDED BOARD ACTION

It is recommended that the Board of Directors consider authorizing expenditure for replacement of the District's phone system for an amount not to exceed \$18,000.

REASON FOR RECOMMENDATION

The existing phone system is past its useful life and in need of replacement.

BACKGROUND INFORMATION

This was discussed at the October 16, 2019 Board meeting and staff was given direction to proceed. Staff worked with out IT consultant, Computer Options, to research phone systems. We looked at the following:

Allworx - On premises system. Allworx is a group that left Cisco.

CoreDial – Hosted system. Best value with Unified Communications Platform.

Cisco - On premises or hosted system. Typically expensive and complicated followed by ongoing licensing costs.

Shortel - On premises system. Ends up being too expensive with ongoing licensing.

Staff will continue to test and demo the Allworx and CoreDial phone systems and if this expenditure is approved will go with the system that provides the best solution and value.

FISCAL INFORMATION

Attachment 1 includes a proposal from our IT consultant is to replace the existing phone system for the amount of \$10,060.79 with the cloud based hosted CoreDial Unified Communications Platform system. This system has monthly recurring fees of \$519.70 which close to what we are currently paying for the existing Spectrum phone service.

Attachment 2 includes a proposal from our IT consultant is to replace the existing phone system with the on premises Allworx phone system for the amount of \$15,308.89. There are no monthly recurring fees with this system so the additional \$4,728.49 upfront cost would be paid back in around 9 months.

Attachment 3 contains additional information on Cloud-based versus On-premises phone systems.

If approved the funding source would be split between each of the District's capital improvement reserve funds. This is not a budgeted item.

ATTACHMENTS

Attachment 1 – CoreDial Proposal

Attachment 2 – Allworx Proposal

Attachment 3 – On-premises versus Cloud-based Comparison

Service Activation Form



California Computer Options
 447 Missouri Ct.
 Redlands, CA 92373
 (909) 821-0033

Proposal #: 172539
Date: 11/06/2019
Quote Valid Until: 12/06/2019
Order Type: New Proposal
Sales Representative: Brad McDermith
Sales Rep. Email: brad@computeroptions.net
Payment Method: Check

Customer Name: Running Springs
 Water Department
Customer Since: N/A
Contract Start: TBD
Contract Maturity: TBD
Term of Commitment: 24 months from date
 of Service activation
 per the Terms of
 Service

Customer Information

Billing Address			
Company:	Running Springs Water Department	Phone:	909--867-2340
Contact:	Ryan Gross	Fax:	
Street 1:	31242 HILLTOP BLVD	Mobile:	
Street 2:		Email:	
City, State, ZIP code:	RUNNING SPRINGS, CA 92382		

Summary Monthly Recurring Charges (MRC)

QTY	Item ID	Description	Total Monthly
18	100-02-SSUB-AS-STAU	Standard Seat License Standard Seat license	\$216.00
15	100-03-CALLPATHM	Call Path On-demand (burstable) call path authorization. On-demand call paths will be invoiced at \$14.95 per path. Charges will be applied for each on-demand call path used per billing cycle.	\$224.25
1	100-04-PPM2500	2,500 Pre-Paid Domestic (US/Canada) Minutes Additional Domestic (US/Canada) usage billed at 3.9 cents per minute	\$44.00
7	100-05-DID	Domestic Telephone Number (DID) DID or telephone number (in one rate center)	\$19.25
1	100-06-E911	E911 Service Charge Monthly E911 service fee per DID, telephone number, or unique physical address, per Service Provider Terms of Service.	\$1.25
1	100-03-SIPGROUPE	Enhanced SIP Trunk Group Connects to a physical premise device. Includes Disaster Recovery. This item includes no call paths.	\$14.95
			MRC Subtotal
			\$519.70

Summary Non-Recurring Charges (NRC)

QTY	Item ID	Description	Total
7	300-01-LNPORT	Local Number Port (LNP) Fee per telephone number ported	\$174.65

Service Activation Form



QTY	Item ID	Description	Total
18	300-01-PBXSETUP	On-boarding & Installation Reseller provided setup, installation and training for hosted PBX and VoIP services (charged per phone setup and installation)	\$4,500.00
18	700-IPPHONE	Yealink 57W • Premium-level phone for executives and busy managers with heavy call load • 7" 800x480-pixel color touch display, fully adjustable • HD Voice with Yealink Acoustic Shield technology • 29 touch keys, 16 SIP accounts • Built-in Bluetooth, Wi-Fi • Dual-port Gigabit Ethernet • 1xUSB port for call recording and wireless USB headset	\$5,310.00
			NRC Subtotal
			\$9,984.65



Service Activation Form

Proposal Details

Customer Name: Running Springs Water Department

Service Address Details

Service Address	
Address Name:	
Contact:	Ryan Gross
Street 1:	31242 HILLTOP BLVD
Street 2:	
City, State, ZIP code:	RUNNING SPRINGS, CA 92382
Phone:	909--867-2340
Fax:	
Mobile:	
Email:	

Shipping Address	
Address Name:	
Contact:	Ryan Gross
Street 1:	31242 HILLTOP BLVD
Street 2:	
City, State, ZIP code:	RUNNING SPRINGS, CA 92382
Phone:	909--867-2340
Fax:	
Mobile:	
Email:	

Monthly Recurring Charges (MRC)

QTY	Item ID	Description	Total Monthly
18	100-02-SSUB-AS-STAU	Standard Seat License Standard Seat license	\$216.00
15	100-03-CALLPATHM	Call Path On-demand (burstable) call path authorization. On-demand call paths will be invoiced at \$14.95 per path. Charges will be applied for each on-demand call path used per billing cycle.	\$224.25
1	100-04-PPM2500	2,500 Pre-Paid Domestic (US/Canada) Minutes Additional Domestic (US/Canada) usage billed at 3.9 cents per minute	\$44.00
7	100-05-DID	Domestic Telephone Number (DID) DID or telephone number (in one rate center)	\$19.25
1	100-06-E911	E911 Service Charge Monthly E911 service fee per DID, telephone number, or unique physical address, per Service Provider Terms of Service.	\$1.25
1	100-03-SIPGROUPE	Enhanced SIP Trunk Group Connects to a physical premise device. Includes Disaster Recovery. This item includes no call paths.	\$14.95

MRC Subtotal
\$519.70

Non-Recurring Charges (NRC)

QTY	Item ID	Description	Total
7	300-01-LNPORT	Local Number Port (LNP) Fee per telephone number ported	\$174.65
18	300-01-PBXSETUP	On-boarding & Installation Reseller provided setup, installation and training for hosted PBX and VoIP services (charged per phone setup and installation)	\$4,500.00
18	700-IPPHONE	Yealink 57W • Premium-level phone for executives and busy managers with heavy call load • 7" 800x480-pixel color touch display, fully adjustable • HD Voice with Yealink Acoustic Shield technology • 29 touch keys, 16 SIP accounts • Built-in Bluetooth, Wi-Fi • Dual-port Gigabit Ethernet • 1xUSB port for call recording and wireless USB headset	\$5,310.00



Service Activation Form

NRC Subtotal
\$9,984.65

Service Activation Form



Notes

Due at Signing	
Monthly Recurring	\$519.70
Non-Recurring	\$9,984.65
FCC Regulatory Fee (VoIP)	\$0.95
FUSF (VoIP)	\$75.19
Total Due at Signing	\$10,580.49

Summary	
Monthly Recurring	\$519.70
Non-Recurring	\$9,984.65
FCC Regulatory Fee (VoIP)	\$0.95
FUSF (VoIP)	\$75.19
Total	\$10,580.49

*** Taxes and fees are subject to change.**

The undersigned acknowledges that they have received, read, accepted, and agreed to the California Computer Options Terms of Service, and ALL California Computer Options Terms and Conditions incorporated by this reference.

Please charge my existing credit card on file: Yes No

Signature: _____

Title: _____

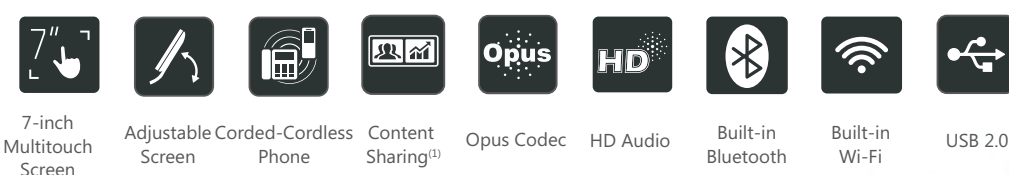
Print Name: _____

Date: _____

Confidential and Proprietary to California Computer Options. This proposal is provided to the Entity(s) and Individual(s) listed above only, and may not be disclosed or forwarded to any other party without the express, written consent of California Computer Options.

Prime Business Phone to Deliver Optimum Desktop Productivity

Especially designed for busy executives and professionals, Yealink SIP-T57W is an easy-to-use Prime Business Phone with an adjustable 7-inch multi-point touch screen that you can not only easily and flexibly find the comfortable viewing angle according to the personal and environmental needs, but also get a rich visual presentation and easy navigation with just one-touch. With the built-in Bluetooth 4.2 and the built-in dual band 2.4G/5G Wi-Fi, the SIP-T57W IP Phone ensures you to keep up with the modern wireless technology and take the first chance in the future wireless age. Its built-in USB 2.0 port allows for USB recording or a direct wired/wireless USB headset or up to three Yealink EXP50 expansion modules connection. Benefitting from these features, the Yealink SIP-T57W is a powerful and expandable office phone that delivers optimum desktop efficient and productivity.



Key Features and Benefits

Outstanding User Experience

Yealink SIP-T57W IP Phone features an adjustable 7-inch capacitive touch screen that you can readily adjust it to the comfortable viewing angle according to yourself. In addition, clearly defined set of menus is easy to navigate through when all you have to do is touching the desired option, that ensuring you an optimized interface for a smartphone-like user experience.

HD Audio

The SIP-T57W is coupled with the latest version of Yealink Optimal HD Voice technologies, including Yealink Acoustic Shield technology, that effectively eliminate background distractions and noises, deliver crystal clear voice even in a noisy environment. Meanwhile, complying with the latest Hearing Aid Compatibility (HAC) Regulations, its HAC handset helps the person who is with hearing loss to hear the voice more clearly.

Wireless Transmission

Yealink SIP-T57W IP Phone not only furnish you with the built-in Bluetooth 4.2 for Bluetooth headsets and mobile contacts synchronization, but also the built-in dual band Wi-Fi for Wi-Fi connectivity, allowing you to access the 5G Wi-Fi connectivity handily. Also if you want to expand your horizons for busy environments, or, share one phone system with your small team by adding multiple handsets, just simply turn your IP phone to the corded-cordless phone via DECT technology. Moreover, the IP phone can function with Yealink VC Desktop together to share content from your laptop, making collaboration much easier than before⁽¹⁾.

High Expandability

A built-in USB 2.0 port allows you to enjoy USB call recording via USB flash drive. Via this USB port, you also can connect wired/wireless USB headset without connecting Yealink EHS36 anymore, and connect up to 3 Yealink expansion modules EXP50 which can be programmed with up to 180 paperless DSS keys.

Efficient Installation and Provisioning

The Yealink SIP-T57W supports efficient provisioning and effortless mass deployment with Yealink's Redirection and Provisioning Service (RPS) and Boot mechanism to help you realize the Zero Touch Provisioning without any complex manual settings.

- 7" 800 x 480 capacitive adjustable touch screen
- Adjustable LCD screen
- Built-in Bluetooth 4.2
- Built-in dual band 2.4G/5G Wi-Fi (802.11a/b/g/n/ac)
- USB 2.0 port for USB recording, wired/wireless USB headsets and EXP50
- Up to 16 VoIP accounts
- Dual-port Gigabit Ethernet
- PoE support
- HAC Handset
- Paperless label design
- Wall mountable

Audio Features

- HD voice: HD handset, HD speaker
- Hearing aid compatible (HAC) handset
- Acoustic Shield
- Audio codec: Opus, G.722, PCMA, PCMU, G.729A/B, G.726, G.723.1, iLBC
- DTMF: In-band, Out-of-band (RFC 2833) and SIP INFO
- Full-duplex hands-free speakerphone with AEC
- VAD, CNG, AEC, PLC, AJB, AGC

Phone Features

- 16 VoIP accounts
- Call hold
- One-touch speed dial
- Hotline
- Call forward, call waiting, call transfer
- Mute, DND
- Group listening, SMS
- Emergency call
- Redial, call return,
- Auto answer
- 3-way conferencing
- Direct IP call without SIP proxy
- Ring tone selection/import/delete
- Set date time manually or automatically
- Dial plan, XML Browser, Action URL/URI
- RTCP-XR (RFC3611), VQ-RTCPXR (RFC6035)
- Built-in dual band Wi-Fi:
 - Network standard: IEEE802.11a/b/g/n/ac
 - Transmission rate: Up to 433Mbps (dynamic)
 - Frequency range: 2.4GHz/5.0GHz
- Built-in Bluetooth for:
 - Bluetooth headset,
 - Mobile contacts synchronization
 - Bluetooth call
- USB port (2.0 compliant) for:
 - Wired/wireless USB headset
 - USB call recording through USB flash drive
 - Color-screen expansion modules EXP50 (up to 3)
- Content Sharing (via Yealink VCD)⁽¹⁾
- Enhanced DSS key

Directory

- Local phonebook up to 1000 entries
- Black list
- XML/LDAP remote phonebook
- Smart dialing
- Phonebook search/import/export
- Call history: dialed/received/missed/forwarded

Corded-Cordless Phone (via DECT Dongle DD10K)

- Up to 4 DECT cordless handsets
- Up to 4 concurrent calls
- Support Yealink W52H/W53H/W56H/DD Phone
- Slave Handset for Master Deskset

IP-PBX Features

- Busy Lamp Field (BLF), Bridged Line Appearance (BLA)
- Anonymous call, anonymous call rejection
- Hot-desking, voice mail
- Flexible seating, Executive and Assistant
- Call park, call pickup
- Centralized call recording, call recording

Display and Indicator

- 7" 800 x 480 capacitive adjustable touch screen
- LED for call and message waiting indication
- Dual-color (red or green) illuminated LEDs for line status information
- Wallpaper
- Intuitive user interface with icons and soft keys
- Multilingual user interface
- Caller ID with name, number and photo
- Screensaver
- Power saving

Feature keys

- 29 one-touch DSS keys
- 7 feature keys: hold, transfer, message, headset, mute, redial, speakerphone
- Volume control keys
- Illuminated mute/headset/hands-free speakerphone key

Interface

- Dual-port Gigabit Ethernet
- Power over Ethernet (IEEE 802.3af)
- 1 x USB port (2.0 compliant)
- 1 x RJ9 (4P4C) handset port
- 1 x RJ9 (4P4C) headset port

Management

- Configuration: browser/phone/auto-provision
- Auto provision via FTP/TFTP/HTTP/HTTPS for mass deploy
- Auto-provision with PnP
- Broadsoft device management
- Zero-sp-touch, TR-069
- Phone lock for personal privacy protection
- Reset to factory, reboot
- Package tracing export, system log

Network and Security

- SIP v1 (RFC2543), v2 (RFC3261)
- Call server redundancy supported
- NAT traversal: STUN mode
- Proxy mode and peer-to-peer SIP link mode
- IP assignment: static/DHCP/PPPoE
- HTTP/HTTPS web server
- Time and date synchronization using SNTP
- UDP/TCP/DNS-SRV(RFC 3263)
- QoS: 802.1p/Q tagging (VLAN), Layer 3 ToS DSCP
- SRTP for voice
- Transport Layer Security (TLS1.2)
- HTTPS certificate manager
- AES encryption for configuration file
- Digest authentication using MD5/MD5-session
- OpenVPN, IEEE802.1X
- IPv6, LLDP/CDP/DHCP VLAN, ICE

Other Physical Features

- Color: Classic Grey
- Wall mountable (optional)
- External Yealink AC adapter (optional): AC 100~240V input and DC 5V/2A output
- USB output currency: 5V \approx 500mA
- Power consumption (PSU): 3.2W-6.3W
- Power consumption (PoE): 4.0W-7.8W
- Dimension (W*D*H*T): 259.4mm*220mm*211mm*44.5mm
- Operating humidity: 10~95%
- Operating temperature: -10~50°C (+14~122°F)

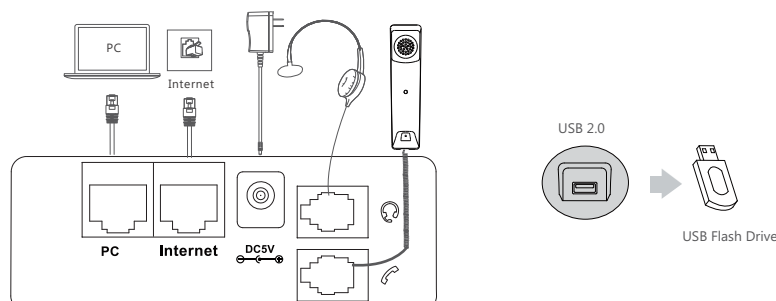
Package Features

- Package content:
 - Yealink SIP-T57W IP phone
 - Handset with handset cord
 - Ethernet Cable
 - Stand
 - Quick Start Guide
 - Power Adapter (Optional)
- Qty/CTN: 5 PCS
- N.W/CTN: 8.86 kg
- G.W/CTN: 9.79 kg
- Giftbox size: 324 mm*293 mm*128 mm
- Carton Meas: 680 mm* 303 mm*342 mm

Compliance



⁽¹⁾ The related firmware of Yealink VCD is version 28 which will be released in March, 2019.



About Yealink

Yealink is a global leading provider of enterprise communication and collaboration solutions, offering video conferencing service to worldwide enterprises. Focusing on research and development, Yealink also insists on innovation and creation. With the outstanding technical patents of cloud computing, audio, video and image processing technology, Yealink has built up a panoramic collaboration solution of audio and video conferencing by merging its cloud services with a series of endpoints products. As one of the best providers in more than 140 countries and regions including the US, the UK and Australia, Yealink ranks No.1 in the global market share of SIP phone shipments.

Copyright

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Technical Support

Visit Yealink WIKI (<http://support.yealink.com/>) for firmware downloads, product documents, FAQ, and more. For better service, we sincerely recommend you to use Yealink Ticketing system (<https://ticket.yealink.com>) to submit all your technical issues.



YEALINK(XIAMEN) NETWORK TECHNOLOGY CO.,LTD.
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Huli District, Xiamen, Fujian, P.R. China
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DESCRIPTION	PRICE	QTY	SUBTOTAL
ALLWORX IP Business Telephone System	\$11,425	1	\$11,425
<ul style="list-style-type: none"> • Connect 536 VoIP PBX • Includes 30 base users, 3 Gigabit network ports, 2 FXO ports, 2 FXS ports, 1 built in T1 port (licensed separately) and 15-port voicemail with unified messaging. Supports up to 60 concurrent external calls. Includes 1 Allworx reach, unlimited Allworx interact, 1 Allworx interact professional, and 12 generic SIP devices. • (18) Allworx Verge 9312 Gigabit IP Telephone Handset (12 button) • (1) Allworx Verge IP extension module (36 button) • 5 year Hardware, software & support warranty 			\$9,711.25 Discount(-15%)
Connectivity Project:	\$4,450	1	\$4,450
<ul style="list-style-type: none"> • Install, configure and onboard new Allworx • Update/create IT documentation in ITGlue 			\$3,782.50 Discount(-15%)
*Cabling not included			
Sales Tax 7.75% (San Bernardino County)	\$23,421.14	.0775	\$1,815.14
Total			\$15,308.89

Allworx Connect 731



- ✓ For up to 180 users. [i](#)
- ✓ Two FXO ports.
- ✓ Three network ports.
- ✓ 60 concurrent external calls.
- ✓ Two FXS ports.
- ✓ One T1 port. [i](#)

Allworx Verge 9312

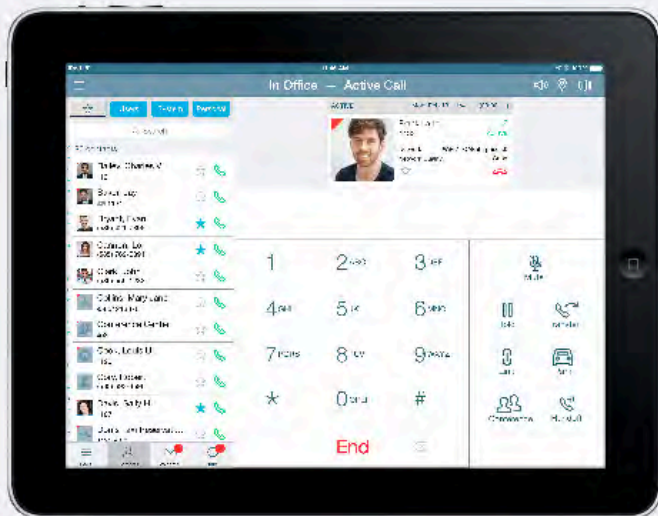


- ✓ 12 self-labeling programmable buttons.
- ✓ 4.3" color display.
- ✓ Full duplex speaker phone.
- ✓ Gigabit Ethernet.
- ✓ Power over Ethernet (PoE).
- ✓ Contextual soft keys.
- ✓ Bluetooth wireless support.
- ✓ HD audio.
- ✓ Integrated network switch.
- ✓ Verge 9318Ex Expander support.



Allworx Verge 9318Ex Expander

- ✓ 18 self-labeling programmable buttons.
- ✓ 4.3" color display.
- ✓ Add up to three units to a Verge 9312 IP phone.



Make and Receive Calls Like You're in the Office

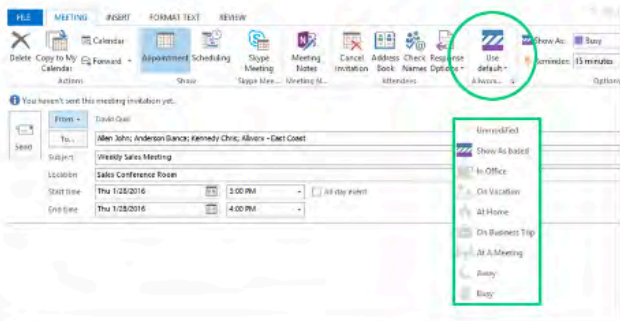
- ✓ Transfer, hold, and park calls with a single touch.
- ✓ Make easy three-way calls.

Allworx® Interact Sync™

For Microsoft Skype for Business, Outlook, and Browser Integration

Interact Sync delivers a smooth one-click communication flow with presence/status sync and one-click dialing.

VIEW: [Presence/Status Sync](#) [One-Click Dial](#) [Browsers](#)

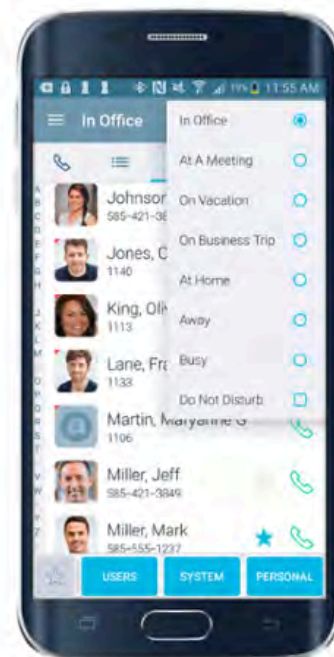


Sync with Skype for Business and Outlook/Office 365

- ✓ Intelligently sync your presence and status between Skype for Business and Allworx.
- ✓ Allworx add-in for Outlook/Office 365 enables you to update the Allworx presence for an upcoming meeting on the fly.
- ✓ Changes in your presence/status automatically update your Allworx call route.

Update Your Presence and Status

- ✓ Change your Allworx presence setting and DND status.
- ✓ Automatically update your call routes based on your updated presence/status.



Allworx Reach Link

Stay Connected as Your Mobile Data Network Changes

During active Reach calls

Reach Link automatically connects active calls as the mobile data network changes from 4G to Wi-Fi, and vice versa.

During brief network interruptions

While Reach Link is reconnecting the call, the other party will hear a brief down-tone and an explanation.



Allworx 731 Feature Set

Click to add

	731
SYSTEM FEATURES	
Maximum Users ¹ / Base Users	180/30
Maximum System Extensions ² / Base System Extensions	180/30
Concurrent External Calls	60
Maximum Handsets ³	360
FXO Ports	2
FXS Ports	2
Network Ports	3
T1 Port ¹	1
Conference Bridges ¹	4
Users per Bridge ¹	30
Concurrent Users on All Bridges ¹	30
Number of Queues ¹	10
Calls per Queue ¹	60
Concurrent Calls in All Queues ¹	60
Voicemail Ports	15
Auto Attendants ⁴	32
Auto Attendant Ports	16
Presence Settings	7
VoIP with Integrated SIP 2.0	Included
Voicemail-to-Email	Included
Customized Call Routes with Unlimited Options	Included
Plug-N-Play Remote IP Phone Support	Included
10 Customizable Paging Zones	Included
Door Relay ⁵	Included
Secure (HTTPS) Web Administration	Included
My Allworx Manager for End-Users	Included
Basic Call Detail Reports	Included
TSP (TAPI) Driver	Included
SIP Video Support	Included
Allworx OfficeSafe™ for Data Backup	Included
Native Gigabit Ethernet Interfaces with VLANs	Included
Integrated SPI Firewall, NAT, and Routing Capability	Included
SUPPORTED ADVANCED SOFTWARE OPTIONS¹	
Allworx Advanced Multi-Site Primary ¹	+
Allworx Advanced Multi-Site Branch ¹	+
Allworx Call Queuing ¹	+
Allworx Automatic Call Distribution (ACD) ¹	+
Allworx View™ ¹	+
Allworx View ACD ¹	+
Allworx Conference Center ¹	+
Allworx Dual Language Support ¹	+
Allworx Mobile VM ^{1,6}	+
Allworx Reach™ ¹	+
Allworx Reach Link™ ¹	+
Allworx Interact™ Professional ¹	+
Allworx Interact Sync™ ¹	+
Generic SIP Device Registration ¹	+

1. See your local distributor for additional software options.

Affordable IT Project and Equipment Financing Options

SHORT TERM FINANCING

Option #1 Financing provided by: California Computer Options, Inc.

- Pay for project in THREE month equal monthly installments.
- New customers without CCO established credit have a required deposit of 15%.
- Cost is 2.9% of total project amount.

Option #2 Financing provided by: California Computer Options, Inc.

- Pay for project in SIX month equal monthly installments.
- New customers without CCO established credit have a required deposit of 15%.
- Cost is 4.9% of total project amount.

LONG TERM LEASING

Option #3 Leasing provided by: US Bank

- Best option for A credit
- Ask us for a credit application today or you can contact them directly
 - **Sean A Loualhati**
Vice President
Business Banking Officer
 - **p.** 909-803-1086 | **c.** 909-368-6420 | **f.** 833-280-5416
 - sean.loualhati@usbank.com

Option #4 Leasing provided by: Nationwide Business Capital

- Best option for OTHER THAN A credit
- Ask us for a credit application today or you can contact them directly
 - **Jim Bowles**, President
 - (800) 690-7040 - Office
 - (800) 496-6001 - Fax
 - (626) 375-3006 - Cell
 - bowles@nwbcapital.com

Signature

1.The above reference items are New, and include shipping and Tax, unless otherwise specified. Prices are good for 30 days, unless otherwise specified.

2.If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.

3.Once you feel confident about everything and are ready to move forward, please click the 'sign here' button below.

4.Once we receive notification of your acceptance, we'll contact you shortly to sort out next steps and get the project rolling.

5.If you'd like to speak to us by phone, don't hesitate to call 909-793-6338

Authorized representatives of the parties hereby execute this Request for Quotation and if price and terms are acceptable, Then CCO will prepare the proforma invoice.

 SIGNATURE _____
Ryan Gross

Ryan Gross, Running Springs Water District



Brad McDermith, California Computer Options, Inc.





Meet Allworx[®] Connect[™]

The VoIP Communication Platform for the Future

More powerful. More advanced. Allworx Connect, our third-generation family of VoIP communication systems, has good looks and serious specs in one compact package.

Highlights

- ✓ Economical and scalable models.
- ✓ High-speed solid state storage subsystem.
- ✓ Bank-grade HTTPS encryption for access security.
- ✓ Wall- and rack-mountable.
- ✓ Interoperability with the latest VoIP standards used by major carriers.
- ✓ Native Gigabit Ethernet interfaces with VLANs.
- ✓ Models with or without analog FXO ports.

Used at
More Than
47,000
Business
Locations¹



Allworx Connect 731

- For up to 180 users.²
- 60 concurrent external calls.
- Two FXO ports.
- Two FXS ports.
- Three network ports.
- One T1 port.³



Allworx Connect 536 and 530

- For up to 50 users.²
- 30 concurrent external calls.
- With or without six FXO ports.
- Two FXS ports.
- Three network ports.



Allworx Connect 324 and 320

- For up to 20 users.²
- 12 concurrent external calls.
- With or without four FXO ports.
- Two FXS ports.
- Two network ports.

Allworx Px 6/2 Expander



- Add extra analog ports to any Connect system.
- Six FXO and two FXS ports.
- Up to three units can be added to a Connect 731, 536, and 530.
- One unit can be added to a Connect 324 and 320.

All Connect systems require Allworx System Software 8.0 or higher.

1. As of June 2016. 2. Requires an additional software license key(s) to expand users above the base. 3. Requires an additional software license key.

It's easy to grow your business with Allworx Connect.



Not sure how many employees you'll be adding in the future? You can always trade up from one Connect system to another with ease.

Or perhaps you have an older Allworx system (6x12, 6x, 48x, or 24x) you're looking to upgrade? Trade in for a brand new Connect system at a price that's easy on the wallet.

To learn more, contact your Allworx Authorized Partner.

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Allworx® Connect™ System Specifications

	731	536	530	324	320
SYSTEM FEATURES					
Maximum Users ¹ / Base Users	180/30	50/30	50/30	20/12	20/12
Maximum System Extensions ² / Base System Extensions	180/30	50/30	50/30	20/12	20/12
Concurrent External Calls	60	30	30	12	12
Maximum Handsets ³	360	100	100	40	40
FXO Ports	2	6	0	4	0
FXS Ports	2	2	2	2	2
Network Ports	3	3	3	2	2
T1 Port ¹	1	0	0	0	0
Conference Bridges ¹	4	1	1	1	1
Users per Bridge ¹	30	8	8	8	8
Concurrent Users on All Bridges ¹	30	8	8	8	8
Number of Queues ¹	10	10	10	10	10
Calls per Queue ¹	60	30	30	12	12
Concurrent Calls in All Queues ¹	60	30	30	12	12
Voicemail Ports	15	8	8	4	4
Auto Attendants ⁴	32	16	16	9	9
Auto Attendant Ports	16	8	8	4	4
Presence Settings	7	7	7	7	7
VoIP with Integrated SIP 2.0	Included	Included	Included	Included	Included
Voicemail-to-Email	Included	Included	Included	Included	Included
Customized Call Routes with Unlimited Options	Included	Included	Included	Included	Included
Plug-N-Play Remote IP Phone Support	Included	Included	Included	Included	Included
10 Customizable Paging Zones	Included	Included	Included	Included	Included
Door Relay ⁵	Included	Included	Included	Included	Included
Secure (HTTPS) Web Administration	Included	Included	Included	Included	Included
My Allworx Manager for End-Users	Included	Included	Included	Included	Included
Basic Call Detail Reports	Included	Included	Included	Included	Included
TSP (TAPI) Driver	Included	Included	Included	Included	Included
SIP Video Support	Included	Included	Included	Included	Included
Allworx OfficeSafe™ for Data Backup	Included	Included	Included	Included	Included
Native Gigabit Ethernet Interfaces with VLANs	Included	Included	Included	Included	Included
Integrated SPI Firewall, NAT, and Routing Capability	Included	Included	Included	Included	Included
SUPPORTED ADVANCED SOFTWARE OPTIONS¹					
Allworx Advanced Multi-Site Primary ¹	•	•	•	•	•
Allworx Advanced Multi-Site Branch ¹	•	•	•	•	•
Allworx Call Queuing ¹	•	•	•	•	•
Allworx Automatic Call Distribution (ACD) ¹	•	•	•	•	•
Allworx View™ ¹	•	•	•	•	•
Allworx View ACD ¹	•	•	•	•	•
Allworx Conference Center ¹	•	•	•	•	•
Allworx Dual Language Support ¹	•	•	•	•	•
Allworx Mobile VM ^{1,6}	•	•	•	•	•
Allworx Reach™ ¹	•	•	•	•	•
Allworx Reach Link™ ¹	•	•	•	•	•
Allworx Interact™ Professional ¹	•	•	•	•	•
Allworx Interact Sync™ ¹	•	•	•	•	•
Generic SIP Device Registration ¹	•	•	•	•	•

1. Requires an additional advanced software license key(s).
 2. A system extension does not have an individual voicemail box (e.g., break room, customer service queue). The maximum number of system extensions is equal to the maximum number of user licenses available for a server.
 3. Handsets include Allworx IP phones, activated Allworx Reach licenses, generic SIP devices, and analog devices.

4. Requires Allworx System Software 8.1 or higher.
 5. Requires a third-party electronic door lock device (not included).
 6. Called Mobile Link prior to Allworx System Software 8.1.

Allworx[®] Verge[™] IP Phones

A New Class of Mobile-First Business Phones

With a Verge IP phone on your desk and Allworx Reach[™] app on your favorite mobile devices, you can talk in the office or on the go. Without missing a beat.

Mobility Integration Highlights

- ✓ Real-time sharing of contacts across mobile devices (via Reach), Outlook (via Interact Professional), and Verge IP phone.^{1,2,3}
- ✓ Instant handoff of active calls to and from your mobile device and Verge IP phone (via Reach).^{1,3}
- ✓ Remote control of Verge IP phone using your mobile device (via Reach).^{1,3}
- ✓ Bluetooth[®] hands-free for receiving and placing cellular calls on your Verge IP phone (available on the Verge 9312 model only).¹

Other Highlights

- ✓ Self-labeling programmable function buttons.
- ✓ Contextual soft keys.
- ✓ Color display.
- ✓ Full duplex speakerphone.
- ✓ HD audio.
- ✓ Built-in four-way conferencing.
- ✓ Visual ring indicator.
- ✓ Gigabit Ethernet.
- ✓ Integrated network switch with port mirroring.
- ✓ Power over Ethernet (PoE).

1. Requires an Allworx system running System Software 8.2 or higher.
2. Real-time sharing of mobile and Outlook contacts across Allworx devices and applications is supported on Connect servers only.
3. Requires Reach 3.0 or higher and Interact Professional 3.0 or higher.

Verge 9312

- 12 self-labeling programmable function buttons.
- 4.3" color display.
- Bluetooth support.
- Supports up to three Verge 9318Ex Expanders.



Verge 9308

- 8 self-labeling programmable function buttons.
- 3.5" color display.



Verge 9318Ex Expander

- 18 self-labeling programmable function buttons.
- 4.3" color display.



Real-Time Contact Sharing



Instant Call Handoff



Remote Control



Bluetooth[®] Hands-Free



Allworx® Verge™ IP Phone Specifications

	Verge 9312	Verge 9308
VERGE IP PHONE FEATURES		
Self-Labeling Programmable Buttons	12 ¹	8
Display	Color 4.3"	Color 3.5"
Visual Ring Indicator	•	•
Adjustable Stand	•	•
Wall Mountable ²	•	•
Gigabit Ethernet	•	•
Integrated Network Switch	•	•
Full Duplex Speaker Phone	•	•
Audio Codecs Supported (G.711, G.729, G.722)	•	•
Power Over Ethernet (PoE)	•	•
Bluetooth® Headset Support	•	•
Headset Jack (RJ-11)	•	•
EHS Wireless Headset Support	•	•
Built-In Four-Way Conferencing	•	•
9318Ex Expander Support ¹	•	•
MOBILITY INTEGRATION FEATURES		
Real-Time Sharing of Mobile Contacts via Allworx Reach ^{3,4}	•	•
Real-Time Sharing of Outlook Contacts via Allworx Interact™ Professional ^{3,4}	•	•
Adding and Sharing of Allworx Personal Contacts ³	•	•
Instant Call Handoff Feature via Reach Mobile App ⁴	•	•
Remote Control Feature via Reach Mobile App ⁴	•	•
Bluetooth Hands-Free for Receiving and Placing Cellular Calls	•	•
BUILT-IN FUNCTION BUTTONS		
Mute	•	•
Headset Audio	•	•
Speaker Function	•	•
Presence Setting	•	•
Voicemail	•	•
Intercom	•	•
Transfer	•	•
Hold	•	•
Contacts	•	•
Four-Way Scroll and Select Button	•	•

	Verge 9312	Verge 9308
CONTEXTUAL SOFT KEYS⁵		
	3	3
USER-CONTROLLED PROGRAMMABLE FUNCTION BUTTONS⁶		
Contact – for Personal or Allworx User Contacts	•	•
Park	•	•
Redial	•	•
Release	•	•
Hot Desking	•	•
Flash (available on 6x12, 6x, and 48x only)	•	•
Bluetooth Hands-Free	•	•
OTHER PROGRAMMABLE FUNCTION BUTTONS		
Call Appearance	•	•
Line Appearance for Specific Outside Line(s)	•	•
Shared Call Appearance	•	•
Busy Lamp Field (BLF)	•	•
Emergency Alert for Monitoring Emergency Calls	•	•
Message Monitoring for Specified Voicemail Box	•	•
Park Monitor	•	•
Network Profile	•	•
Schedule Change for Day/Night Mode for the Allworx System	•	•
Push-To-Talk for Enabling One-Way Communications	•	•
Headset On/Off	•	•
ACD Appearance for Agent Log In/Out of the Queues ⁷	•	•
Queue Alarm for Monitoring Activity Levels ⁷	•	•
Call Supervision for Agent Monitoring	•	•
Queue Appearance for Shared Call Queuing ⁸	•	•
Ring Group	•	•

- Expandable up to 66 by adding up to three Verge 9318Ex Expanders.
- Requires a separate wall mount kit.
- Real-time sharing of personal contacts across Allworx devices and applications is supported on Connect servers only.
- Requires Reach 3.0 or higher and Interact Professional 3.0 or higher.
- Soft key options dynamically change based on the current user action.
- To enable user-controlled programmable function buttons, Allworx administrator must provide permission for specific buttons on the users' Verge IP phones.
- Requires an Allworx Automatic Call Distribution software license key.
- Requires an Allworx Call Queuing software license key.



ATTACHMENT 3

On-premise vs. Cloud-based

On-premise

Your phone system is at your location and you are responsible for installing and maintaining.

Costs

- Up to 40% more costly than cloud-based, requiring cabling, hardware, closet space, electricity, and cooling
- Pay in advance for planned growth
- Multiple locations require multiple phone systems
- Pay for all upgrades and maintenance

Installation

- Time-intensive setup, requiring the installation of significant hardware

Cloud-based

Your phone system resides in the cloud using your Internet connection with no on-premise hardware or software to install or maintain, except for phones.

- No hardware costs except the phones themselves
- Pay only for what you need & use. Scale up or down on demand.
- Multiple locations are supported by one phone system in the cloud
- Most features and upgrades are included in cost

- Quick and easy setup and installation due to minimal hardware deployment

On-premise

Cloud-based

Scalability

- Harder to scale, requiring thorough planning (and detailed, accurate forecasting)
- Takes weeks or months to add or delete phone lines
- Scales to your needs as you grow, using exactly what you need, when you need it
- Phone lines can be added or deleted in a matter of minutes

Maintenance

- Requires an IT specialist to manage and make changes
- Other than phones, no maintenance required

Upgrading Features

- Time to market varies
- Upgrades require manual updates from an IT specialist
- Time to market is immediate
- All upgrades are made available automatically through the cloud

Mobility

- Implementing mobile compatibility is extremely complex and expensive, making it more difficult to accommodate a mobile workforce
- Anyone can connect from multiple devices with an Internet connection, making it easy to extend to a remote workforce

Disaster Recovery

- Redundancy is possible, but costly
- Recovery is typically slower, negatively impacting customer experience
- Geo-redundancy, while possible, requires double the space, hardware, software, and capital
- Built-in failover in the event of Internet or power loss
- Calls automatically rerouted to other data centers so customer experience is not affected
- Geo-redundancy is built in, with no need for a capital outlay for space, hardware, or software

With a cloud-based solution, your business can take advantage of the following benefits:

- Lower cost
- Faster time to market with new technology
- Simple and cost effective mobility solutions
- Automatic updates
- Faster setup
- Only pay for the hardware and services you use
- More reliable disaster recovery
- Eliminate the cost of future-proofing
- Improved scalability
- No maintenance

How to Switch

Interested in switching to California Computer Options? **Call 909.793.6338** to receive a customized quote detailing the benefits of utilizing our innovative products and services. When you're ready, we'll install your new phone system with ZERO downtime, so you can get back to business.

RUNNING SPRINGS WATER DISTRICT**MEMORANDUM**

DATE: November 13, 2019

TO: Board of Directors

FROM: Mike Vasquez, Fire Chief
Ryan Gross, General Manager

SUBJECT: CONSIDER APPROVING A VOLUNTEER CHAPLIN POSITION
FOR THE FIRE DEPARTMENT

RECOMMENDED BOARD ACTION:

It is recommended that the Board of Directors approve the proposal for adopting a Fire Department Chaplin Volunteer Position.

REASON FOR RECOMMENDATION:

Currently the Fire Department does not have a position that provides counseling to both Firefighters and other Fire Department Staff in the event of a crisis.

A Fire Department Chaplin would aid comfort and provide help to firefighters and their families in the event of a sudden death, serious injury, hospitalization or line of duty death.

It is in the best interest of the fire department to provide an appropriate response to crisis should an event occur. By approving this recommendation, the fire department will be able to achieve this goal to its personnel.

BACKGROUND INFORMATION

Fire Department Chaplains have been apart of the fire service since the 1970's. A Fire Chaplain represents his or her fire department and is trained to help firefighters in crisis, provide counseling and support to family members. By the nature of a firefighter's work, firefighters also need the help provided by a thoughtful and trained person for any type of crisis.

FISCAL INFORMATION

This position will be under a volunteer agreement. All uniform components will initially be an upfront cost of the Fire Department.

ATTACHMENTS

Attachment 1: Volunteer Agreement
Attachment 2: Position Description and Duties

**VOLUNTARY RELEASE AND WAIVER OF LIABILITY,
ASSUMPTION OF RISK AND INDEMNITY AGREEMENT**

VOLUNTARY SERVICES

For civic, charitable and humanitarian reasons, I _____ desire to voluntarily provide services (“Services”), which volunteer Services may be of benefit to the **RUNNING SPRINGS WATER DISTRICT** (“District”). I understand that any Services I perform on behalf of, or that may benefit the District must be assigned or approved by the District, and I agree not to perform services not so assigned or approved. The Services shall include, but not be limited to, performing the following Services: **[ENTER DESCRIPTION OF SERVICES]**. Chaplin Services

I specifically acknowledge that I am engaging in these Services as a volunteer and not as a District employee, agent, official, officer or representative. I agree that at no time will I represent myself as an employee, representative or agent of the District. I agree to only perform those tasks assigned or approved, observe all safety rules, and use care in the performance of the Services. I further expressly authorize the provisions of emergency medical aid to me, if needed, as a result of my performance of the Services.

I understand that (i) the District provides no compensation for my Services, with the potential exception, at the District’s sole discretion, of reimbursement for any pre-approved and verifiable mileage incurred in providing the Services described herein; (ii) I am not covered by the District’s Workers’ Compensation Insurance policy, and (iii) I shall not be considered an employee of the District for any purpose, including, but not limited to, retirement benefits, health benefits, seniority, sick leave and vacation leave.

I understand that through my volunteer Services with the District I may be included in media shots taken by the District or others. I hereby authorize and consent that the District shall have the absolute right to copyright, publish, use or assign any and all photographic portraits, pictures or video images, or audio (collectively “media”), or any part thereof, taken of me. I understand that I do not own or claim any rights to such media. I authorize the District to put the media to legitimate and professional use at the discretion of the District and I release the District from any and all claims, liability or obligation.

I agree that, should it be necessary to operate my own personal vehicle in connection with my performance of Services, before engaging in any Services, I will ensure that all legally required automobile insurance, with at least the minimum amount of insurance required by law, is obtained on any vehicle I operate. I further agree and acknowledge that I will not operate any vehicle that may not be legally operated in California for any reason.

ASSUMPTION OF RISK

I acknowledge that no physical or health limitations prevent me from safely participating in the Services. I understand that the Services *may* include strenuous physical activities, and that there are risks associated with the Services, including, but not limited to, injury (minor and serious), death and damage to property. I attest and verify that I possess the physical fitness and ability to perform the work that I have volunteered to perform as part of the Services, and that I have no physical limitations that would affect my participation. If I do not feel that I am capable of performing any work, I assume the responsibility of informing whomever is designated as my supervisor or the manager or director of the Services.

In consideration for being permitted to provide Services, I hereby assume the risk of, and responsibility for, any such injury, death or damage which I may sustain arising out of, or in any way connected with, the performance of the volunteer Services, including injury, death or damage resulting from any acts or omissions, whether negligent (active or passive) or not, or any property or equipment owned or supplied by or on behalf of the District, its officials, officers, employees, agents, and volunteers.

WAIVER RELEASE AND INDEMNIFICATION

In consideration for being permitted to provide the Services, and to the maximum extent permitted by law, I hereby waive, release, discharge, hold harmless, and covenant not to sue, in advance, the District and its officials, officers, employees, agents, and volunteers, from any and all actions, causes of actions, claims, demands, costs, expenses, liabilities, losses, damages, or injuries of any kind, in law or equity, to my property or persons, including, wrongful death, that may have or may hereafter accrue and that in any manner arise out of, pertain to, or are incident to the Services or my performance of the Services, as well as, any alleged acts, errors, or omissions of the District or its officials, officers, employees, agents, or volunteers, whether or not such acts, errors or omissions be negligent (active or passive), willful or otherwise. I agree to this waiver on behalf of myself, my heirs, executors, administrators and assigns.

I agree to indemnify the District and its officials, officers, employees, agents, and volunteers from any and all claims, lawsuits, demands, loss, liability, damage, expense, cost or injuries that might incur due to my presence in or on District premises, whether caused by the negligence of District personnel or participants, or otherwise.

KNOWING AND VOLUNTARY EXECUTION

I ACKNOWLEDGE THAT I AM OVER THE AGE OF EIGHTEEN AND AM LEGALLY COMPETENT TO SIGN THIS AGREEMENT. I HAVE CAREFULLY READ THIS DOCUMENT AND FULLY UNDERSTAND ITS CONTENTS. I UNDERSTAND AND ACKNOWLEDGE THAT I AM GIVING UP IMPORTANT LEGAL RIGHTS. I UNDERSTAND THAT THIS AGREEMENT REPRESENTS A CONTRACT BETWEEN MYSELF AND THE DISTRICT. I KNOWINGLY AND VOLUNTARILY GIVE UP THESE RIGHTS OF MY OWN FREE WILL BY SIGNING THIS DOCUMENT. I UNDERSTAND THAT I MAY SEEK THE ADVICE OF AN ATTORNEY IN ANY MATTER CONNECTED WITH THIS RELEASE, WAIVER AND INDEMNITY AGREEMENT BEFORE SIGN THE AGREEMENT.

I understand that volunteers are urged to carry insurance (life, disability) and the appropriate hospitalization insurance before volunteering.

Printed Name of Applicant

Signature of Applicant

Date



RUNNING SPRINGS FIRE DEPARTMENT

"SERVICE TO THE COMMUNITY"

31250 Hilltop Boulevard • P.O. Box 2206

Running Springs, CA 92382

Mike Vasquez, Fire Chief

ATTACHMENT 2

FIRE DEPARTMENT CHAPLAIN

DUTIES OF THE CHAPLAIN

The below listed duties constitute only a brief summary of what may actually be required.

Emergency Situations

The Chaplain will respond when contacted by dispatch or fire department personnel, or at his/her own discretion, and will report at the scene to the officer in charge. When at a scene, the Chaplain will be under the command authority of the incident commander. The Chaplain will usually respond as follows:

A. To the scene when:

- 1) A working fire of second alarm or greater is in progress.
- 2) A critical incident is in progress.
- 3) A critical injury or death to a firefighter is reported.
- 4) The incident involves a victim that is a member of a department member's family.
- 5) Whenever the incident commander determines that the services of the Chaplain may be of value in the ongoing emergency operation. This may include situations where:
 - i. The victim or family is highly emotional or unstable.
 - ii. Care is needed for the family of the victim while treatment is underway.
 - iii. The victim or the family requests the services of a chaplain or clergy.
 - iv. The incident commander feels the presence of the Chaplain would be of benefit to the victim or to department personnel.

B. To the hospital when:

- 1) The incident commander or paramedic providing treatment determines that the victim or family may need support or counsel.
- 2) The victim's family needs to be located and notified.
- 3) A member of the fire department is the victim.

C. In addition, the chaplain may also:

- 1) Counsel emergency service workers.
- 2) Counsel family members of Emergency Service workers.
- 3) Make death notifications and casualty calls.
- 4) Serve as part of a Critical Incident Management Team.
- 5) Serve as liaison with other clergy in the community.
- 6) Provide for the spiritual needs of department members and their families.
- 7) Offers prayers at special occasions such as recruit graduations and award ceremonies.
- 8) Provide an ear to listen and a shoulder to lean on.
- 9) Coordinate and provide family services in the event of the serious injury or death of an emergency service worker

Follow-Up Actions

A. On-the-Scene Duties:

- 1) Provide appropriate victim assistance to free operational personnel for firefighting duties.
 - i. Comfort and counsel.
 - ii. Referral to appropriate community agencies for assistance.
 - iii. Help contact persons, insurance agents, family members, etc. In all cases, the Chaplain will find out a victim's church or religious preference and attempt to notify the pastor or church.
- 2) Provide appropriate assistance to firefighters engaged in firefighting activities.
 - i. Watch for signs of physical or emotional stress.
 - ii. Assist in providing firefighter needs (water, rest, etc.)
 - iii. Advise command whenever it is felt that a firefighter or EMS provider is in need of being relieved from emergency operations.

B. Post-Emergency Duties:

- 1) Conduct follow-up to ensure victims are receiving necessary assistance.
- 2) Ensure firefighter's needs are met in the areas of on-the-job injuries, critical incident stress, etc.

Routine Duties

A. Duties within the fire department.

- 1) Visit all stations and shifts.
- 2) Visit hospitalized department members and members of their families.
- 3) Participate in recruit training as suggested by the training officer.
- 4) Be available for helping or counseling members of the department in times of stress or difficulty.

- 5) Assist when requested by any division of the department in their programs.
- 6) Attend fire department functions.
- 7) Conduct or participate in religious services such as weddings, funerals or memorial services, as requested and within the Canonical restrictions of the respective Chaplain's office.
- 8) Be a member of the Critical Incident Stress Management Team.
- 9) Be on-call on a twenty-four hour a day basis.

B. Duties outside the department

- 1) Represent and interpret fire department goals and concerns to the churches and religious institutions of the community.
- 2) Assist when requested with public events or public information needs.
- 3) As time permits, and as requested, conduct extended ministry to victims and their families.

GENERAL GUIDELINES FOR THE CHAPLAINCY

The Chaplain does not replace a member's regular religious leader. Rather, the Chaplain seeks to support the concern of every church for its members who may be in professions with special risks or needs. Moreover, the Chaplain must support the concerns of every member of the department, regardless of his or her nationality, race, sex, or religion. However, it is also important to understand that Chaplains are bound to act only within the Canonical restrictions of their respective faith and office. If one Chaplain's faith restricts him or her from conducting a particular service, that Chaplain will make every effort to contact a resource to try and accommodate the request of the member and their family.

Any communication a person makes to the Chaplain may be kept on a confidential basis, if requested, and will not be released to department members or any other person, subject to the requirements and limitations of local, state and federal statute and Canonical requirements of the Chaplain's office. Any fire personnel may go to the Chaplain without having to notify his or her supervisor or anyone else.

Any fire department officer or member (including administrative staff) who becomes aware of any situation which may need the response of the Chaplain may contact the Chaplain directly. Fire department administration and the on duty supervisor at the PSOC (Public Safety Operations Center) keep current telephone numbers for all Fire Chaplains. Examples of situations where the Chaplain may be contacted include, but are not limited to:

- A. Death, injury or hospitalization of a fire department member.
- B. Death, injury or hospitalization of a fire department member's spouse or child.
- C. Death in a fire department member's close family (i.e.: any family member covered under the department's death leave provisions).

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 13, 2019

TO: Board of Directors

FROM: Mike Vasquez, Fire Chief
Ryan Gross, General Manager

SUBJECT: CONSIDER AUTHORIZING STAFF TO PURCHASE NEW SELF-CONTAINED BREATHING APPARATUS EQUIPMENT

RECOMMENDATION

It is recommended that the Board of Directors consider authorizing staff to purchase 3 new Self-Contained Breathing Apparatus (SCBA) units.

REASON FOR RECOMMENDATION

The Running Springs Fire Department has received a grant from the Fiscal Year 2019 Homeland Security Grant Program (HSGP) to help offset the cost of this equipment.

FISCAL INFORMATION

Refer to Attachment 1 which lists the Fiscal Year 2019 HSGP Fire Jurisdiction's Proposed Allocations. The Running Springs Fire Department has been awarded \$12,416 to help offset the total cost for the SCBAs which is \$16,476.51 (Refer to Attachment 2). The cost to the District will be \$4,060.51 and if approved, will be funded out of the Fire Department Operating Reserve Fund. This is also a budgeted item in the Fire Department Capital Improvement Budget.

ATTACHMENTS

Attachment 1 – Fiscal Year 2019 HSGP Fire Jurisdiction's Proposed Allocations
Attachment 2 – SCBA Quote

**FY2019
Homeland Security Grant Program
Fire Jurisdiction's Proposed Allocations**

No.	Fire Jurisdictions	Population (POP)	Base	Percentage based on POP	Total District Allocation
1	Adelanto Fire Jurisdiction	35,293	\$ 12,000	\$ 3,021	\$ 15,021
2	Apple Valley Fire District	73,984	12,000	\$ 6,332	\$ 18,332
3	Arrow Bear Fire District	736	12,000	63.00	\$ 12,063
4	Barstow Fire Department	24,411	12,000	\$ 2,089	\$ 14,089
5	Big Bear Fire Authority	5,512	12,000	\$ 472	\$ 12,472
6	Chino Valley Independent District	169,916	12,000	\$ 14,543	\$ 26,543
7	Colton Fire Department	53,724	12,000	\$ 4,598	\$ 16,598
8	Daggett Fire District	576	12,000	\$ 49	\$ 12,049
9	Fontana Fire Jurisdiction	212,000	12,000	\$ 18,145	\$ 30,145
10	Grand Terrace Fire Jurisdiction	12,524	12,000	\$ 1,072	\$ 13,072
11	Hesperia Fire Jurisdiction	94,829	12,000	\$ 8,117	\$ 20,117
12	Highland Fire Jurisdiction	54,761	12,000	\$ 4,687	\$ 16,687
13	Loma Linda Fire Department	23,946	12,000	\$ 2,050	\$ 14,050
14	Montclair Fire Department	39,326	12,000	\$ 3,366	\$ 15,366
15	Morongo Fire District	3,552	12,000	\$ 304	\$ 12,304
16	Mt. Baldy Fire District	734	12,000	\$ 63	\$ 12,063
17	Needles Fire Jurisdiction	5,177	12,000	\$ 443	\$ 12,443
18	Newberry Springs	4,280	12,000	\$ 366	\$ 12,366
19	Ontario Fire Department	177,589	12,000	\$ 15,200	\$ 27,200
20	Rancho Cucamonga Fire District	176,671	12,000	\$ 15,122	\$ 27,122
21	Redlands Fire Department	71,196	12,000	\$ 6,094	\$ 18,094
22	Rialto Fire Department	107,041	12,000	\$ 9,162	\$ 21,162
23	Running Springs Fire District	4,862	12,000	\$ 416	\$ 12,416
24	San Bernardino Fire Department	221,130	12,000	\$ 18,927	\$ 30,927
25	Twentynine Palms Fire Jurisdiction	27,046	12,000	\$ 2,315	\$ 14,315
26	Unincorporated/County Fire	295,169	12,000	\$ 25,264	\$ 37,264
27	Upland Fire Department	77,017	12,000	\$ 6,592	\$ 18,592
28	Victorville Fire Jurisdiction	123,701	12,000	\$ 10,588	\$ 22,588
29	Yermo Fire District	1,750	12,000	\$ 150	\$ 12,150
30	Yucaipa Fire Jurisdiction	54,651	12,000	\$ 4,678	\$ 16,678
31	Yucca Valley Fire Jurisdiction	21,834	12,000	\$ 1,869	\$ 13,869
	Total	2,174,938	\$ 372,000	\$ 186,156	\$ 558,156

**FY2019
Homeland Security Grant Program
Fire Jurisdiction's Proposed Allocations**

2,232,625	FY19 HSGP Proposed Allocation -
558,156	Fire Allocation (Preliminary 25%)
(372,000)	Total \$12,000 Base
186,156	% Base on POP



INVOICE

INVOICE NUMBER: 219465
 INVOICE DATE: 4-Nov-19
 DATE SHIPPED: 29-Oct-19
 PAYMENT TERMS: NET 30 Days

ALLSTAR FEDERAL TAX I.D. NUMBER: 95-4326274



PURCHASE ORDER: PO00975

SOLD TO: Running Springs Water District
 31242 Hilltop Boulevard
 Running Springs, CA 92382

SHIP TO: Cal Fire Running Springs
 31242 Hilltop Boulevard
 Running Springs, CA 92382
 Aattn: Fire Department

MARK FOR: PO00975

SHIPPED VIA: DROP SHIPPED

CODE: 74
 145938

QTY	UNIT	DESCRIPTION	UNIT PRICE	EXTENSION
3	EA	Scott X8814N26305303 Air-Pak X3 Pro, 4500 PSI CGA Connection, Standard Harness, QD Regulator with Rectus Fitting, Universal EBSS, PASS with Pak-Tracker, Fixed EZ-Scape Pro Belt (Less Spare Harness), Includes:	\$5,097.14	\$15,291.42
2	EA	Scott 804722-01 Cylinder, 4500 PSIG, 45 Minute with CGA Valve Assembly	\$0.00	\$0.00
1	EA	Scott 804722-01 Cylinder, 4500 PSIG, 45 Minute with CGA Valve Assembly	\$0.00	\$0.00
1	EA	Scott 201215-27 AV3000HT 4-Point Kevlar Headnet & Right Side Amp Bracket Size: Small	\$0.00	\$0.00
1	EA	Scott 201215-28 AV3000HT 4-Point Kevlar Headnet & Right Side Amp Bracket Size: Medium	\$0.00	\$0.00
1	EA	Scott 201215-29 AV3000HT 4-Point Kevlar Headnet & Right Side Amp Bracket Size: Large	\$0.00	\$0.00

QTY	UNIT	DESCRIPTION	UNIT PRICE	EXTENSION
3	EA	Scott 201275-01 EPIC III Voice Amplifier Assembly	\$0.00	\$0.00

If you have any questions regarding this invoice,
please call Customer Service at (626) 652-0900

SUBTOTAL	\$15,291.42
7.75% SALES TAX	\$1,185.09
SHIPPING CHARGES	\$0.00

Make all checks payable to: Allstar Fire Equipment, Inc.
12328 Lower Azusa Road
Arcadia, California 91006

TOTAL	\$16,476.51
-------	-------------

Allstar Thanks You for Your Business !!!

APPROVED BY: _____

COMMENDING JOAN C. EATON

Whereas, Joan C. Eaton provided the Running Springs Water District with more than 15 years of exceptional service and leadership and will retire on November 18, 2019; and

Whereas, Joan has shown commitment and dedication to the District with her guidance and leadership, supporting staff through years of budget constraints while preserving services to the public; and

Whereas, Joan has contributed her expertise over the years to the Administration Division and Board of Directors to create a District that functions at the highest and most efficient level possible while providing cost savings and effectiveness; and

Whereas, the District benefitted from Joan's involvement in several key areas that include but are not limited to Board administration, strategic planning and Mission Statement development, budget preparation, initiating email communication, transitioning to a new financial, accounting and billing system, collaboration with year-end auditing and financial statements and managing human resources and benefits administration; and

Now, Therefore Be It Resolved that the Board of Directors of the Running Springs Water District commend Joan C. Eaton for her professionalism and commitment to the District and express appreciation for her dedication to the highest moral and ethical standards and for her service to the people served by the Running Springs Water District, further, the members of the Board join family, friends and colleagues in extending sincere good wishes for a long, happy and fulfilling retirement.

Adopted this 13th day of November 2019

President, Board of Directors

Vice-President, Board of Directors

Director, Board of Directors

Director, Board of Directors

Director, Board of Directors

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: November 14, 2018
TO: Board of Directors
FROM: Ryan Gross, General Manager
SUBJECT: QUARTERLY INVESTMENT REPORT

RECOMMENDED BOARD ACTION

This is an information item only.

REASON FOR RECOMMENDATION

This is an information item only.

BACKGROUND INFORMATION

The District's Policy for Investment of Surplus Funds is set forth in the attached Resolution No. 1-96. In accordance with this policy Attachment 2 contains a copy of the latest Local Agency Investment Fund (LAIF) remittance advice indicating the amount invested and the rate of return. The District's surplus funds are invested in accordance with this policy and the District is able to meet its anticipated expenditure requirements for the next subsequent six months.

FISCAL INFORMATION

This is an information item only.

ATTACHMENTS

Attachment 1 – Resolution No. 1-96
Attachment 2 – LAIF Remittance Advice

RESOLUTION NO. 1-96

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RUNNING SPRINGS WATER DISTRICT SETTING FORTH
A POLICY FOR INVESTMENT OF SURPLUS FUNDS**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of State-wide concern; and

WHEREAS, the Legislature has directed that the treasurer or chief fiscal officer of each local agency shall annually render to the legislative body of the local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting; and

WHEREAS, the Legislature has also directed that the treasurer or chief fiscal officer of each local agency shall render a quarterly report to the legislative body of each local agency which includes the type of investment, issuer, date of maturity par and dollar amount invested on all securities, investments and monies held by the local agency, a description of any of the local agency's funds, investments, or programs that are under the management of contracted parties, and shall include a statement whether the investment portfolio is in compliance with the local agency's investment policy and a statement denoting the ability of the local agency to meet its expenditure requirements for the next subsequent six months; and

WHEREAS, the Legislature has determined that if a local agency has placed all of its investments in the Local Agency Investment Fund or in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, the treasurer or chief fiscal officer may satisfy the above reporting requirements by simply supplying to the governing body and to the auditor of the local agency the most recent statement or statements received by the local agency from these institutions; and

WHEREAS, Government Code Section 16429.1 provides that notwithstanding any other provision of law, a local governmental official, with the consent of the governing body of that agency, having money in its treasury not required for immediate needs, may remit such surplus funds to the State Treasurer for deposit in the Local Agency Investment Fund for the purpose of investment;

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

1. It is the policy of the Running Springs Water District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of Running Springs Water District funds.

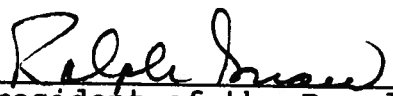
2. This Board of Directors determines that the most feasible and flexible method of implementing this policy, at least expense to the District, is to invest all surplus District funds in the Local Agency Investment Fund of the State of California.

3. Responsibility for deposits into and withdrawals from the Local Agency Investment Fund is hereby delegated to the District's General Manager.

4. At least quarterly, the General Manager will provide the Board of Directors with the most recent copies of statements from the Local Agency Investment Fund indicating amounts invested and rates of return. With each such quarterly report, the General Manager shall also indicate to the Board of Directors whether the District's surplus funds are invested in accordance with this policy, and whether the District is able to meet its anticipated expenditure requirements for the next subsequent six months.


5. This policy shall be reviewed by the Board of Directors at least on an annual basis, and any modifications must be approved by the Board of Directors.

ADOPTED this 21st day of February, 1996.



President of the Board of
Directors of Running Springs
Water District

ATTEST:



Secretary of the Board of
Directors of Running Springs
Water District



BETTY T. YEE
California State Controller

**LOCAL AGENCY INVESTMENT FUND
 REMITTANCE ADVICE**

Agency Name	RUNNING SPRINGS WATER DISTRICT
Account Number	90-36-002

As of 10/15/2019, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 09/30/2019.

Earnings Ratio		.00006701807521016
Interest Rate		2.45%
Dollar Day Total	\$	381,765,264.92
Quarter End Principal Balance	\$	3,759,506.61
Quarterly Interest Earned	\$	25,585.17