



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:            JUNE 15, 2018  
RE: REGULAR BOARD MEETING                      FROM:            BOARD SECRETARY

The Regular Meeting of the Board of Directors of the Running Springs Water District will be held on Wednesday, June 20, 2018, 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 June 15, 2018 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. Consider Adoption of Resolution No. 09-18, Commending Kenneth Ayers for 37 Years of District Service as a Director **Page 4**  
(Presenter: Tony Grabow, Board President)
4. Consider Adoption of Resolution No. 10-18, Commending Pamella Bennett for 18 Years of District Service as a Director **Page 5**  
(Presenter: Tony Grabow, Board President)

5. 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 6**
  - B. Ratify Expenditures **Page 17**
  - C. Consider Adoption of Resolution No. 11-18, Establishing Appropriations Limits for Fiscal Year 2018/2019 **Page 26**
  - D. Consider Adoption of Resolution Nos. 12-18 and 13-18 for the Reduction of Employer Paid Member Contributions (EPMC) to the California Public Employees’ Retirement System (CalPERS) for Existing Classic CalPERS Members **Page 34**
6. Action Items – The following action items will be considered individually and each **require a motion** by the Board of Directors for action.
  - A. Consider Approving Resolution No. 14-18, Adopting the Fiscal Year 2018/2019 District Budget **Page 38**  
(Presenter: Finance Committee and Ryan Gross, General Manager)
  - B. Consider Approving Contract for Fire Station 50 Alert System **Page 41**  
(Presenter: George Corley, Fire Chief)
  - C. Consider Approving Contract for Financial Consulting Services **Page 68**  
(Presenter: Joan Eaton, Administration Supervisor)
  - D. Consider Approving Ambulance Billing Write Offs **Page 85**  
(Presenter: Ryan Gross, General Manager)
  - E. Consider Authorizing Participation in the Intergovernmental Transfer (IGT) Program Providing Access to Federal Matching Funds for Emergency Medical Transport Services **Page 103**  
(Presenter: George Corley, Fire Chief)
  - F. Consider Approving Agreement for Temporary Outside Water and Sewer Service to the Camp Helendade Property with Getaway House, Inc. **Page 123**  
(Presenter: Ryan Gross, General Manager)

June 20, 2018 Regular Board Meeting Agenda  
Posted June 15, 2018

7. Information Items – The following information items do not require any action by the Board of Directors and are for informational purposes only.
  - A. Water Quality Consumer Confidence Report for 2017 **Page 138**
  - B. June 2018 District Newsletter **Page 140**
  - C. BB&K Memo on Guidelines to Prevent Serial Meetings **Page 142**
8. General Manager’s Report
9. Report from Legal Counsel
10. Board Member Comments / Meetings
11. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, July 18, 2018 at 9:00 am

**RESOLUTION NO. 09-18**

**COMMENDING KENNETH AYERS**

*Whereas, the Board of Directors of the Running Springs Water District (“District”) wishes to recognize and commend Kenneth Ayers for his 37 years of service on the Board of Directors from December 1981 to April 2018; and*

*Whereas, through the conscientious dedication of Kenneth Ayers to the affairs and operations of the District, his sound business judgement, practical good sense and loyalty, he made significant and lasting contributions to the District and governance thereof; and*

*Whereas, the Board of Directors of the Running Springs Water District deem it desirable and appropriate, to recognize the contributions of Kenneth Ayers to the District and the high regard and esteem in which he was held by the members of the Board of Directors of the District, its staff, and the community of Running Springs.*

*Now, Therefore, Be It Resolved that the Board of Directors of the Running Springs Water District commend Kenneth Ayers for his commitment to the District and express appreciation for his dedication to the highest moral and ethical standards and to his service to the people served by the Running Springs Water District.*

**ADOPTED** this 20<sup>th</sup> day of June, 2018.

Ayes:

Noes:

Abstentions:

Absent:

\_\_\_\_\_  
*President, Board of Directors  
Running Springs Water District*

ATTEST:

\_\_\_\_\_  
*Secretary, Board of Directors  
Running Springs Water District*

**RESOLUTION NO. 10-18**

**COMMENDING PAMELLA BENNETT**

*Whereas, the Board of Directors of the Running Springs Water District (“District”) wishes to recognize and commend Pamella Bennett for her 18 years of service on the Board of Directors from October 2000 to April 2018; and*

*Whereas, through the conscientious dedication of Pamella Bennett to the affairs and operations of the District, her sound business judgement, practical good sense and loyalty, she made significant and lasting contributions to the District and governance thereof; and*

*Whereas, the Board of Directors of the Running Springs Water District deem it desirable and appropriate, to recognize the contributions of Pamella Bennett to the District and the high regard and esteem in which she was held by the members of the Board of Directors of the District, its staff, and the community of Running Springs.*

*Now, Therefore, Be It Resolved that the Board of Directors of the Running Springs Water District commend Pamella Bennett for her commitment to the District and express appreciation for her dedication to the highest moral and ethical standards and to her service to the people served by the Running Springs Water District.*

**ADOPTED** this 20<sup>th</sup> day of June, 2018.

*Ayes:*

*Noes:*

*Abstentions:*

*Absent:*

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*President, Board of Directors  
Running Springs Water District*

**ATTEST:**

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*Secretary, Board of Directors  
Running Springs Water District*

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018  
**TO:** Board of Directors  
**FROM:** Ryan Gross, General Manager  
**SUBJECT:** CONSIDER APPROVING MEETING MINUTES

**RECOMMENDATION**

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

**REASON FOR RECOMMENDATION**

Approval of meeting minutes.

**BACKGROUND INFORMATION**

The attached draft meeting minutes are from the Regular Board Meeting held on April 18, 2018 and May 16, 2018.

**ATTACHMENTS**

Attachment 1 – Draft Meeting Minutes

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
APRIL 18, 2018**

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The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, April 18, 2018 at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

President Kenneth Ayers and Vice-President Pamella Bennett resigned from the Running Springs Water District Board of Directors effective April 10, 2018. Per District Policy, the Board appointed Director Mike Terry as Presiding President for the April 18, 2018 Board Meeting.

The following Directors were present:

Mike Terry, Director, Presiding President  
Tony Grabow, Director  
Errol Mackzum, Director

Also present were the following:

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

Visitors Present:

Gerhard Hilgenfeldt, Running Springs Resident  
Dennis Michael Milliorn, Jr., Running Springs Resident  
William Conrad, Running Springs Resident  
Jo Ann Fischer, Running Springs Resident

**MEETING MINUTES**

**AGENDA ITEMS**

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

The meeting was called to order at 9:00 A.M. by Director Terry and Director Grabow led the assembly in the pledge of allegiance to the flag.

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

The visitors introduced themselves for the record.

**3. Approval of Consent Items**

**A. Approve Meeting Minutes**

**B. Ratify March 2018 Expenditures**

**C. Consider Adopting Resolution No. 06-18, Terminating the Application of Ordinance No. 47 to Arrowbear Park County Water District**

Resolution No. 06-18 will rescind Ordinance No. 47 due to the new Wastewater, Transportation, Treatment and Disposal Agreement between the Running Springs Water and Arrowbear Park County Water Districts.

**D. Consider Adopting Resolution No. 07-18, Amending and Adopting Local Guidelines For Implementing the California Environmental Quality Act**

The Running Springs Water District's Local California Environmental Quality Act (CEQA) Guidelines have been revised and are routinely amended annually by Best, Best and Krieger, Legal Counsel for the District.

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

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

**4. Information Items**

**A. Draft Fiscal Year 2018/2019 Fire Department and Ambulance Division Budgets**

Manager Gross reported on the Fiscal Year 2018/2019 Fire and Ambulance Division Budgets that were reviewed by the Finance Committee on April 4, 2018. The only substantial change is that the District will pay the CalPERS Unfunded Accrued Liability (UAL) payment in an annual lump sum, saving approximately \$8,443 for the Fire Department and \$18,000 to \$20,000 for all Divisions in Fiscal Year 2018/19. Staff will provide a Cash Analysis Report in May or June, 2018, regarding the option to make additional UAL payments that would result in significant interest savings. Discussion continued regarding the Fire and Ambulance Division Budgets and Chief Corley reported on grant revenues.

**B. Quarterly Budget-Financial Report**



Manager Gross then reported on the Quarterly Financial Summary saying some Division expense accounts will be over budget due to reimbursements that have not been received. Discussion continued regarding the variance in the Water Operating Fund revenues over expenditures and Manager Gross will review the reports with Director Mackzum at a future date.

### C. Automatic Meter Reading Project Status

Discussion turned to the Automatic Meter Reading (AMR) Project with Phase I now complete in Assessment Districts No. 8, 9 and 10. The Finance Agreement is in final stages and Manager Gross said the District applied for an \$800,000 low interest loan with 50% principal forgiveness for the project and the remaining phases will take three to four months to complete. The District will notify customers regarding the project and Supervisor Bobroff stated the AMR system will detect leaks and eliminate averaging bills during inclement weather.

## 5. Action Items

### A. Consider Filing the Running Springs Water District Board Vacancies by Appointment

Manager Gross stated Directors' Ayers and Bennett resigned on April 10, 2018 and the District has sixty (60) days to fill the vacancy, if by appointment.

The District received five (5) Letters of Interest regarding the vacant Board seats. Candidates' Jo Ann Fischer, Dennis Michael Milliorn and William Conrad summarized their background, experience and expressed their interest in being considered for the vacant Director seats. Candidates Sergio Arjonilla and Stacey Lippert were not present. The San Bernardino County Registrar of Voters verified all five candidates were registered voters with their primary residence within the jurisdiction boundaries of the Running Springs Water District.

The Board took a break at 9:40 A.M. and reconvened at 9:52 A.M.

Attorney Simmons confirmed that the two Director seats appointed today will run for re-election in November and those seats will then be four-year seats.

Upon **motion** by Director Terry to appoint Dennis Michael Milliorn and William Conrad to the Running Springs Water District Board of Directors, **second** by Director Mackzum and **carried by a 3 to 0 vote**, the Board Vacancies were filled.

## 6. General Manager's Report

The Board Secretary will administer the Oath of Office to the appointed Directors and the next Regular Board Meeting will be held on May 16, 2018 at 9:00 A.M. The Board

Members will select the new President, Vice-President and Committee Members at the May meeting and staff will schedule a District tour for the newly appointed Board Members.

**7. Report from Legal Counsel**

Attorney Simmons reported on the state water supply, the proposed state water tax currently in legislation and the California Department of Forestry and Fire Protection (CalFire) tax that is being appealed by the Howard Jarvis Association. Chief Corley clarified the CalFire fee that is not associated with the Running Springs Water District Fire Department. Discussion continued regarding the Delta Tunnels Project.

**8. Board Member Comments/Meetings**

Supervisor Bobroff reported on District well levels and purchased water.

**9. Closed Session**

**A. Public Employee Performance Evaluation. Title: General Manager. Pursuant to Government Code Section 54957**

The Board adjourned to Closed Session at 10:10 A.M.

**10. Open Session**

**A. The Board and/or Legal Counsel will report any action taken in Closed Session**

The Board of Directors came out of closed session at 10:54 A.M. and reported that upon **motion** by Director Mackzum, **second** by Director Grabow and unanimously **carried by a 3 to 0 vote**, Amendment No. 1 to the Employment Agreement with Ryan Gross for General Manager, was approved. A copy of Amendment No. 1 to the Employment Agreement is available for review at the District office. The Board also authorized the Presiding Board President to execute the amendment.

**11. Meeting Adjournment**

The meeting was adjourned at 10:55 A.M.

Respectfully Submitted,

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President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
MAY 16, 2018**

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The Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, May 16, 2018 at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

The following Directors were present:

Mike Terry, Director  
Tony Grabow, Director  
Bill Conrad, Director  
Mike Milliorn, Director

Director Errol Mackzum was absent

Also present were the following:

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

No Visitors Present

**MEETING MINUTES**

**AGENDA ITEMS**

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

The meeting was called to order at 9:00 A.M. by Manager Gross who also led the assembly in the pledge of allegiance to the flag.

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

No visitors present.

**3. Election of Officers and Appointment of Standing Committees**

District Policy states the General Manager shall chair the proceedings for election of President with Manager Gross opening the nominations.

Nominated by Director Terry, second by Director Conrad and carried by a 4 to 0 vote, Director Grabow was elected President of the Board of Directors.

President Grabow then called for nominations for Vice-President.

Nominated by Director Terry, second by Director Conrad and carried by a 4 to 0 vote, Director Mackzum was elected Vice-President.

Directors' Mackzum and Milliorn were appointed to the Finance Committee with Director Conrad as an alternate. Board policy states the Vice-President shall serve on the Finance Committee.

Directors' Terry and Grabow were appointed to the Personnel Committee with Director Conrad as an alternate.

#### **4. Approval of Consent Items**

##### **A. Approve Meeting Minutes**

The April 18, 2018 Meeting Minutes were tabled to the June Board Meeting.

##### **B. Ratify March 2018 Expenditures**

##### **C. Authorize Board Secretary and General Manager to Execute Revised Contract for Deposit of Public Funds with First Mountain Bank**

##### **D. Consider Approving Resolution No. 08-18, Adopting the Fire Department Terms for Response Away from Official Duty**

Upon motion by Director Milliorn, second by Director Conrad and carried by a 4 to 0 vote, the Consent Items were approved with the April 18, 2018 Meeting Minutes tabled. (Resolution No. 08-18 on file in the District Office)

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

##### **A. Public Hearing and Consideration of Adopting Ordinance No. 50, Establishing Fees for Ambulance Services**

**i. Open Public Hearing** – Manager Gross opened the Public Hearing at 9:08 A.M.

**ii. Staff Presentation** – Manager Gross referred to the staff report saying the Inland County Emergency Medical Agency (ICEMA) has submitted the annual rates and fees for ambulance service.

iii. **Written Public Comment** – None received

iv. **Oral Public Comment** – None received

v. **Board Discussion/Comments** – Chief Corley commented on the annual ICEMA fee increase.

vi. **Close Public Hearing** – President Grabow closed the Public Hearing at 9:10A.M.

vii. **Consider Adoption of Proposed Ordinance No. 50**

Upon **motion** by Director Terry, **second** by Director Conrad and **carried by a 4 to 0 vote** ORDINANCE NO. 50, ESTABLISHING FEES FOR AMBULANCE SERVICES was adopted. (Ordinance No. 50 on file in the District office)

**B. Consider Accepting Proposal for Fiscal Year 2017/2018 Financial Audit Services**

Van Lant and Fankhanel, LLP (VLF) have conducted the District Audit and prepared the financial statements since Fiscal Year 2013/2014 at the cost of \$22,500 per year. Supervisor Eaton said VLF is a highly comprehensive professional auditing firm with a clear understanding of the District and staff recommends engaging with VLF for the June 30, 2018 Audit. Manager Gross stated the industry standard regarding auditor rotation is five years.

Upon **motion** by Director Milliorn, **second** by Director Conrad and **carried by a 4 to 0 vote**, the Van Lant and Fankhanel, LLP Engagement Letter and Proposal for Fiscal Year 2017/2018 Financial Audit Services in the amount of \$22,500, was approved.

**C. Consider Authorizing Expenditure for Automatic Meter Reading (AMR) Technology Upgrade Project and Authorize the General Manager to Execute the Appropriate Agreement**

Manager Gross reported on the Automatic Meter Reading (AMR) Technology Upgrade Project and asked the Board to consider proceeding with the project and to authorize the General Manager to purchase required materials and execute a contract/agreement not to exceed \$800,000. The State Water Resources Control Board (SWRCB) Funding Agreement includes \$400,000 principal forgiveness and based on the final loan amount of \$400,000 with an interest rate of 1.8% for 20 years, the annual debt service payments will be approximately \$24,000 and begin one year after completion of the project. Supervisor Bobroff reported on Water Division staffing in regards to the AMR project.

Upon **motion** by Director Conrad, **second** by Director Terry and **carried by a 4 to 0 vote**, the Expenditure for Automatic Meter Reading (AMR) Technology Upgrade Project and Authorize the General Manager to Execute the Appropriate Agreement, was approved.

**D. Consider Authorizing Expenditure for Outfitting New Fire Chief Command Vehicle**

Chief Corley reported on the new Fire Chief Command 2017 Ford F250 vehicle recently purchased for \$44,029 and recommended that the Board approve additional funds of approximately \$12,000 to outfit the vehicle. Quotes were provided and if approved, the purchase will be funded from the Fire Department Equipment Replacement Reserve Fund with a current balance of \$12,188.

Upon motion by Director Conrad, second by Director Milliorn and carried by a 4 to 0 vote, Authorizing Expenditure for Outfitting New Fire Chief Command Vehicle not to exceed \$12,000, was approved.

**E. Consider Request for Use of Downtown Property**

The District received a request from NBC/Universal to utilize the Downtown property for transportation equipment storage from June 3<sup>rd</sup> through June 5<sup>th</sup>, 2018. If approved, a Right of Entry/Hold Harmless Agreement will be executed and a certificate of insurance naming the District as additionally insured will be received. A \$1,500 donation is proposed to be made to the District.

Upon motion by Director Conrad, second by Director Terry and carried by a 4 to 0 vote, Request for Use of Downtown Property by NBC Universal, was approved.

**F. Consider Approving Change Order for Main Office Roof Repair**

Manager Gross reported on the condition of the District Administration Office roof that is in need of modification due to safety concerns. Manager Gross said this item will be returned to the Board at a later date.

No action taken

**6. Information Items**

**A. Draft Fiscal Year 2018/2019 Water and Administration Division Budget**

Manager Gross reported on the Water and Administration Division Budget that was reviewed by the Finance Committee on May 2, 2018. The Water Division Cash Flow Projection indicates the operating reserve is fully funded due to success of the five (5) year incremental rate adjustments. The Water Division has approximately \$340,000 in deferred capital projects for consideration beginning in Fiscal Year 2018/19 and the Water Fund Projection indicates the Water Division will be fully funded for the next five years. Discussion continued and Manager Gross confirmed the District will complete a comprehensive rate study in Fiscal Year 2018/19.

**B. CalPERS Pension Update**

Manager Gross presented a CalPERS Pension Update that included Unfunded Accrued Liability (UAL) Funding Options. The Finance Committee recommendation is to make the lump sum annual UAL payment in July, 2018 resulting in interest savings for the District. CalPERS is conducting an actuarial study for the District regarding optional additional UAL payments and the information is expected to be presented at the June 20, 2018 Board Meeting.

**C. Quarterly Investment Report**

The Local Agency Investment Fund (LAIF) Remittance Advise as of April 13, 2018 was provided to the Board indicating the quarterly earnings of \$10,775 at 1.51% interest rate.

**D. CSA-79 Update**

The San Bernardino County Supervisor's office is reviewing possible consolidation between the Running Springs Water District and the San Bernardino County Special District (CSA-79) in Green Valley Lake (GVL) for Wastewater Collection services. Manager Gross and President Grabow will attend the CSA-79 meeting in GVL on June 2, 2018 to address questions regarding the proposed consolidation.

**7. General Manager's Report**

Manager Gross reported on the Pali Mountain annexation review by the Local Agency Formation Commission (LAFCO). The Boy Scout camp has also requested annexation to the Running Springs Water District and the benefit will be additional revenue for the District.

The Fire Department will recommend a new mandated alerting system for Station 50 during the June Board Meeting.

Manager Gross reported on the Fire Department Building Project and Change Orders saying additional repairs are required at an approximate cost of \$35,000. The District is waiting for a response from the Special District Risk Management Authority (SDRMA) to determine if the additional cost will be covered under the District's Property Liability policy.

**8. Report from Legal Counsel**

Attorney Simmons said the Department of Water Resources increased their proportion of water coming from the State Water Project from 20% to 30% and a water shortage is not expected this year.

**9. Board Member Comments/Meetings**

No additional comments.

**10. Meeting Adjournment**

The meeting was adjourned at 10:28 A.M.

Respectfully Submitted,

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Presiding President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District



**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018  
**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 May 2018 expenditures.

A copy of the District's Cash Reserve Fund Summary as of May 31, 2018, 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.

**BACKGROUND INFORMATION**

Attached is a list of expenditures for May 2018.

**FISCAL INFORMATION**

Refer to attached accounts payable check register.

**ATTACHMENTS**

- Attachment 1 – Accounts Payable Check Register for May 2018
- Attachment 2 – Cash Summary as of May 31, 2018
- Attachment 3 – Pooled Cash Balance History
- Attachment 4 – Fire Department Operating Reserve Fund Surplus/Shortfall History

## Running Springs Water District Accounts Payable Checks May 2018

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
2 Hot Uniforms inc	Mike Scotti Uniform Allowance	05/15/18	77.57	101927	77.57
Action Automotive Repair Inc	Swtich Out Snow Tires	05/01/18	60.00	101865	120.00
	Switch out Snow Tires	05/01/18	60.00	101865	
	Switch out Snow Tires	05/09/18	60.00	101889	767.88
	wheel alignment and e brake adjustment	05/09/18	126.50	101889	
	4 tires for Unit 84	05/09/18	581.38	101889	
	Truck tires	05/15/18	947.77	101928	947.77
Airgas Inc.	Large Helium	05/09/18	46.60	101898	46.60
Allstar Fire Equipment	Scott SCBA's	05/22/18	100,649.71	101964	100,649.71
American Family Life Assurance Company of Colun	Additional Insurance Premiums May 2018	05/09/18	528.04	101899	528.04
Ameripride Services, Inc	Cleaning Supplies April 2018	05/09/18	262.64	101900	262.64
Arrowbear Park County Water District	Purchased Water for April 2018	05/09/18	5,179.81	101901	5,179.81
	Purchased Water April-June 2018	05/31/18	6,559.78	101966	6,559.78
Arrowhead Group Inc.	Test & Certify 3 Valves on 5/14/18	05/31/18	225.00	101988	225.00
Bacon/Wagner Excavating, Inc.	Asphalt Patching Valley Ridge and Wilderness	05/31/18	430.50	101967	430.50
Bear Valley Fire Protection	Fire extinguisher testing	05/09/18	153.00	101890	694.67
	Fire Extinguisher Testing-Plant	05/09/18	288.88	101890	
	Fire Extinguisher Testing - Fire	05/09/18	252.79	101890	
	Fire Extinguisher Testing	05/21/18	159.46	101943	159.46
Best, Best & Krieger LLP	Legal Services April 2018	05/21/18	2,536.93	101944	2,536.93
Big Bear Electric	camera issues at lift station and emerg. lighting	05/01/18	388.46	101866	388.46
BURR Group Inc.	Trash Service April 2018- Station 50	05/01/18	67.29	101867	283.65
	Trash Service/Load April 2018	05/01/18	216.36	101867	
	Trash Service April 2018	05/09/18	176.79	101902	176.79
C & P Surveying Inc	Pail Mountain Annexation Exhibits	05/31/18	1,800.00	101968	1,800.00
California Computer Options Inc	Network Maintenance May 2018	05/01/18	2,375.00	101868	2,375.00
	Wireless access point fuel system	05/09/18	854.52	101903	854.52
	Network Maintenance and Monitoring June 2018	05/31/18	2,375.00	101969	2,375.00
California Water Environment Association	Plant Maint Grd 1 Renw- Winter	05/09/18	85.00	101904	85.00
	Plant Maintenance Tech Grd 1 Renewal	05/15/18	85.00	101929	85.00
	Collect Maint Grade 3 renewal	05/21/18	95.00	101945	180.00
	Collect Maint Grade 1	05/21/18	85.00	101945	
	Collections Maintenance Grade 1 Renewal	05/31/18	85.00	101989	175.00
	Mech Tech Grade 2 renewal	05/31/18	90.00	101989	
CalPERS	Health Insurance Premiums May 2018	05/01/18	19,538.52	DFT0000732	19,538.52
	PERS UAL May 2018	05/14/18	40,117.03	DFT0000737	40,117.03
	Employ Contrib Classic/Pepra 5/7/18	05/14/18	16,142.64	DFT0000738	16,142.64
	Employ Contributions Classic/Prepra 5/21/18	05/29/18	22,030.42	DFT0000743	22,030.42
Canon	Monthly Service Fee & Usage May 2018	05/21/18	611.52	101946	611.52
Charter Communitcations	Telephone and Internet April 2018	05/15/18	576.14	101930	686.11
	Telephone and Internet May-June 2018	05/15/18	109.97	101930	
	Telephone/Internet May-June 2018	05/21/18	192.71	101947	192.71
Cindy Strebel	Reimbursement for Air Fare- EMS Training	05/09/18	533.60	101905	533.60
Citibank, N.A.	Miscellaneous Supplies	05/09/18	53.78	101906	53.78
	Office Supplies April-May 2018	05/31/18	304.64	101970	840.51

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Citibank, N.A.	STAPLES -COPY PAPER	05/31/18	535.87	101970	840.51
Clinical Laboratory of San Bernardino	Water Samples March-April 2018	05/15/18	3,295.00	101931	3,295.00
	Wastewater samples April 2018	05/31/18	985.00	101990	985.00
ConFire JPA	Radio/Pager March 2018-June 2018	05/31/18	7,044.12	101971	7,044.12
County of San Bernardino	Road Permit Panorama Dr	05/09/18	296.00	101907	296.00
	MHZ Radio Parts	05/21/18	197.80	101948	197.80
	Lien Release	05/21/18	20.00	101949	100.00
	2 Lien Releases	05/21/18	40.00	101949	
	2 Lien Releases	05/21/18	40.00	101949	
Crestline-Lake Arrowhead Water Agency	Purchased water April 2018	05/09/18	4,025.38	101908	4,025.38
	Purchased Water May 2018	05/31/18	5,608.44	101972	5,608.44
Cypress Ancillary Benefits	Dental Insurance Premiums May 2018	05/01/18	1,184.93	101869	1,184.93
	Dental Insurance Premiums June 2018	05/31/18	1,184.93	101991	1,184.93
Deborah A. Ellis-Harper	12x14 no parking/ trespass signs	05/01/18	120.00	101870	120.00
Dixi Willemse	Reimbursement Claim	05/09/18	52.50	101909	52.50
	Reimbursement Claim	05/31/18	1,086.74	101992	1,086.74
Don's Auto Supply 2 Inc.	Battery, oil and air filters	05/09/18	153.39	101891	153.39
Downtown Ford Sales	New Command Vehicle F-250	05/01/18	44,028.98	101871	44,028.98
Employers Mutual Inc	Ambulance Refund	05/31/18	1,490.74	101973	1,490.74
Fairview Ford Sales, INC	Chief Vehicle Parts	05/09/18	645.49	101910	645.49
Federal Express Corporation	Shipping Fees April 2018	05/21/18	52.45	101950	52.45
Fire Fighters Association	Association Dues for May 2018	05/31/18	450.00	101993	450.00
Frontier Communications	Telephone April-May 2018	05/01/18	72.03	101872	365.27
	Telephone April-May 18	05/01/18	55.28	101872	
	Telephone April-May 2018	05/01/18	72.03	101872	
	Telephone April- May 2018	05/01/18	55.30	101872	
	Telephone May 2018	05/01/18	55.32	101872	
	Telephone May 2018	05/01/18	55.31	101872	
	Telephone May 2018	05/09/18	143.50	101892	143.50
	Telephone April-May 2018	05/21/18	101.80	101951	261.69
	Telephone May 2018	05/21/18	55.30	101951	
	Telephone May 2018	05/21/18	52.29	101951	
	Telephone May 2018	05/21/18	52.30	101951	
	Scada Line May-June 2018	05/31/18	111.22	101994	421.23
	Telephone May-June 2018	05/31/18	72.03	101994	
	Telephone May-June 2018	05/31/18	55.34	101994	
	Telephone May-June 2018	05/31/18	72.03	101994	
	Telephone May-June 2018	05/31/18	55.30	101994	
	Telephone May-June 2018	05/31/18	55.31	101994	
George Corley	Reimbursement Claim	05/09/18	232.15	101893	232.15
GM Excavating, INC.	Progress Payment #1 - 51 Structural Repair Project	05/31/18	41,298.59	101995	41,298.59
GM Heating & Air	emergency heating repair	05/09/18	285.00	101911	285.00
Haz Mat Trans, Inc.	Work order # 84075	05/01/18	1,750.00	101873	2,500.00
	WO # 85248	05/01/18	750.00	101873	
	Wo# 85249	05/09/18	700.00	101912	700.00
	WO# 85435	05/31/18	700.00	101996	700.00
HD Supply Facilities Maintenance LTD	parts for MBR chemical cleaning	05/31/18	740.70	101974	740.70
Inland Desert Security & Communications	Answering Service May 2018	05/21/18	105.00	101952	105.00
Joan Eaton	Reimbursement Claim	05/21/18	595.42	101953	595.42
	Reimbursement Claim	05/31/18	426.90	101975	426.90

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Liberty Composting Inc	Tipping Fees Biosolids April 2018	05/09/18	362.40	101913	362.40
Life-Assist, Inc	Medical Supplies- Blanket PO	05/01/18	90.72	101874	90.72
	Pelican EMS Equip Case	05/15/18	-251.07	101932	690.36
	Medical Supplies- Blanket PO	05/15/18	941.43	101932	
	Medical Supplies- Blanket PO	05/21/18	306.17	101954	416.57
	Medical Supplies- Blanket PO	05/21/18	110.40	101954	
Linda Mayfield	Reimbursement Claim	05/21/18	788.30	101955	788.30
Liquinox	Bioxide for Odor control	05/01/18	4,149.60	101875	4,149.60
MCI	Long Distance April 2018	05/01/18	48.93	101876	48.93
	Long Distance May 2018	05/31/18	48.99	101976	48.99
Metropolitan Life Insurance Company	Vision Insurance Premiums May 2018	05/01/18	174.98	101877	174.98
	Vision Insurance Premiums June 2018	05/31/18	174.98	101997	174.98
Myers-Stevens & Toohey Co. Inc	Pol # Eso-5585545	05/01/18	5,543.00	101878	5,543.00
	Disability Insurance Premium June 2018	05/31/18	220.00	101998	220.00
NAPA Auto Parts	Miscellaneous auto parts	05/09/18	9.83	101914	9.83
Nestle Waters North America	Drinking Water for Plant April 2018	05/01/18	64.30	101879	64.30
	Drinking Water for Treatment Plant	05/31/18	51.34	101977	51.34
Nick Nikas	Reimbursement Claim	05/15/18	369.00	101933	369.00
Nuckles Oil Company, Inc	Fuel Order	05/01/18	8,543.34	101880	8,543.34
Odyssey Power	load bank SLS 2 to clear PMF system	05/31/18	1,312.00	101978	1,312.00
One Stop Landscape Supply	Blanket PO Bio Solids disposal	05/09/18	2,243.40	101894	2,243.40
Patricia A. Monical	Antimic Soap	05/21/18	6.79	101956	6.79
	Industrial Paper Towels	05/31/18	88.07	101979	88.07
Patrick R. Morin	Emergency Garage Door Repair Statio 50	05/31/18	790.00	101980	790.00
Petty Cash	Petty cash May 2018	05/31/18	217.48	101981	217.48
Polydyne Inc.	Blanket PO for Polymer	05/09/18	1,066.73	101915	1,066.73
Reliance Standard Life Insurance Company	Life Insurance Premiums May 2018	05/01/18	1,141.92	101881	1,141.92
	Life Insurance Premium June 2018	05/31/18	1,141.92	101999	1,141.92
Richard Viero	Reimbursement Claim	05/09/18	20.00	101916	20.00
Rim Forest Lumber Company, Inc.	Mortar for sewer manhole repairs	05/01/18	499.44	101882	499.44
Roger E. Fox, M.D.	Dot Exam	05/09/18	50.00	101917	50.00
Rogers Anderson Malody & Scott LLP	Consultant Fees April 2018	05/21/18	3,435.52	101957	3,435.52
Sacramento Metropolitan Fire District	SFY 2015-16 1% Admin Fees	05/21/18	778.11	101958	778.11
	SFY 2014/15 1% Admin Fee	05/31/18	613.67	102000	613.67
Safeguard Business Systems	Envelopes - weed abatement/billing	05/09/18	277.82	101918	277.82
South Coast Air Quality Management District	I C E EM ELEC GEN-DIESEL	05/01/18	378.28	101883	2,032.81
	I C E EM ELEC GEN-DIESEL	05/01/18	756.56	101883	
	Flat Fee 2017/18 - Emissions	05/01/18	127.46	101883	
	Flat Fee 2017/18 Emissions	05/01/18	127.46	101883	
	AQMD Fee 2017/18- Hot spots Program	05/01/18	128.61	101883	
	AQMD Fee 2017/18 Hot Spots Program	05/01/18	128.61	101883	
	AQMD Fee 2017/18- Hot Spots Program	05/01/18	128.61	101883	
	AQMD Fee-July 2017/18 Hot Spots Program	05/01/18	128.61	101883	
	AQMD Fee 2017/18 - Hot Spots Program	05/01/18	128.61	101883	
	Main office Aqmd Fee 2017-2018	05/21/18	128.61	101959	514.44
	Alder- AQMD Fee July 2017-2018	05/21/18	128.61	101959	
	LS3- AQMD fee July 2017-2018	05/21/18	128.61	101959	
	Loma- AQMD Fee July 2017-2018	05/21/18	128.61	101959	
	I C E EM Elec Gen-Diesel Annual Fees	05/31/18	527.05	101982	658.84
	Flat Fee Last FY Emissions	05/31/18	131.79	101982	

Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Southern California Edison Company	Electricity April 2018	05/01/18	269.29	101884	9,089.26
	Electricity April 2018	05/01/18	139.96	101884	
	Electricity April 2018	05/01/18	6,325.95	101884	
	Electricity April 2018	05/01/18	993.19	101884	
	Electricity April 2018	05/01/18	260.60	101884	
	Electricity April 2018	05/01/18	111.91	101884	
	Electricity April 2018	05/01/18	86.67	101884	
	Electricity April 2018	05/01/18	174.64	101884	
	Electricity April 2018	05/01/18	323.34	101884	
	Electricity April 2018	05/01/18	403.71	101884	
	Electricity April 2018	05/09/18	125.92	101895	2,083.89
	Electricity April 2018	05/09/18	541.00	101895	
	Electricity April 2018	05/09/18	26.85	101895	
	Electricity April 2018	05/09/18	301.41	101895	
	Electricity April 2018	05/09/18	159.66	101895	
	Electricity April 2018	05/09/18	68.31	101895	
	Electricity April 2018	05/09/18	427.02	101895	
	Electricity April 2018	05/09/18	99.03	101895	
	Electricity April 2018	05/09/18	29.50	101895	
	Electricity April 2018	05/09/18	305.19	101895	
	Electricity April 2018	05/09/18	493.98	101919	2,441.16
	Electricity April 2018	05/09/18	187.79	101919	
	Electricity April 2018	05/09/18	615.20	101919	
	Electricity April 2018	05/09/18	358.88	101919	
	Electricity April 2018	05/09/18	223.13	101919	
	Electricity April 2018	05/09/18	385.71	101919	
	Electricity April 2018	05/09/18	10.84	101919	
	Electricity April 2018	05/09/18	165.63	101919	
	Electricity April 2018	05/21/18	1,264.34	101960	1,264.34
	Electricity May 2018	05/31/18	440.30	101983	2,856.30
	Electricity May 2018	05/31/18	277.47	101983	
	Electricity May 2018	05/31/18	120.27	101983	
	Electricity May 2018	05/31/18	570.35	101983	
Electricity May 2018	05/31/18	506.08	101983		
Electricity May 2018	05/31/18	304.07	101983		
Electricity May 2018	05/31/18	199.55	101983		
Electricity May 2018	05/31/18	59.26	101983		
Electricity May 2018	05/31/18	378.95	101983		
Electricity May 2018	05/31/18	269.34	102001	7,858.74	
Electricity May 2018	05/31/18	348.41	102001		
Electricity May 2018	05/31/18	25.21	102001		
Electricity May 2018	05/31/18	123.76	102001		
Electricity May 2018	05/31/18	1,200.87	102001		
Electricity May 2018	05/31/18	123.93	102001		
Electricity May 2018	05/31/18	5,531.39	102001		
Electricity May 2018	05/31/18	235.83	102001		
Southern California Gas Company	Gas Usage April 2018	05/09/18	112.67	101896	112.67
	Gas Usage April 2018	05/15/18	87.65	101934	184.45
	Gas Usage April 2018	05/15/18	96.80	101934	
	Gas Usage April 2018	05/21/18	68.33	101961	82.63

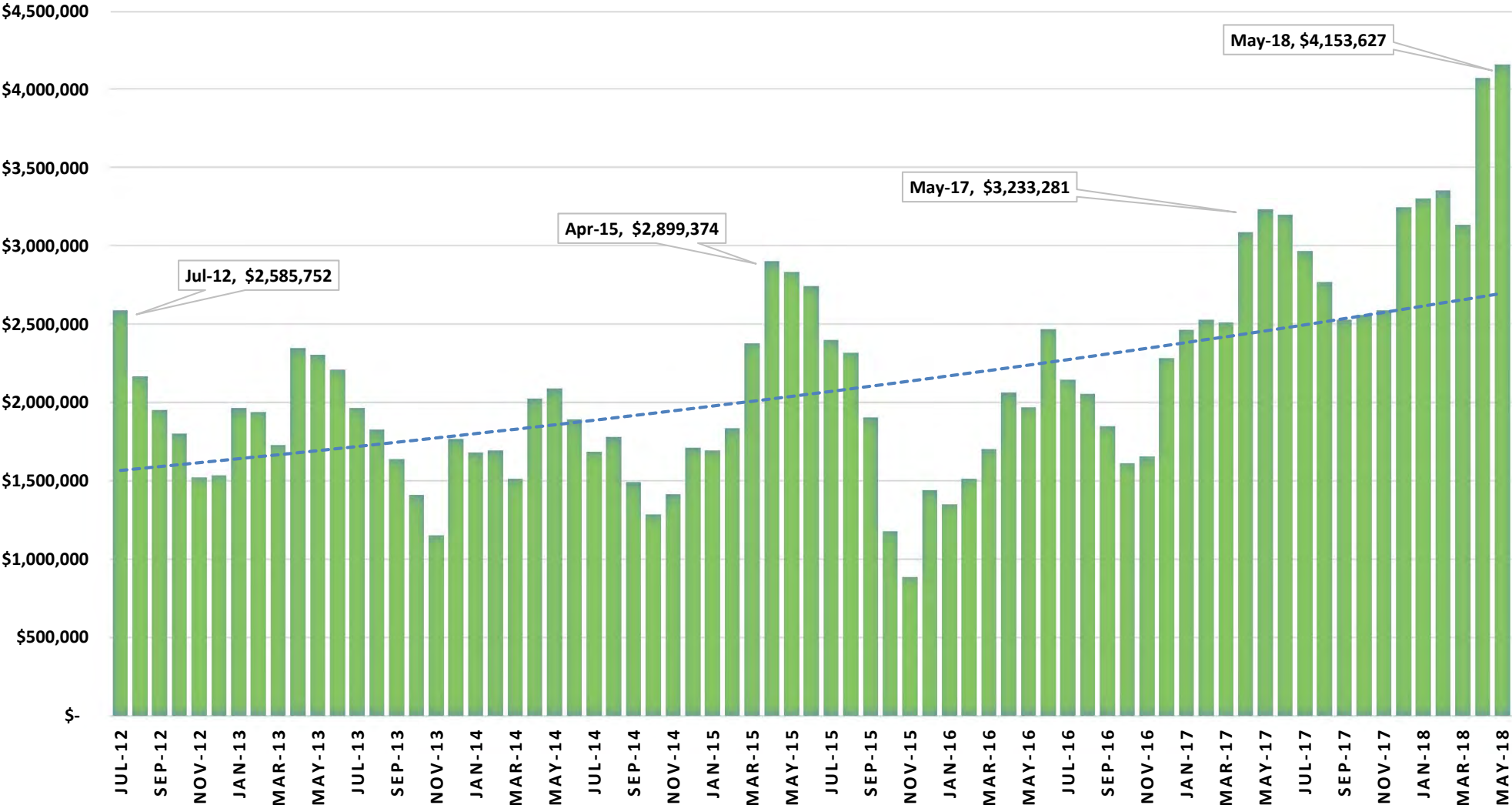
Vendor Name	Description	Date	Invoice Amount	Check Number	Check Amount
Southern California Gas Company	Gas Usage April 2018	05/21/18	14.30	101961	82.63
Spring Sedulous Cleans	Janitorial Service April 2018	05/21/18	485.00	101962	485.00
State of California - State Water Resource Control	Wastewater plant certificate renewal	05/15/18	150.00	101935	150.00
Stream Line Automation Systems	Fire/Medical Supply Organization Program	05/09/18	2,846.00	101920	2,846.00
Tang Structural Engineers. Inc.	Construction Document for Fondation/Retaining	05/31/18	1,356.25	101984	1,356.25
Tek-Collect Incorporated	Collection tickets	05/01/18	3,750.00	101885	3,750.00
Terminix International Company LP	Pest Control	05/01/18	64.00	101886	111.00
	Pest Control - Treatment Plant	05/01/18	47.00	101886	
	Pest Control	05/31/18	47.00	101985	47.00
The Alpenhorn News	Legal Ad - Ambulance Fees Public Hearing	05/15/18	159.92	101936	242.48
	Legal Ad- Amr Soliciting Bids Notice	05/15/18	82.56	101936	
Tina M. Taylor	2017/2018 Gym Memberships	05/09/18	1,000.00	101921	1,000.00
Trevor Miller	Reimbursement Claim	05/09/18	841.40	101922	841.40
Underground Service Alert of Southern California	Maintenance Fee and New Tickets May 2018	05/21/18	67.75	101963	67.75
US Postal Service	Permit # 14 postage	05/09/18	4,000.00	101923	4,000.00
Verizon Wireless Services LLC	Cell Phone April 2018	05/15/18	203.11	101937	203.11
Visa	Gross/Eaton-Parcel Quest and Hire Right	05/01/18	345.15	101887	345.15
	work boots	05/09/18	118.50	101897	1,631.29
	CPR cards	05/09/18	242.00	101897	
	Station Supplies	05/09/18	876.98	101897	
	Training Weight Vests for Pack Test	05/09/18	393.81	101897	
	Miller- Miscellaneous Parts and Supplies	05/15/18	174.26	101938	826.43
	Tool box organizers for new tool set	05/15/18	652.17	101938	
	Eaton-Back Ground, License Renewal, and Uniform	05/31/18	260.81	101986	260.81
William A. Morton and Anja Nolting Moreton Revo	Ambulance agreement #16-000	05/09/18	3,845.64	101924	3,845.64
York Insurance Services Group Inc., -CA	Worker's Comp funding	05/01/18	78.55	101888	78.55
	Wrkers Comp fund check 10392	05/09/18	50.92	101925	50.92
	Workers Comp fund checks 10393-10394	05/15/18	14.10	101939	14.10
York Risk Services Group, Inc	Administration Fee April 2018	05/09/18	112.00	101926	112.00
Zoll Medical Corporation GPO	Ambulance supplies	05/31/18	585.89	101987	585.89

**Totals**

Payment Type	Payable Count	Payment Count	Payment
Regular Checks	221	133	339,120.16
Manual Checks	0	0	0.00
Voided Checks	0	0	0.00
Bank Drafts	4	4	97,828.61
EFT's	0	0	0.00
<b>Totals</b>	<b>225</b>	<b>137</b>	<b>436,948.77</b>

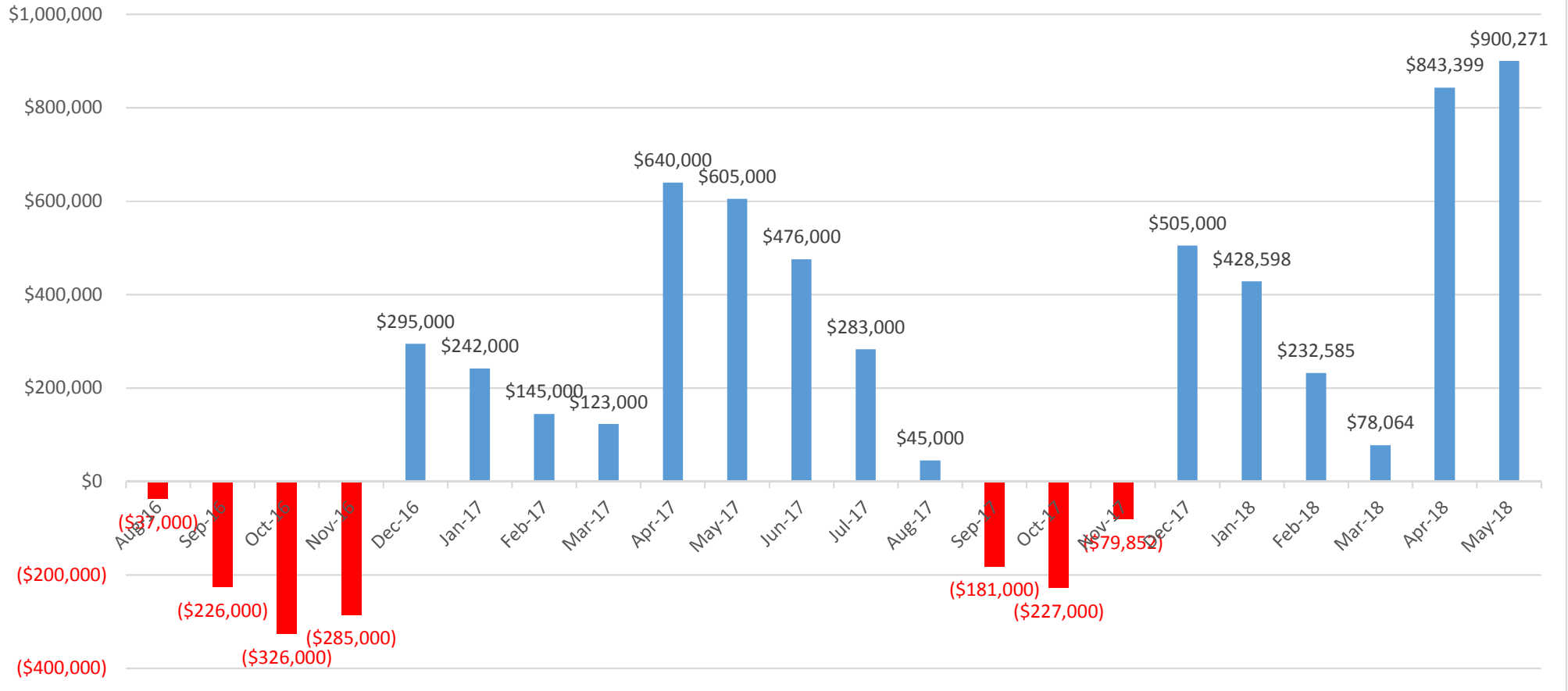
<b>Fund Balances as of May 31, 2018</b>	
<b>Fire &amp; Ambulance Department</b>	
Fire Department Operating Reserve	1,752,039
Ambulance Department Operating Reserve	261,201
Subtotal Fire & Ambulance Department Operating Reserve Funds	2,013,240
<b>Recommended Operating Reserve Fund Target (6 Months Operating Expenses)</b>	<b>1,112,969</b>
<b>Fire &amp; Ambulance Department Operating Reserve Surplus / (Shortfall)</b>	<b>900,271</b>
<b>Wastewater Division</b>	
Wastewater Capital Improvement Project Reserve	253,401
Wastewater System Connection & Capacity Charges	195,960
CWSRF Loan Agreement 14-813 Debt Reserve (Restricted for SLS 1-3 Debt Service)	171,537
Wastewater Operating Reserve Fund	273,691
<b>Recommended Operating Reserve Fund Target (4 Months Operating Expenses)</b>	<b>554,896</b>
<b>Wastewater Operating Reserve Surplus / (Shortfall)</b>	<b>(281,205)</b>
<b>Water Division</b>	
Water Capital Improvement Project Reserve	364,574
Water System Connection & Capacity Charges	9,704
Water Infrastructure R&R Reserve (MFC Debt Reserve)	65,341
Water Operating Reserve	528,461
<b>Recommended Operating Reserve Fund Target (4 Months Operating Expenses)</b>	<b>528,461</b>
<b>Water Operating Reserve Surplus / (Shortfall)</b>	<b>-</b>
<b>Assessment Districts Restricted Funds</b>	
Water Assessment District No. 9 Construction Funds	32,698
Water Assessment District No. 10 Construction Funds	26,421
Water Assessment District No. 10 O&M	106,469
Water Assessment District No. 10 Bond Reserve Fund	112,131
<b>Subtotal Assessment Districts</b>	<b>277,719</b>
<b>Total District Designated &amp; Operating Reserve Funds</b>	<b>3,875,908</b>
<b>Assessment District Funds</b>	<b>277,719</b>
<b>Combined Pooled Cash</b>	<b>4,153,627</b>
<b>Checking Account (General)</b>	<b>61,177</b>
<b>LAIF</b>	<b>3,958,818</b>
<b>York Insurance Deposit</b>	<b>14,601</b>
<b>BNY Mellon (AD #10 Bond Reserve)</b>	<b>118,031</b>
<b>Petty Cash</b>	<b>1,000</b>
<b>Combined Pooled Cash</b>	<b>4,153,627</b>

# COMBINED POOLED CASH BALANCE





Fire Department Operating Reserve Surplus / (Shortfall)



**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER ADOPTION OF RESOLUTION NO. 11-18,  
ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL  
YEAR 2018/2019

**RECOMMENDED BOARD ACTION**

Approval of Resolution No. 11-18 establishing the appropriations limit for fiscal year 2018/2019.

**REASON FOR RECOMMENDATION**

Section 7910 of the California Government Code implements Article XIII B of the California Constitution by requiring each local jurisdiction to establish, by resolution, its appropriations limit for each fiscal year and to make the documentation used in determining the appropriations limit available to the public fifteen days prior to adoption of the resolution establishing the appropriations limit.

**BACKGROUND INFORMATION**

The California Constitution places an annual limitation upon appropriations from proceeds of taxes by each local government of the State of California.

Consistent with Senate Constitutional Amendment No. 1, each fiscal year the District's Board of Directors is required to select either the percentage change in California per capita personal income or the percentage change in the local assessment roll due to the addition of local non-residential construction, and either the population change within the District or the population change within the unincorporated area of San Bernardino County, as the two factors to be applied in calculating the appropriations limit for each fiscal year.

The Board has historically selected the percentage change in California per capita personal income and also the population change within the unincorporated portion of San Bernardino County as factors in determining the District's appropriations limits for each fiscal year.

Resolution No. 11-18 uses the percentage change in California per capita personal income and also the population change within the unincorporated portion of San Bernardino County as factors in determining the District's appropriations limits for fiscal year 2018/2019.

The appropriation limit by definition includes property taxes plus revenues derived from service charges in excess of the reasonable cost of providing services. The District does not derive revenue from service charges that are in excess of the reasonable cost of providing the services. Therefore, the appropriation limit for the District only applies to the property tax received by the District.

The appropriations limit identified for fiscal year 2018/2019 is \$5,115,643, which is well in excess of the actual property tax appropriation anticipated for fiscal year 2018/2019, which is anticipated to be \$1,585,000.

### **FISCAL INFORMATION**

N/A

### **ATTACHMENTS**

Attachment 1 – Resolution No. 11-18, Establishing Appropriations Limit for Fiscal Year 2018/2019

**RESOLUTION NO. 11-18**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
RUNNING SPRINGS WATER DISTRICT ESTABLISHING  
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-2019**

WHEREAS, Article XIII B of the California Constitution places an annual limitation upon appropriations from proceeds of taxes by each local government of the State of California; and

WHEREAS, Section 7910 of the California Government Code implements Article XIII B of the California Constitution by requiring each local jurisdiction to establish, by resolution, its appropriations limit for each fiscal year, beginning in 1980-81, and to make the documentation used in determining the appropriations limit available to the public fifteen days prior to adoption of the resolution establishing the appropriations limit; and

WHEREAS, in accordance with Senate Constitutional Amendment No. 1 approved by the voters of the State effective June 6, 1990, beginning with fiscal year 1990-91 and for each fiscal year thereafter, the District's Board of Directors is required to select either the percentage change in California per capita personal income or the percentage change in the local assessment roll due to the addition of local non-residential construction, and either the population change within the District or the population change within San Bernardino County, as the two factors to be applied in calculating the appropriations limit for each fiscal year; and

WHEREAS, this Board wishes to select, as factors in determining the District's appropriations limits for fiscal year 2018-2019, the percentage change in California per capita personal income and also the population change within the unincorporated area of San Bernardino County; and

WHEREAS, this District has documented its calculations of the District's appropriations limit for fiscal year 2018-2019, and said calculations have been posted on the District's main office front window and made available to the public at least fifteen days prior to the adoption of this resolution;

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

1. For fiscal year 2018-2019, the factors selected for calculating the appropriations limit are (a) the percentage change in California per capita personal income, and (b) the population change within the unincorporated area of the County of San Bernardino.

2. The appropriations limit applicable to this District pursuant to Article XIII B of the California Constitution for fiscal year 2018-2019 is hereby established and determined to be the sum of \$5,115,643.

3. A copy of the documentation used in the determination of the fiscal year 2018-2019 appropriations limit shall be affixed hereto and shall be available for public inspection.

4. Pursuant to Section 7910 of the California Government Code, any judicial action or proceeding to attack, review, set aside, void, or annul the establishment of the appropriations limits as set forth herein must be commenced within forty-five days of the adoption of this resolution.

ADOPTED this 20<sup>th</sup> day of June, 2018.

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President, Board of Directors  
RUNNING SPRINGS WATER DISTRICT

ATTEST:

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Secretary, Board of Directors  
RUNNING SPRINGS WATER DISTRICT

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

**2017-2018 Appropriations Limit** **\$4,879,011**

2018-2019 Adjustment:

Change in California Per Capita Income = 3.67 percent  
Change in Population, Unincorporated San Bernardino County = 1.14 percent

$$\frac{3.67 + 100}{100} = 1.0367$$

$$\frac{1.14 + 100}{100} = 1.0114$$

$$1.0367 \times 1.0114 = 1.0485$$

$$\$4,879,011 \times 1.0485 = \$5,115,643$$

**2018-2019 Appropriations Limit** **\$5,115,643**



May 2018

Dear Fiscal Officer:

**Subject: Price Factor and Population Information**

**Appropriations Limit**

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2018, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2018-19. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2018-19 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2018.**

**Please Note:** The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN  
Director  
By:

AMY M. COSTA  
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2018-19 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2018-19	3.67

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2018-19 appropriation limit.

**2018-19:**

Per Capita Cost of Living Change = 3.67 percent  
Population Change = 0.78 percent

Per Capita Cost of Living converted to a ratio:  $\frac{3.67 + 100}{100} = 1.0367$

Population converted to a ratio:  $\frac{0.78 + 100}{100} = 1.0078$

Calculation of factor for FY 2018-19:  $1.0367 \times 1.0078 = 1.0448$



**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2017 to January 1, 2018 and Total Population, January 1, 2018**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2017-2018	1-1-17	1-1-18	1-1-2018
<b>San Bernardino</b>				
Adelanto	-0.02	34,603	34,597	35,293
Apple Valley	0.87	73,349	73,984	73,984
Barstow	0.54	23,888	24,018	24,411
Big Bear Lake	2.00	5,404	5,512	5,512
Chino	1.03	80,677	81,511	86,757
Chino Hills	4.61	79,498	83,159	83,159
Colton	0.45	53,482	53,724	53,724
Fontana	0.92	210,071	212,000	212,000
Grand Terrace	0.26	12,492	12,524	12,524
Hesperia	1.32	93,590	94,829	94,829
Highland	1.10	54,167	54,761	54,761
Loma Linda	0.16	23,824	23,862	23,946
Montclair	0.80	39,012	39,326	39,326
Needles	-0.12	5,183	5,177	5,177
Ontario	1.39	175,157	177,589	177,589
Rancho Cucamonga	0.79	175,282	176,671	176,671
Redlands	0.49	70,851	71,196	71,196
Rialto	0.55	106,455	107,041	107,041
San Bernardino	0.49	218,521	219,590	221,130
Twentynine Palms	3.52	17,679	18,301	27,046
Upland	0.10	76,937	77,017	77,017
Victorville	0.01	119,958	119,971	123,701
Yucaipa	0.61	54,317	54,651	54,651
Yucca Valley	0.38	21,752	21,834	21,834
<b>Unincorporated</b>	<b>1.14</b>	300,371	303,791	311,659
County Total	0.95	2,126,520	2,146,636	2,174,938

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

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

**DATE:** June 20, 2018

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** **CONSIDER ADOPTION OF RESOLUTION NOS. 12-18 AND 13-18 FOR THE ELIMINATION OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) FOR CLASSIC CALPERS MEMBERS**

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider adoption of Resolution Nos. 12-18 and 13-18 for the final phase elimination of employer paid member contributions (EPMC) to CalPERS for "Classic" CalPERS members beginning July 3, 2018.

**REASON FOR RECOMMENDATION**

On February 18, 2015, the Board of Directors approved the phased elimination of EPMC over a four year period beginning July 1, 2015 for existing Classic CalPERS members including an equivalent annual cost of living adjustment plus CPI-W for the years ending in October. The attached resolutions are required to complete the final phase of eliminating the EPMC.

**BACKGROUND INFORMATION**

This proposal has been discussed by the Personnel Committee on several occasions and each of the District's Supervisors has also discussed it with their respective staff. The savings to the District associated with the phased elimination of paying and reporting the value of CalPERS EPMC is approximately \$15,000 per year.

On July 18, 2014, June 24, 2014, February 11, 2014 and August 13, 2013, the Personnel Committee considered a change in policy regarding the District's payment of normal member contribution to CalPERS as EPMC for existing employees that are considered "Classic" CalPERS members.

On March 19, 2014, the Board of Directors adopted Resolutions that established a second tier for newly hired employees that are considered "Classic" CalPERS members (both Miscellaneous and Safety) which the District pays 0% of the normal member contribution as EPMC. We currently have two employees that fall into this category.

In 2008, the District Board of Directors adopted resolutions for paying and reporting the value of the CalPERS EPMC. The additional cost to the District at that time for this employee benefit was estimated to be approximately \$14,000.

### **FISCAL INFORMATION**

If approved, this fourth and final phase EPMC elimination would shift to the employees beginning July 3, 2018 at 8% per year for Miscellaneous and 9% per year for safety. In order to offset the impact to the employees, an equivalent annual cost of living adjustment plus CPI-W for the years ending in October is being applied over the four year transition period.

Once the transition is complete, the savings to the District associated with the phased elimination of CalPERS EPMC and paying and reporting the value of the EPMC is approximately \$15,000 per year beginning in fiscal year 2018-2019.

This savings would also help to offset a portion of the projected increases in the CalPERS Employer Contribution over the next five years.

### **ATTACHMENTS**

Attachment 1 – Resolution 12-18

Attachment 2 – Resolution 13-18

**RESOLUTION NO. 12-18**

**FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

WHEREAS, the governing body of the Running Springs Water District has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Running Springs Water District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Running Springs Water District of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Running Springs Water District has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all existing classic miscellaneous members hired before April 1, 2014.
- This benefit shall consist of the Running Springs Water District paying zero percent (0%) of the normal member contributions as EPMC.
- The effective date of this Resolution shall be July 3, 2018.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Running Springs Water District elects to pay EPMC, as set forth above.

ADOPTED this 20<sup>th</sup> day of June 2018.

**Ayes:**

**Noes:**

**Abstentions:**

**Absent:**

ATTEST:

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President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District

**RESOLUTION NO. 13-18**

**FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

WHEREAS, the governing body of the Running Springs Water District has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Running Springs Water District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Running Springs Water District of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Running Springs Water District has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all existing classic safety members hired before April 1, 2014.
- This benefit shall consist of the Running Springs Water District paying zero percent (0%) of the normal member contributions as EPMC.
- The effective date of this Resolution shall be July 3, 2018.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Running Springs Water District elects to pay EPMC, as set forth above.

ADOPTED this 20<sup>th</sup> day of June 2018.

**Ayes:**

**Noes:**

**Abstentions:**

**Absent:**

ATTEST:

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President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER ADOPTING RESOLUTION NO. 14-18, ADOPTING THE FISCAL YEAR 2018/2019 DISTRICT BUDGET

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider adopting Resolution No. 14-18, Adopting the Fiscal Year 2018/2019 District Budget.

**REASON FOR RECOMMENDATION**

The draft Fiscal Year 2018/2019 District Budgets have been reviewed by the Finance Committee and the full Board of Directors.

**BACKGROUND INFORMATION**

The draft Fiscal Year 2018/2019 District Budget has been reviewed by the Board of Directors, staff and members of the public at several public meetings since January of this year. The following public meetings have taken place in 2018:

**Annual Budget Workshop**

January 17, 2018	Board/Staff Review of Five Year Plan and Budget Goals
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**Wastewater Department Budget**

March 16, 2018	Finance Committee Meeting, Review of Budget
March 21, 2018	Regular Board Meeting, Review of Budget

**Fire Department Budget**

April 4, 2018	Finance Committee Meeting, Review of Budget
April 18, 2018	Special Board Meeting, Review of Budget

**Water/Administration Department Budget**

May 2, 2018	Finance Committee Meeting, Review of Budget
May 16, 2018	Regular Board Meeting, Review of Budget

A copy of the proposed Resolution 14-18 is included as Attachment 1.

The proposed Final Fiscal Year 2018/2019 Budget document was provided to the Directors on Friday, June 15, 2018 and is also available for public review at the District office.

The 2017/2018 Fiscal Year to Date actuals included in the budget are as of May 31, 2018.

**FISCAL INFORMATION**

Refer to Fiscal Year 2018/2019 District Budget.

**ATTACHMENTS**

Attachment 1 – Resolution No. 14-18

Attachment 2 – Fiscal Year 2018/2019 Budget Document (Provided under separate cover and available for Public Inspection at the District Office on June 15, 2018)

**RESOLUTION 14-18**

**RESOLUTION OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS  
WATER DISTRICT ADOPTING THE FISCAL YEAR 2018/2019 DISTRICT  
BUDGET**

**WHEREAS**, the proposed water and wastewater rates, fees and charges that were adopted on June 18, 2014 have been incorporated into the District’s Fiscal Year 2018/2019 budget, a copy of which is attached and incorporated herein by reference;

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

1. Adoption of Fiscal Year 2018/2019 District Budget

The District budget for Fiscal Year 2018/2019 is hereby adopted, as presented to this Board of Directors, but may be hereafter amended by simple motion of the Board. A copy thereof shall be retained by the District and available for review upon request.

**ADOPTED** this 20<sup>th</sup> day of June 2018

**Ayes:**  
**Noes:**  
**Abstentions:**  
**Absent:**

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

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors  
Running Springs Water District



**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

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

**SUBJECT: AUTHORIZE STAFF TO EXECUTE CONTRACT AND PURCHASE FIRE STATION ALERTING SYSTEM**

**RECOMMENDED BOARD ACTION**

Consider authorizing staff to execute the attached contract for the purchase of the Fire Station 50 Alerting System Equipment and Installation in the amount of \$34,196.51.

**REASON FOR RECOMMENDATION**

The contract requires that each party represents to the other to have full authority and approval to enter into a contract regarding the upgrade of equipment and installation of Fire Departments current alerting system.

**BACKGROUND INFORMATION**

In August 2015, the CONFIRE Administration Committee accepted the recommendation to execute the contract with WestNet for a replacement station alerting system. Per the directions of the Admin Chiefs, each staffed station must have, at a minimum, the WestNet Ultra-Lite station controller, a base station radio ISD subscription, an IP (network) connection, a (ring down) phone line and phones, appropriate support contracts, plus interior station alerting notification appliances-lights, bells, etc. This system will also fully support the Fire Service requirements of NFPA 1710:2016 “Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments”, and “NFPA 1221:2016 Standard for the Installation, Maintenance, and Use of Emergency Services Communication Systems”. Due to the nature and age of our current alerting system at Fire Station 50 it will not be adequate for the minimum upgrade option. The Fire Department will be upgrading to the “First-In Alerting Smart Station” at Fire Station 50. All requirements for alerting system at fulltime Fire Stations must be completed by July 2018.

**FISCAL INFORMATION**

The approved fiscal year 2017/2018 budget includes \$16,200 for this project. The proposed fiscal year 2018/2019 budget includes \$18,000 for the project. The Fire

Department is requesting for the 2017/2018 budget of \$16,200 to be rolled over to the 2018/2019 budget to meet the total cost of \$34,196.51 for the project. If approved, the project will be funded from the Fire Department Operating Reserve Fund which has a balance of \$1,752,039 as of May 31, 2018.

**ATTACHMENTS**

Attachment 1 – Agreement

# Running Springs Fire Department



## Contract and Statement of Work for Installation of First-In Fire Station Alerting Systems

Westnet, Inc.  
Huntington Beach, CA 92649  
(800) 807-1700  
[www.FirstInAlerting.com](http://www.FirstInAlerting.com)

## **CONTRACT FOR FIRE STATION ALERTING SYSTEM EQUIPMENT AND INSTALLATION**

Running Springs Fire Department, the end user ("Customer"), having a principal place of business at 31250 Hilltop Blvd, Running Springs, CA 92382 and Westnet, Inc., a California corporation, as Contractor ("Westnet"), having a place of business at 15542 Chemical Lane, Huntington Beach, CA 92649, enter into this Contract (the "Contract"), pursuant to which Customer will purchase and Westnet will sell the equipment and services more fully described below. Customer and Westnet may be referred to individually as "Party" and collectively as the "Parties."

### **EXHIBITS**

The Exhibits listed below are incorporated into and made a part of this Contract. In interpreting this Contract and resolving any ambiguities, the main body of this Contract will take precedence over the Exhibits and any inconsistency between the Exhibits will be resolved in the order in which they are listed.

Exhibit A	Statement of Work, Delivery and Installation Verification Forms
Exhibit B	Warranty
Exhibit C	Contract Price and Deliverables
Exhibit D	Payment Schedule
Exhibit E	Acceptance Test Plan
Exhibit F	Final System Acceptance Certificate
Exhibit G	Maintenance and Support Statement of Work

### **DEFINITIONS**

Capitalized terms used in this Contract shall have the following meanings:

"Acceptance Tests" means those tests described in the Acceptance Test Plan

"Confidential Information" is any information disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, labeled or identified at the time of disclosure as being confidential or its equivalent; or if in verbal form is identified as confidential or proprietary at the time of disclosure and confirmed in writing within thirty (30) days of such disclosure. Confidential Information shall not include any information that: (i) is or becomes publicly known through no wrongful act of the receiving party; (ii) is already known to the receiving party without restriction when it is disclosed; (iii) is, or subsequently becomes, rightfully and without breach of this Contract, in the receiving party's possession without any obligation restricting disclosure; (iv) is independently developed by the receiving party without breach of this Contract; or (v) is explicitly approved for release by written authorization of the disclosing party.

"Contract Price" means the price for the System, inclusive of freight and handling charges, as well as applicable state sales tax at the rate as stated in Exhibit C, but exclusive of any other applicable sales or similar taxes or tax rate changes.

"Effective Date" means the date upon which the last party to sign this Contract has executed it.

"Equipment" means the hardware listed in the Statement of Work (Exhibit C)

"Final System Acceptance" means the Customer's written acceptance of the total System pursuant to the terms of the Contract.

"Maintenance and Support Services" means the services described in Westnet's Maintenance and Support Agreement.

"Post Warranty Period" is the period after the expiration of the Warranty (Exhibit B).

"Punch List" is a list of mutually agreed upon tasks that need to be performed to satisfy the terms of this contract (Exhibit A-2)

"Specifications" means the technical, design, engineering, operational, functional, and interface requirements of the System or, if the context so indicates, of the Software or Equipment, all as provided in this Contract.

"System" means the deliverables to be provided by Westnet under this Contract and is comprised of the Equipment and services as described in Exhibits A and C.

"System Acceptance" means Westnet's successful completion of the Acceptance Tests.

"Warranty Period" is the period as stated in Exhibit B.

## **CHANGE ORDERS**

Either party may request changes within the general scope of this Contract. If Customer wishes to increase or decrease the scope of the Contract by means of a negotiated change order, it will so notify Westnet and clearly state the requested changes. Westnet shall promptly review all requested scope changes and assess the effect of the requested change to the overall System performance and project schedule. If Westnet determines that the requested change will not be detrimental to System performance, Westnet will prepare an estimate of the price of the Equipment and services being added or deleted. After receiving Westnet's estimate, Customer shall promptly in writing approve, disapprove or request further information regarding the estimate. If approved, the Contract Price shall be increased or decreased by the amount of the estimate and the Exhibits shall be amended to reflect the change in scope. A negotiated change order will not be effective unless it is in writing and executed by authorized representatives of both parties.

## **PROJECT SCHEDULE**

Westnet will commence performance of this Contract upon receipt of the executed Contract from Customer and when the payment obligations listed in the Payment Schedule are satisfied. The Customer shall provide Westnet with a project schedule and shall inform Westnet in writing of changes to that schedule. If either party becomes aware that a delay will occur, it will promptly notify the other party of such delay.

## **FINANCIAL TERMS**

1. **CONTRACT PRICE AND PAYMENT.** Westnet will submit invoices to Customer in accordance with the Payment Schedule (Exhibit D). Customer will pay the amount due within thirty (30) days of receipt of a proper invoice.
2. **ADDITIONAL PURCHASES.** The Price Schedule lists the prices and discounts for the Software, Equipment, and Maintenance and Support Services, and such prices will be firm for ninety (90) days from the Effective Date of this Contract. To make additional purchases, Customer will issue a purchase order that references this Contract, and these terms and conditions will apply to such transactions except that Westnet will submit invoices for such additional purchases as Equipment is shipped and monthly as services are performed.
3. **TAXES AND PERMIT FEES:** Unless specifically included in Exhibit C, the Contract Price excludes federal, state, or local sales, use, or other taxes (other than federal, state, and local taxes based on Westnet's income or net worth), all of which will be paid by Customer except as exempt by law. Increases in any tax rate as listed in Exhibit C shall be paid by Customer. The Customer agrees to pay or reimburse Westnet plus overhead for all permit fees, fees by others, and related expenses unless specifically listed and at the amount in Exhibit C.

## **SHIPMENT; TITLE; RISK OF LOSS**

1. SHIPMENT AND TITLE TO GOODS. Westnet will pack and ship all Equipment F.O.B. to the delivery sites designated by Customer in accordance with the applicable packing and shipping instructions or, in the absence of such instructions, with best commercial practices to ensure safe arrival at the destination. Title to the Equipment shall pass to Customer upon completion of installation.
2. RISK OF LOSS. Risk of loss for the Equipment shall pass to Customer upon delivery.

## **SYSTEM ACCEPTANCE**

After the Equipment is installed, Westnet will notify Customer in writing that it is ready to commence the Acceptance Test. Westnet and Customer will mutually agree on the date to commence the Acceptance Test per the acceptance test procedure of Exhibit E. If Customer is unable or unwilling to participate in the Acceptance Tests within the on-site installation period, the Acceptance Test procedure will be conducted by an authorized Westnet representative with results shared in writing to Customer. When the System is fully operational based on the documented acceptance test procedure, the System will be deemed accepted as certified in Exhibit F.

## **DELAYS**

Neither party will be liable for its non-performance or delayed performance if caused by a "Force Majeure" which means an event, circumstance, or act of a third party that is beyond a party's reasonable control, such as an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, or any other similar cause. Each party will notify the other if it becomes aware of any Force Majeure that will significantly delay performance. The notifying party will give such notice promptly (but in no event later than fifteen (10) days) after it discovers the Force Majeure. If a Force Majeure occurs, the parties will execute a change order to extend the Project Schedule for a time period that is reasonable under the circumstances.

## **DEFAULT AND TERMINATION**

1. DEFAULT. If either party breaches a material obligation under this Contract, the other party may consider the breaching party to be in default. If a party asserts a default, it will give the breaching party a written notice of the default. The breaching party will have ten (10) business days thereafter either to cure the default or provide a written plan to cure the default that is acceptable to both parties. If the breaching party provides a cure plan, it will begin implementing the cure plan immediately after receipt of the non-breaching party's approval of the cure plan. If the breaching party fails to provide a cure plan, or fails to cure the default in accordance with the approved cure plan, then the non-breaching party may terminate this Contract for breach.
2. RETURN OF CONFIDENTIAL INFORMATION AND SYSTEM COMPONENTS. Upon the termination of this Contract, all Confidential Information provided by Westnet (including all copies and reprints) that is in Customer's possession, custody, or control shall be promptly delivered to Westnet, and Customer shall thereafter make no further direct or indirect use of such material.

The Customer agrees to return to Westnet those components of the System not yet accepted and paid for in full together with all copies of software, documentation and any related material. Any data or data files generated by the Customer shall remain the property of the Customer.

## **WARRANTY**

Warranty services for the System will be provided per the terms of Westnet's Limited Warranty (Exhibit B).

## **MAINTENANCE AND SUPPORT**

During the Post Warranty Period, Westnet will make Maintenance and Support Services available to Customer. Customer understands that it will be obligated to purchase such services at the time services are rendered unless the Customer and Westnet have executed a Maintenance and Support Agreement. If Customer exercises its option to purchase extended Maintenance and Support, notice must be provided at least 30 days prior to the expiration of the Warranty Period. See Maintenance and Support Statement of Work (Exhibit G) for complete details.

## **LIMITATION OF LIABILITY; REMEDIES**

**This Contract is subject to the limitation of liability and other provisions set forth in the Standard Limited Warranty of Westnet. Neither party will be liable to the other for incidental or consequential damages arising from this Contract.** Except as expressly provided to the contrary, the rights and remedies provided in this Contract are cumulative.

## **CONFIDENTIALITY**

During the term of this Contract, a party may provide the other with Confidential Information as defined in the Definitions section of this contract. Each party who receives the Confidential Information of the other party will: (i) maintain the confidentiality of such Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by a court of competent jurisdiction; (ii) restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information; (iii) take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and (iv) use such Confidential Information only in furtherance of the performance of this Contract, Westnet's Maintenance and Support Agreement, or to otherwise support Customer in its use and maintenance of the System. Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

## **DISPUTES**

1. **SETTLEMENT PREFERRED.** The parties will attempt to settle any claim or controversy arising from this Contract through consultation and negotiation in good faith and a spirit of cooperation. The respective project managers will confer and attempt to settle a dispute. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary.
2. **LITIGATION.** Any claim relating to intellectual property and any dispute that cannot be resolved between the parties through negotiation as described above shall then be submitted by either party to the Orange County, California Superior Court or the United States District Court, Santa Ana, California.

## **GENERAL**

1. **TAXES.** Unless specifically included in Exhibit C, the Contract Price excludes federal, state, or local sales, use, or other taxes (other than federal, state, and local taxes based on Westnet's income or net worth), all of which will be paid by Customer except as exempt by law.
2. **NO ASSIGNMENT.** Unless otherwise expressly provided, neither party may assign this Contract without the prior written consent of the other party. This Contract will inure to the benefit of and be binding upon the parties and their successors and permitted assignees.

3. **WAIVER.** Failure or delay by either party to exercise any right or power under this Contract will not operate as a waiver of such right or power. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either a future or continuing waiver of that same right or power, or the waiver of any other right or power.
4. **SEVERABILITY.** If a court of competent jurisdiction renders any provision of this Contract (or portion of a provision) to be invalid or otherwise unenforceable, that provision or portion of the provision will be severed and the remainder of this Contract will continue in full force and effect as if the invalid provision or portion of the provision were not part of this Contract.
5. **INDEPENDENT CONTRACTORS.** Each party shall perform its duties only as an independent contractor. A party and its personnel shall not be considered to be an employee or agent of the other party. Nothing in this Contract shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This Contract shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.
6. **HEADINGS AND SECTION REFERENCES; CONSTRUCTION.** The section headings in this Contract are inserted only for convenience and are not to be construed as part of this Contract or as a limitation of the scope of the particular section to which the heading refers. This Contract will be fairly interpreted in accordance with its terms and conditions and not for or against either party.
7. **GOVERNING LAW.** This Contract and the rights and duties of the parties will be governed by and interpreted in accordance with the laws of the State of California.
8. **ENTIRE AGREEMENT.** This Contract, including all Exhibits, constitutes the entire agreement of the parties regarding the subject matter hereof and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to such subject matter. This Contract may be amended or modified only by a written instrument signed by an authorized representative of each party. This Contract may be executed in counterparts.
9. **NOTICES.** Notices required under this Contract to be given by one party to the other must be in writing and either delivered in person or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service with an asset tracking system, such as Federal Express, UPS, or DHL), or by E-mail with correct Read Receipt acknowledgement, and shall be effective upon receipt.

**Westnet:**

Westnet, Inc.  
Attn: Dawn Matheny  
15542 Chemical Lane  
Huntington Beach, CA 92649  
DMatheny@westnet-inc.com

**Customer:**

Running Springs Fire Department  
Attn: Mike Vasquez  
31250 Hilltop Blvd,  
Running Springs, CA 92382  
m.vasquez@runningspringsfd.org

10. **AUTHORITY TO EXECUTE AGREEMENT.** Each party represents to the other that (i) it has obtained all necessary approvals, consents and authorizations to enter into this Contract and to perform its duties under this Contract; (ii) the person executing this Contract on its behalf has the authority to do so; (iii) upon execution and delivery of this Contract by the parties, it is a valid and binding contract, enforceable in accordance with its terms; and (iv) the execution, delivery, and performance of this Contract does not violate any bylaw, charter, regulation, law or any other governing authority of the party.
11. **USE OF TRADEMARKS AND NAMES.** Except as expressly agreed to in writing, neither party may use the other party's name, logo, or trademarks, or any abbreviation of the other party's name, in any advertising, marketing campaigns, press releases, or communication with the press, without the



specific prior consent of the other party. Each party must strictly follow the other party's instructions concerning use of the other party's trademarks.

12. NO LICENSE OF WESTNET'S INTELLECTUAL PROPERTY. This Contract does not grant to Customer any license under any patents or other intellectual property rights of Westnet. This Contract does not grant either party the right to manufacture any of the other party's Software or Equipment.
13. SURVIVAL OF TERMS. The provisions found in the following paragraphs shall survive the expiration or termination of this Contract for any reason: WARRANTY; LIMITATION OF LIABILITY; CONFIDENTIALITY; and DISPUTES.
14. PUBLICITY. Neither party shall issue a press release or make any similar public announcement regarding the transactions contemplated by this Agreement without the other party's prior written consent to the specific language and intended distribution of such press release or announcement.

In witness whereof, the parties hereby execute this Contract on the dates set forth below.

**WESTNET:  
WESTNET, INC.**

**CUSTOMER:  
RUNNING SPRINGS FIRE DEPARTMENT**

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

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

Name: Dawn Matheny

Name: \_\_\_\_\_

Title: VP of Contracts

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

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

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

**CUSTOMER:  
RUNNING SPRINGS WATER DISTRICT**

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

Name: \_\_\_\_\_

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

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

# **EXHIBIT A**

## **STATEMENT OF WORK**

### **INTRODUCTION**

**Parties:** Westnet, Inc. (herein Westnet) and the Customer (herein Customer) have come together under this Statement of Work to provide and install a Westnet First-In Fire Station Alerting System(s) at the Customer's Fire Station No. 50, Address: 32151 Hunsaker Way Running Springs Ca 92382. Any other parties participating in this project are deemed an agent of one of the aforementioned principal parties.

**Project Overview:** Westnet will provide and install a First-In® Fire Station Alerting System (herein System) for the Station, which alerts in-station personnel of an alert from Customer's Dispatch Center (herein Dispatch). The System consists of the equipment enumerated in Exhibit C. Westnet installation is limited to cabling and device install. All conduit, rough-in, electrical, networking and radio systems will be provided by the Customer at Customer's expense.

### **EQUIPMENT AND INSTALLATION:**

**Description of Fire Station Alerting Systems:** Upon receipt of a proper alert from Dispatch, the First-In Master Control Unit (herein MCU) sends commands to the various First-In Smart Station Units (herein Units) and/or other non-Smart Station Units located throughout the fire Station. Depending upon Customer programming, the Units will emit an audible and/or visual indication of an incoming alert from Dispatch. The Units for this project are listed in Exhibit C (Contract Price and Deliverables).

### **WESTNET RESPONSIBILITIES:**

#### Pre-Installation Responsibilities:

1. Approve a completed Westnet Configuration Form within thirty (30) days of the scheduled equipment shipment. Customer changes to the programming after approval may result in additional fees.
2. Build and ship the equipment to the requirements specified in Westnet Configuration Form.

#### Installation Responsibilities:

1. Installation of any Smart Station cabling, terminations and testing of the cable plant.
2. Install the System at the Station and verify proper connection of the radio to the MCU.
3. Provide a Westnet On-Site Factory Representative at the conclusion of the installation to certify the installation and provide operator training.

#### Post-Installation Responsibilities:

1. Perform start-up of the system and demonstrate system to the Customer for acceptance sign-off.
2. Provide technical telephone support to the Customer for a period of one year.
3. Provide as-built drawings depicting the location of Smart Station Units within the Station.
4. Provide on-site maintenance and the warranty services under the terms of Exhibit B.

## CUSTOMER RESPONSIBILITIES

### Pre-Installation Responsibilities:

1. Provide and install all conduit, rough-in and electrical systems.
2. Tender written approval of a completed Westnet Configuration Form thirty (30) days prior to scheduled equipment shipment.
3. Provide all radio and networking equipment necessary for integration with the MCU and Smart Station Units. The radio equipment includes, but is not limited to a properly operating radio base station, installed antenna and feedline lightning arrestor, that produces an acceptable level of signaling, as well as an acceptable level of Dispatch voice audio. An acceptable level of signaling shall be a minimum of 500 millivolts peak-to-peak of Dispatch audio and tone signaling audio.
4. For network alerted systems, provide Westnet with the Station IP Address, Subnet Mask and Gateway information one month prior to installation.
5. For network alerted systems, provide a properly operating Ethernet port and Local Area Network within the Station.
6. For network alerted systems, provide a properly operating Wide Area network that has sufficient capacity at maximum anticipated traffic to support all alerting functions.
7. Provide adequate space for the MCU and the MCU's Power Module or UPS. The space for these three devices must not be more than six (6) feet from the radio base station and a 110-volt outlet. Each power outlet must have proper polarity and grounding.
8. Provide a five-ohm earth ground circuit connected to the radio antenna lightning suppressing circuit.
9. Provide all Messengers and Power Module Assemblies (Part # SPC100028V), which consists of a Power Module and a UPS, with one 110-volt outlet within five (5) feet of the Power Module. The Power Module Assembly requires adequate ventilation to function properly and maintain the one-year warranty.
10. Provide a telephone system that has an analog paging audio port with 600-ohm balanced audio and a DC contact closure for telephone paging. Should audio feedback occur during paging, the Customer will need to provide and install a feedback eliminator.
11. Establish and maintain an operating 24/7 VPN for Westnet to connect to all fire stations that are equipped with the First-In Fire Station Alerting (First-In) equipment.
12. Plumber is required to install electric valve in gas line to stove. Pricing assumes each station's appliance has electric ignition, Westnet included power contactor installation in the electric power supply to stove. The only Westnet tested and accepted appliance controller natural gas valve is the ASCO Red Hat Normally Closed gas valve with any one of the following part numbers: 8215B060: 8215B050: 8215B030. The valve must be specified for 24V AC.

### Installation Responsibilities:

1. Return a signed copy of the attached Delivery Verification Form (Exhibit A-1) upon receipt of the System. Return a signed copy of the attached Installation Verification Form (Exhibit A-2) upon installation of the System.

2. Should a discrepancy arise among Customer personnel regarding the placement or mounting methods, or other installation matters, there will be resolution of such discrepancy within twenty-four (24) hours. If such resolution does not occur, Westnet may bill the Customer for any standby time until such discrepancy is resolved.
3. Provide a minimum of five (5) business days notice to the Westnet Project Manager or Westnet's Installation Company should the Customer need to postpone the scheduled installation. Provide a minimum of five days (5) days notice to Westnet should the Customer need to postpone or cancel the On-Site Supervisor trip. Compliance with the notice requirements noted above does not absolve the Customer of damages related to the cancellation or postponement. If the Customer has not met the requirements of Pre-Installation and Installation Responsibilities, and if Westnet is unable to reasonably continue the Work at another location, the Customer shall reimburse Westnet for standby time and travel expenses.
4. The Customer must notify Westnet of any areas known to contain asbestos. If during the installation process, Westnet suspects or encounters asbestos, the Customer will be required to drill all holes in the related area. Westnet shall have no liability to the Customer, its employees or to any other persons for any asbestos related claims, including, without limitation, removal or cleanup costs, loss of use, lost profits or personal injury or property damages (collectively the "asbestos claims").
5. Allow Westnet to bring a Scissor-Lift onto Customer premises if necessary. The Scissor-Lift will be used to aid in the installation of the equipment in apparatus bays and other high ceiling areas.
6. Bring the station operating circuit wiring to the location of the Control Remote for all devices desired to be activated by the Control Remote.
7. In the event that the Customer elects to purchase Satellights for the apparatus bay at any point in time, the Customer will provide any pendant mounting equipment for the apparatus bay and other high ceiling areas that exceed twelve (12) feet. While Westnet supplies a mounting device for each Satellight and Satellight Controller, the Customer must provide all mounting equipment and platforms necessary to meet the twelve (12) foot height restriction. For a period not to exceed ninety (90) days after installation of the System, the Customer can issue a separate purchase order for the purchase and installation of Satellights and Power Modules, if needed, in the apparatus bay. Westnet will hold the equipment pricing for the ninety (90) day period.
8. Provide any other support to Westnet to ensure successful installation and integration of the alerting Systems.
9. Participate in Acceptance Testing during the On-Site Factory Representative visit. A copy of the Acceptance Test Plan is in Exhibit E.
10. If deemed necessary by the Westnet, allow Westnet to install a Westnet-owned Performance Monitoring Computer in Dispatch. The computer is used to administer technical support and maintenance services. The computer will be returned to Westnet at the conclusion of the warranty period. The Customer will be responsible for all anti-virus and operating system updates.

Post-Installation Responsibilities:

1. Provide primary support for all alarm Systems concerns. The Customer will contact Westnet once it has completed primary troubleshooting and verified that a problem resides within the station alerting equipment.

2. The Customer will provide all maintenance of the First-In Fire Station Alerting Systems, unless the Customer purchases a Maintenance Plan from Westnet (see Exhibit G).
3. Administer warranty service for any Customer-supplied equipment. Warranty services are performed at Westnet's Factory after the Customer removes and ships the equipment to the Factory for repair. No loaner or spare equipment will be provided under this Agreement.

#### **TRAINING:**

Operator Training: Westnet will provide one (1) hour of operator training for three shifts at the Station. The training will cover operation of the MCU and Smart Station Units during an alert sequence.

#### **EXCLUSIONS:**

1. Additional Equipment: There will be no additional equipment provided by Westnet as Exhibit C is a complete list of equipment to be provided under the Statement of Work. Westnet does not provide spare units to replace units at Westnet for warranty repair, unless provided for in a separate maintenance agreement. Should additional or spare equipment beyond the scope of this Statement of Work be desired, a separate quote and purchase order will be required. Prices for additional equipment will be based upon the Price List in effect at the time of the quote. Westnet will not be providing any two-way radios, two-way radio accessories, printers or routers to the Customer.
2. Post-Installation Equipment - Westnet does not warranty equipment provided under this Statement of Work should a party other than Westnet or Westnet's installation subcontractor install or integrate any non-Westnet equipment into the alerting or dispatch systems. An exception to this exclusion is the CAD interface and Customer's radio system.
3. Alerting Equipment Voice-chip or Programming Changes: Any changes in the text of the voice-chips or reprogramming to any units once the programming from the Westnet Configuration Form is complete will be a billable charge to the Customer, unless such change stems from a programming error by Westnet. The charge will consist of parts, labor, and any applicable shipping and taxes. The Customer must provide the labor, or hire Westnet for an additional charge, to remove and reinstall any reprogrammed voice-chips or units once the units leave the factory.
4. Services: Installation labor, repair labor, other on-site or engineering labor beyond the scope of this Statement of Work is excluded. Westnet will charge the current rate per hour, per man, plus expenses for work exceeding the scope of this Statement of Work. The labor rate after normal business hours and on weekends is the Off-Hours rate per hour, per man, plus expenses. Payment for such services is due within thirty (30) days. Should the Customer become delinquent in payment for such services, Westnet reserves the right to refuse service for both the services provided under this Statement of Work, as well as any other requests for service.
5. Computer Systems: Westnet and/or any Westnet-supplied equipment will not make a recommendation as to which apparatus or personnel assigned to an emergency call. Rather, Dispatch personnel, the CAD and/or any other Customer mechanism is responsible for equipment and personnel assignment.
6. Telephone Services: Payment for services and coordination involving the connection of any telephone lines to the station and dispatch shall be the responsibility of the Customer.
7. CAD or Other Equipment Upgrade: This Statement of Work does not include any upgrades to the Customer's CAD, dispatch equipment, radio systems or other equipment unless otherwise noted. Any on-site or technical support requested will be an additional fee.

8. Maintenance: Westnet will provide full on-site maintenance for the first year and for each subsequent year that the Customer purchases a maintenance plan.
9. Installation:
  - a) Westnet understands that the term "optimal" is subjective. Although Westnet will attempt to place the Systems equipment in the Customer's desired locations, Westnet reserves the right to place the equipment in the most beneficial and safest location.
  - b) Should Westnet be requested to provide installation services beyond the scope of this Statement of Work, a separate quote will be issued and a Customer purchase order will be required for such installation services.
  - c) The Customer will be providing all conduits required by the electrical code that is necessary for installation of the Systems.
10. Limited Warranty: See Exhibit B.
11. CAD Operation: Should the CAD be unable to alert a properly functioning MCU, it is the responsibility of the Customer to correct the situation at the Customer's sole expense. Any work by Westnet necessary to troubleshoot the CAD system or modify the MCU post-production is not included in any pricing and will be an additional charge.
12. Interfaces: No interfaces are included in Westnet's pricing and are beyond the scope of this Statement of Work.
13. Other: Westnet makes no guarantee and has no responsibility for the performance of ancillary systems used in the alerting process, such as the CAD, the wired or wireless connectivity from Customer's Dispatch to the Station, Public Address and telephone paging systems, as well as devices connected to the Control Remote. The Customer has been advised that the alerting System may not function properly unless the ancillary systems are functioning correctly. With the proper inputs, the System will activate System lights, speakers, relays (Control Remotes), System Doorbells, Test and Emergency Buttons.

**CONCLUSION:**

1. Acceptance: Acceptance of this Statement of Work by the principal parties constitutes a final written expression of all the terms of the Statement of Work between Westnet and the principal parties and is a complete and exclusive statement of those terms. Any representations, promises, warranties or statements by Westnet's agents that differ in any way from the terms of this written Statement of Work shall be given no force or effect. WESTNET, INC. RESERVES THE RIGHT TO MAKE CHANGES TO THIS STATEMENT OF WORK UNTIL SUCH TIME THAT A CONTRACT HAS BEEN EXECUTED.

**EXHIBIT A-1**

**DELIVERY VERIFICATION FORM\***

**First-In Fire Station Alerting Equipment**

The signature below serves as verification that the boxes with equipment listed for Station \_\_\_\_\_ in Exhibit C were delivered with no apparent damage.

\_\_\_\_\_  
Customer Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title

(For partial deliveries, the following form shall be used.)

The signature below serves as verification that the following boxes with equipment listed for Station \_\_\_\_\_ in Exhibit C were delivered with apparent damage:

1. \_\_\_\_\_

3. \_\_\_\_\_

2. \_\_\_\_\_

4. \_\_\_\_\_

\_\_\_\_\_  
Customer Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title

\* Print and execute one copy of this form for each station.

**EXHIBIT A-2**

**INSTALLATION VERIFICATION FORM\***

The signature below serves as verification that the Fire Station Alerting Equipment enumerated in Exhibit C, plus or minus the following mutually agreed upon changes, has been installed in a commercially reasonable manner and functions properly in the **System Test Mode**. Any punch-list items will be resolved prior to final System Acceptance.

A check in this box means that no equipment changes were made, and that the only equipment installed at the Fire Station is that which is listed in Exhibit C.

A check in this box means the following mutually agreed upon changes have been installed.

1. \_\_\_\_\_

6. \_\_\_\_\_

2. \_\_\_\_\_

7. \_\_\_\_\_

3. \_\_\_\_\_

8. \_\_\_\_\_

4. \_\_\_\_\_

9. \_\_\_\_\_

5. \_\_\_\_\_

10. \_\_\_\_\_

\_\_\_\_\_  
Customer Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title

\* Print and execute one copy of this form for each station.



## **EXHIBIT B**

### **WESTNET, INC. STANDARD LIMITED WARRANTY**

1. Westnet, Inc. ("Westnet") is providing its "Limited Warranty" covering the First-In products, parts, components and system being purchased by Customer under this Agreement (collectively, the "Products") as set forth in this Paragraph 1. When Westnet, or a certified Westnet installer installs the Product, this warranty begins upon first beneficial use of the Product by the Customer or when the installation is complete, whichever occurs first. In all other instances, this warranty commences upon shipment.
  - A. Westnet warrants exclusively to Customer that each Product sold hereunder will be free from defects in material and workmanship for a period of one (1) year from the date of delivery of the Product to Customer or, if installation is performed by Westnet or a subcontractor of Westnet, from the date of installation. If Westnet or a subcontractor of Westnet performs the installation, such installation service will be deemed to be part of the Product for purposes of this Limited Warranty and Westnet's liabilities under this Agreement. Any parts and cabling used in the installation of a Product are not covered by this Limited Warranty unless Westnet (and not Customer or a third party installation company) performs the complete installation. Any Product claimed by Customer to violate this Limited Warranty must be returned to Westnet's designated service center at the expense of Customer, provided that Westnet will first be given the opportunity, at its option and expense, to inspect the Product in its installed location and may elect to waive such return. Westnet will perform all warranty work at its service location only and not at the Customer's location, unless Westnet agrees, in its sole discretion, to undertake the warranty work at Customer's location. Westnet's sole obligation and Customer's exclusive remedy for any breach of this Limited Warranty will be the repair or replacement, at Westnet's option, of the defective Product. Any replacement or repaired Product will be covered by this Limited Warranty only for the remainder of the original warranty period. Any replacement or repaired Product may be made with new or reconditioned components and will be shipped to Customer at the expense of Westnet. Any replaced Product becomes the property of Westnet. If Westnet determines that such repair or replacement is not economical or feasible or such remedy fails of its essential purpose, Customer's exclusive alternate remedy and Westnet's sole obligation for any breach of this Limited Warranty will be the return to Customer of the purchase price paid to Westnet for the Product, provided Customer has returned the Product to Westnet.
  - B. This Limited Warranty applies only if Westnet's testing and examination of the Product discloses that the alleged defect or malfunction of the Product exists and was not caused by Customer's or any third person's misuse, negligence, improper installation or testing, or unauthorized attempts to open, repair or modify the Product, or by accident, fire, water, lightening, power cuts or outages, power or telephone line transients, other hazards, or acts of God, or by any other cause beyond the range of intended use in accordance with the Product's normal usage and Westnet's published instructions. This Limited Warranty will apply only if Customer notifies Westnet of the defect in writing not more than one (1) year after its delivery to Customer. This Limited Warranty does not cover physical damage to the surface of the Product after its delivery to Customer, including cracks or scratches on the LCD or outside casing. This Limited Warranty does not apply when the malfunction results from the use of this Product in conjunction with other products, or ancillary or peripheral equipment, and Westnet determines there is no fault with the Product itself. This Limited Warranty does not apply to any defect or malfunction of the Product due to any communications software or device Customer may use with the Product. Customer will promptly inspect all Products delivered to it. Any claim against Westnet under this Limited Warranty or otherwise for damages to or defects in the delivered Products that are observable in a reasonable visual inspection will be deemed waived unless the claim is made in writing to Westnet within thirty (30) days after such delivery.

C. EXCEPT FOR THIS EXPRESS LIMITED WARRANTY AND WESTNET'S STATUTORY WARRANTY OF GOOD TITLE, WESTNET MAKES NO WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, REGARDING THE PRODUCTS COVERED HEREBY, INCLUDING (WITHOUT LIMITATION) ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, CORRESPONDENCE WITH DESCRIPTION, OR (SUBJECT TO PARAGRAPH 4) NONINFRINGEMENT OF PATENTS OR OTHER PROPRIETARY RIGHTS. NO EMPLOYEE, AGENT OR REPRESENTATIVE OF WESTNET IS AUTHORIZED TO MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF WESTNET RELATING TO THE PRODUCTS EXCEPT TO THE EXTENT SPECIFICALLY STATED HEREIN. WESTNET NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE SALE, INSTALLATION, MAINTENANCE OR USE OF THE PRODUCTS.

**2. LIMITS ON LIABILITY.** EXCEPT AS EXPRESSLY PROVIDED IN PARAGRAPHS 1 AND 4, IN NO EVENT, WHETHER BASED ON BREACH OF WARRANTY OR CONTRACT, NEGLIGENCE, STRICT LIABILITY IN TORT OR ANY OTHER LEGAL THEORY, (A) WILL WESTNET BE LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR COST OF COVER ARISING OUT OF CUSTOMER'S SELECTION, ORDERING, PURCHASE, USE, RESALE OR DISTRIBUTION OF THE PRODUCTS COVERED HEREBY, OR OTHERWISE, EVEN IF WESTNET HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, NOR (B) WILL WESTNET'S TOTAL LIABILITY TO CUSTOMER AND ANY THIRD PARTIES WITH RESPECT TO ANY SPECIFIC PRODUCT AND ANY RELATED SERVICES EXCEED THE PURCHASE PRICE TO WESTNET FOR THAT PRODUCT AND SUCH SERVICES. SUCH DAMAGES THAT WESTNET WILL NOT BE LIABLE FOR INCLUDE, BUT ARE NOT LIMITED TO: LOSS OF PROFITS, SAVINGS OR REVENUE; LOSS OF USE OF A PRODUCT OR ANY ASSOCIATED EQUIPMENT; COST OF CAPITAL; COST OF ANY SUBSTITUTE GOODS, EQUIPMENT, FACILITIES OR SERVICES; DOWNTIME; AND, EXCEPT AS PROVIDED IN PARAGRAPH 4, THE CLAIMS OF THIRD PARTIES INCLUDING CUSTOMER'S EMPLOYEES OR AGENTS AND ANY PERSONS TO WHOM CUSTOMER PROVIDES SERVICES.

**3. FORCE MAJEURE, SHORTAGES AND OFFSETS.** Westnet will not be liable for loss or damage of any kind resulting from any delay in delivery or failure to supply ordered Products or otherwise carry out its obligations under this Agreement due to causes beyond its reasonable control, and no such event will relieve Customer of its obligations to make payments for other deliveries made when due under this Agreement. Such causes may include, but shall not be limited to, acts of God, the elements, acts or omissions of Customer, carriers, suppliers to Westnet or civil or military authorities, fires, labor disputes and other inability of Westnet to obtain necessary labor, materials or supplies from usual sources. If temporarily excused from performance under this Agreement by any such circumstances, Westnet shall resume its performance as soon as is reasonably feasible. Westnet reserves the right, in its sole judgment and without liability to Customer, reasonably to allocate its available production capacity and Product inventories as may be necessary or equitable in the event of any shortages of production capacity or Products at any time. Westnet may offset against any amounts owed by Westnet to Customer under this Agreement or otherwise any credits or amounts that are owed by Customer to Westnet under this Agreement or otherwise.

**4. INFRINGEMENT.** Westnet agrees to defend Customer against, and pay any damages awarded against Customer and direct expenses, including attorneys' fees, reasonably incurred by Customer (but excluding any lost revenues, lost profits or other consequential economic damages of Customer) as a result of, any action brought against Customer, if and to the extent the action is based on a valid claim that any Product delivered to Customer under this Agreement infringes another person's patent, copyright, trade secret or trademark. Westnet's obligations under this paragraph will be conditioned upon Customer promptly notifying Westnet in writing of the existence of any such action, giving Westnet full authority to conduct the defense and settlement of the action, at Westnet's expense and with counsel of Westnet's selection, and cooperating fully with Westnet and such counsel. If any Product becomes, or in Westnet's opinion is likely to become, the subject of an action for such infringement, Westnet may procure for Customer the right to continue using the Product or replace or modify it to make it noninfringing, provided such replacement or modification does not affect the performance or value of the Product to Customer in a

materially adverse manner. Alternatively, Westnet may return to Customer the purchase price paid to Westnet for such Product and Customer shall return the Product to Westnet at Westnet's expense. Westnet will not have liability for, and Customer will defend Westnet against, and pay any damages awarded against Westnet and direct expenses, including attorneys' fees, reasonably incurred by Westnet (but excluding any lost revenues, lost profits or other consequential economic damages of Westnet) as a result of, any action is brought against Customer or Westnet, if and to the extent that the action is based on a valid claim that Westnet's compliance with Customer's design or specifications for a Product or Customer's use or combination of the Product with any material or process not acquired from Westnet (if the infringement would not have resulted from use of the Product without such material or process) infringes another person's patent, copyright, trade secret or trademark. The foregoing states Westnet's entire liability with respect to any infringement of patents, copyrights, trade secrets, trademarks or other proprietary rights relating to the Products.

**5. INDEMNIFICATION.** Subject to Paragraphs 1 and 4, Customer agrees to indemnify, defend and hold harmless Westnet against and from any claims, damages, losses, expenses (including attorneys' fees) and liabilities incurred by Westnet as a result of acts or omissions of Customer and its affiliates, employees or subcontractors or in connection with Customer's installation or use of a Product or its other activities.

**6. GOVERNING LAW.** This Agreement will be governed by the laws of the State of California, U.S.A., excluding their conflicts of laws principles. The United Nations Convention of Contracts for the International Sale of Goods is hereby excluded in its entirety from application to this Agreement.

**7. SEVERABILITY.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall be ineffective to the extent of such prohibition or unenforceability without invalidating any other provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

## EXHIBIT C

### CONTRACT PRICE & DELIVERABLES

**Project: Running Springs Fire Station #50 First-In Alerting Smart Station Lease Option**  
(Quote ID # Q-04340-P7W3)

**Description:** This is a quote for the First-In Alerting System including installation and one year of technical support. This quote is based upon installation occurring in 1 trip. If the stations are not ready and additional trips are required, customer agrees to pay additional fees.

Customer is responsible for all network connectivity between dispatch and station, as well as the CAD interface if network activation is desired. Customer is responsible to have the network equipment and power within 6 feet of the Master Control Unit and radio location. Quote does not include sales tax, if applicable. Quote does not include conduit of more than 20 feet, if required. Customer to provide VPN access to Westnet for remote adjustments and support.

Plumber is required to install electric valve in gas line to stove. Pricing assumes each station's appliance has electric ignition, Westnet included power contactor installation in the electric power supply to stove. The only Westnet tested and accepted appliance controller natural gas valve is the ASCO Red Hat Normally Closed gas valve with any one of the following part numbers: 8215B060: 8215B050: 8215B030. The valve must be specified for 24V AC.

**Clarifying Comments:**

Lease Option :

60-month leasing option is available for total equipment (\$ 17,344.05). Monthly lease payment is \$402.73 plus applicable sales tax of 7.75% for 60 months. Customer will have a \$10 buyout option to purchase the equipment upon receipt of the final lease payment. All other charges (non-equipment) and lift (with sales tax) of \$16,852.46 is due within 30 days of installation.

Client agrees to pay additional sales tax should the sales tax rate change.

Product ID	Product	QTY	Price	Sub Total
DLSP	MCU Data Line Surge Protector	1.00	\$95.00	\$95.00
FIN-Eth-T10	Ethernet Data Activated First-In Type 10 MCU	1.00	\$7,395.95	\$7,395.95
FINISO4P	Radio Isolation Unit - Four Channel	1.00	\$831.00	\$831.00
SCR26-24VC5	Control Remote (each controls up to 8 functions)	1.00	\$1,175.95	\$1,175.95
SHPA150	High Power Paging Audio Module (includes one speaker)	1.00	\$1,495.00	\$1,495.00
SPC28-LT-1K1PS	Power Module Lite w/ UPS & Single Power Supply	1.00	\$1,663.24	\$1,663.24
SSATKIT-TBD	Satellight Mounting Kit - TBD	1.00	\$48.00	\$48.00
SSAT-M	Satellight Controller	1.00	\$599.98	\$599.98
SS-OSA	Outside Speaker Audio Module (includes one speaker)	1.00	\$599.98	\$599.98
SS-SAIU-10	Appliance and Systems Interface Unit (Comes with 1 Reset Button)	1.00	\$1,925.00	\$1,925.00
SS-TIM-01	Telephone Interface Module	1.00	\$1,199.95	\$1,199.95
SVC-LIFT-FEE	Lift Service Fee	1.00	\$895.00	\$895.00

**NOTES:**

- In the event that taxes, other than sales tax apply to the purchase of this equipment, said taxes will be paid by the customer.
- Quote is based on a properly working and installed CAD, radio system(s), station radio(s) and does not include costs for repair or modifications of the CAD, radio system(s), or station radio(s).
- Any equipment drawings included with this quote are for quoting purposes only and are not to be used as working drawings unless such drawings are labeled "Installation Drawings". See attached Limited Warranty.

Equipment Total	\$17,924.05
Install Supplies	\$315.00
Total Tax (7.7500000000 %)	\$1,413.53
Shipping and Handling	\$851.39
Station Equipment Install	\$7,740.00
One Year Toll Free Technical Support	\$1,877.54
On Site Warranty	\$1,875.00
Project Coordination	\$950.00
Special Engineering Services	\$1,250.00
<b>Total Amount</b>	<b>\$34,196.51</b>

**EXHIBIT D**

**WESTNET PAYMENT SCHEDULE FOR EQUIPMENT AND INSTALLATION**

**Summary of Project Costs**

Description	Total Project
Running Springs First-In Altering Smart System for Fire Station No. 50	\$34,196.51

Customer has agreed with Lease option. Terms are as below:

60-month leasing option for total equipment for the amount to be \$ 17,344.05.

Monthly lease payment is \$402.73 plus applicable sales tax of 7.75% for 60 months. Customer will have a \$10 buyout option to purchase the equipment upon receipt of the final lease payment. **If the amount of \$17,344.05 is paid within 30 days of invoicing following installation (but in no event prior to July 31, 2018), there will be no interest charged on this amount.**

**Westnet will provide Initial Invoice for the amount of \$16,852.46 BEFORE JULY 1, 2018.**

Westnet may invoice and the Customer agrees to pay upon satisfactory completion of each project milestones listed above.

If payment is not received within thirty (30) days from the date of invoice, a late fee of one and a half percent (1.5%) per month of the unpaid balance will charged and immediately due.

# EXHIBIT E

## ACCEPTANCE TEST PLAN

**OBJECTIVE:** The purpose of completing this Acceptance Test Plan is to achieve "System Acceptance" by demonstrating to the Customer that the installed fire station alerting system ("System") equipment is operational and properly performs the function specified herein. Upon successful execution of this ATP, the System will have achieved "System Acceptance". Minor omissions or variances in the System that do not materially impair the operation of the System as a whole will not postpone System Acceptance, but will be corrected according to a mutually agreed upon schedule. In the event that a part of the System does not pass the ATP, the System will be re-tested when Westnet determines that a corrective action has been taken to ensure proper operation. Final System Acceptance will occur after System Acceptance and when all deliverables and other work have been completed. When Final System Acceptance occurs, the parties will promptly memorialize this final event by so indicating on the Final System Acceptance Certificate.

**SCOPE:** The scope of this ATP is limited to the System supplied by Westnet, Inc. It does not include any other equipment or systems upon which the alerting system, once in use, relies for proper activation and function (i.e. the Customer's CAD, radio, network and/or electrical systems). The failure or unavailability of these other systems during the ATP shall not affect the outcome of this ATP, nor shall it affect the System Acceptance and subsequent Final System Acceptance of the System.

**TEST SCHEDULE:** Westnet and the Customer will conduct the ATP at a mutually agreed-upon time and date once Westnet informs the Customer that the System is ready for acceptance testing.

**FIRE STATION METHODOLOGY:** The ATP will test devices that, operationally, are activated by Dispatch, as well as devices that are not activated by Dispatch, but rather the fire station crew.

1. Data / Network Activation Operation - This section tests/simulates a test of a network-based alert of the station from Dispatch. Data sequences assigned to the fire station zones shall be applied to the Ethernet port of the Master Control Unit using the Alerting Platform or a computer equipped with the First-In API. The alerting response from the alerting system shall announce the specific unit(s) associated with the alerted and audio distribution shall activate all areas associated with the zone alerted. Once the zone is activated, the pre-announcement will announce the units alerted, nature of the call, and other preannouncement information detailed in the ZIR signoff sheet. After the preannouncement is complete, the dispatch audio will be heard throughout the station speakers.

- Pass
- N/A
- Fail

Notes:
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2. Radio Activation Operation – This section tests a radio-activated alert of the station from Dispatch, more specifically the Radio Interface Controller (RIC)'s activation of a station's Master Control Unit (MCU). This test will utilize First-In RIC's alert signaling on the customer's radio system

- A. Test of All-Call. This test will activate the "All-Call" zone in every station. Successful performance of this test requires All-Call activation from the Alerting Platform User Application, as well as All-Call activation from the manual RIC keypad. Once the zone is activated, the pre-announcement will announce the All-Call message and the dispatch audio is heard throughout the station speakers.

- Pass
- N/A
- Fail

Notes:
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B. Test of Specific Zones in a Designated Station. This test will activate a specific zone (i.e. Engine) in a Designated Station. Step 1 of this test requires the proper station to be activated both from the Alerting Platform User Application, as well as the manual RIC keypad. Step 2 of this test requires that the specific zone selected be activated. Once the zone is activated, the pre-announcement will announce unit(s) assigned to the call and the dispatch audio is heard throughout the station speakers.

- Pass
- N/A
- Fail

Notes:

3. Turnout Timer Operation - This section tests the activation of the Turnout Timer(s). Upon activation of the Master Control Unit, the Timer(s) will begin to count up on a per-second basis. The Timer(s) will continue to count up and will automatically shut down when the Master Control Unit send the shutdown command to the station.

Item Name:	Pass	Fail	Notes:
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

4. Automatic Backup Alerting - This section tests the automatic failover from the IP system to the RIC for a radio based alert. The RIC shall automatically be activated from the First-In Alerting Platform (FiAP) as soon as the FiAP detects that the primary alert was not successful. Without any action required on the part of the dispatcher, the RIC will send the alert to the proper station and units assigned to the call.

- Pass
- N/A
- Fail

Notes:

5. Manual Backup Alerting - Using the manual keypad of the RIC, the Customer selects the station and units to activate in the selected fire station. The station MCU activates the appropriate station and unit(s).

- Pass
- N/A
- Fail

Notes:

Customer Representative _____	Date _____
Printed Name & Title _____	

**EXHIBIT F**

**FINAL SYSTEM ACCEPTANCE CERTIFICATE**

The signature below serves as verification that the System has passed Acceptance Test Plan and that all deliverables and work have been completed.

\_\_\_\_\_  
Customer Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title



## **EXHIBIT G**

### **MAINTENANCE AND SUPPORT STATEMENT OF WORK**

#### **1. SCOPE OF SERVICES**

Westnet will provide comprehensive turn-key maintenance and support services for the installed First-In Fire Station Alerting System, ensuring all components are operating at peak performance according to Westnet's original manufacturing specifications. The Services to be provided under this agreement include the following:

- One year, 24/7 toll-free Technical Support and On Site for all equipment and software
- Repair and/or replacement of damaged units at no cost (excludes UPS batteries)
- Spare equipment delivered the next business day (and Saturday's where available)
- Remote diagnostic analysis and uploads, software upgrades

#### **2. RESPONSE TIMES**

Response times shall be determined in accordance with the Priority Level and Descriptions set forth in the following table. The response time shall commence from the time the Customer requests service or notifies Westnet of problems with the System by contacting Westnet's Call Center ("Notification"). Issue resolution may include phone support, VPN remote access, or on-site service (for issues not resolved via phone support or remote access).

**Westnet Technical Support: (800) 807-1700  
Office Hours: 8:00 – 5:00 PST, Monday – Friday**

Priority Levels	Hours / Days	Description
1	24/7/365 Including Holidays  3-6 Hour Response	<p>This priority level represents a significant issue that results in the inability to use the dispatching and/or alerting systems.</p> <ul style="list-style-type: none"> <li>• Any reported trouble with Westnet-supplied Dispatch System.</li> <li>• Station reports that it is not receiving any form of an alert or there is no audio in a fire station.</li> <li>• Other failures that render the fire station MCU and more than five audio transmitting devices unusable.</li> </ul>
2	8:00 – 5:00 PST, Monday – Friday  2-Business- Day Response	<p>This priority level represents a moderate issue that restricts normal use of the dispatching and/or alerting systems.</p> <ul style="list-style-type: none"> <li>• Any non-essential Dispatch Project or Fire Station device reported inoperable.</li> <li>• Reports of receiving other stations' or companies' alerts.</li> <li>• Requests to increase fire station volume levels within fire department-approved parameters.</li> </ul>
3	8:00 – 5:00 PST, Monday – Friday  3-Business- Day Response	<p>This priority level represents minor or non-emergency issues that do not restrict normal use of the dispatching and/or station alerting systems.</p> <ul style="list-style-type: none"> <li>• Requests to decrease volume levels within fire department-approved parameters</li> <li>• Add additional equipment, request programming, or voice-chip changes.</li> <li>• Requests for additional training.</li> <li>• Other non mission-critical matters in the dispatch centers or fire stations</li> </ul>

### 3. WESTNET'S RESPONSIBILITIES

Westnet shall:

- A. Provide Westnet-owned spare equipment while a System component is returned to Westnet for repair or replacement.
  - 1. Any Westnet-owned spare equipment parts provided under this Agreement are the property of Westnet. Any damage to Westnet's spare equipment parts is not covered under this Scope of Services and the Customer shall pay for the repair or replacement of the spare equipment parts.
  - 2. Westnet may service replaceable parts, by way of new or remanufactured replacement parts to Customer on an exchange basis. Upon receipt by the Customer of the replacement part, the original part becomes the property of Westnet, and shall be returned by Customer to Westnet. The Customer shall pay Westnet the full retail value of the replacement part if Westnet provides notice to the COTR to return the original part and Westnet does not receive the original part within thirty (30) days after replacement part installation.
- B. The Customer will not make modifications to the System without obtaining approval from Westnet in writing.
- C. Upon request, Westnet shall provide a written quote for additional work not specifically identified in this Agreement. Such work could include, but is not limited to, additions and installation of new equipment, relocation of existing equipment, upgrades (not part of Westnet standard releases) and enhancements, and other system related goods and services. If the Customer decides to proceed with the work, a new purchase order will be issued exclusively for the work to be ordered.

### 4. CUSTOMER'S RESPONSIBILITIES

The Customer shall:

- A. **SERVICE CALLS:** The Customer will notify Westnet of any problems with the System by calling the Westnet Systems Group at 1-800-807-1700 (Westnet's call center).
- B. Provide and maintain an operating 24/7 VPN for the duration of the Agreement. The VPN shall allow Westnet to connect to all fire stations that are equipped with the First-In Fire Station Alerting (First-In) equipment. The VPN must be operating, and the Customer must allow Westnet to test the VPN prior to the commencement of this Agreement.
- C. Ensure that the Westnet monitor computer in the Dispatch Center (if provided) has 24/7 access to the VPN and to all Customer fire stations. The Customer will return the Westnet monitor computer to Westnet at the conclusion of this Agreement and any additional extensions.
- D. Provide the make and model number of the fire station radio the System is connected to for the source of dispatch audio. If there are any connections to this radio other than the outside antenna and the power source, the Customer will provide a diagram showing the method of connection, connector pins used, signals obtained from the radio and signals sent to the radio by the fire station equipment.
- E. Provide the name, 24-hour telephone number and position of responsible party that can be contacted about each station's radio communication, public address, CAD, and network equipment.
- F. Provide Westnet with either code-access to the stations or an escort that is available 24/7 and within one (1) hour's of notice of an on-site visit.

- G. If applicable, provide the make and model number of fire station amplifier, type of connectors used by fire alerting input, input impedance and the necessary audio level to drive station amplifier.
- H. Provide a description of station control circuits (e.g., lighting, door openers, gas shut-off) and the number of circuits to be controlled by the Control Remote.
- I. Ensure that the MCU at each station is at all times plugged into the Westnet supplied on-line fulltime UPS.
- J. Ensure that the MCU at each station is at all times plugged into the First-In Radio Isolation Unit. Westnet will exclude from this Agreement the repair of any equipment not properly connected to the Radio Isolation Unit.
- K. Ensure that the radio antenna and lightning arrestor is installed, is installed per current engineering standards and that all lightning protection equipment is connected to a 5-ohm earth ground by a #6 or larger cable not exceeding eight (8) feet in length between the 5-ohm earth ground and the protected equipment.
- L. Notify Westnet prior to making any change in any equipment connected to the fire station System.

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

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

**SUBJECT:** CONSIDER APPROVING FISCAL YEAR 2018/2019  
PROFESSIONAL SERVICES CONTRACT WITH ROGERS,  
ANDERSON, MALODY AND SCOTT (RAMS)

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider approving a Professional Services Contract with Rogers, Anderson, Malody and Scott, LLP (RAMS) for Fiscal Year 2017/2018 Financial Consulting Services in an amount not to exceed \$51,000 for general accounting services and authorize the General Manager to execute the contract. Attachment 1 includes a draft of the Professional Services Contract.

**REASON FOR RECOMMENDATION**

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

**BACKGROUND INFORMATION**

The Fiscal Year 2018/2019 Budget includes a total of \$51,000 for financial consulting services. The Accounting Professional Services expenses are split between the Water, Wastewater and Fire/Ambulance Divisions.

**FISCAL INFORMATION**

Staff is recommending a not to exceed amount of \$51,000 be approved for Fiscal Year 2018/2019 for outside accounting services. Refer to Attachment 2 for a summary of the historical accounting services expenses.

**ATTACHMENTS**

Attachment 1 – RSWD 2018/2019 Professional Services Contract and RAMS 2018/2019 Letter of Engagement

Attachment 2 – RAMS Accounting Expense Summary

## RUNNING SPRINGS WATER DISTRICT PROFESSIONAL SERVICES CONTRACT

### 1. PARTIES AND DATE.

This Contract is made and entered into this 20<sup>th</sup> day of June, 2018, by and between the Running Springs Water District, an independent special district with its principal place of business at Running Springs, California (“DISTRICT”) and Rogers, Anderson, Malody and Scott (RAMS), with its principal place of business at San Bernardino, California (“Consultant”). District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

### 2. RECITALS.

#### 2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the District on the terms and conditions set forth in this Contract. Consultant represents that it is experienced in providing services as a Financial Consultant, is licensed in the State of California, and is familiar with the plans of District.

#### 2.2 Project.

District desires to engage Consultant to render professional services for as-needed financial consulting services.

### 3. TERMS.

#### 3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply consulting services necessary for the Project (“Services”). The Services are for as-needed financial consulting (Refer to Consultants Proposal Dated May 8, 2018). All Services shall be subject to, and performed in accordance with, this Contract and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Contract shall be from the date this contract is fully executed to the completion of the project, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Contract, and shall meet any other established schedules and deadlines.

## 3.2 Responsibilities of Consultant.

### 3.2.1 Control and Payment of Subordinates; Independent Contractor.

The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Contract. District retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Contract. Any additional personnel performing the Services under this Contract on behalf of Consultant shall also not be employees of District and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Contract and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Contract. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, District shall respond to Consultant's submittals in a timely manner. Upon request of District, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of District.

3.2.4 Substitution of Key Personnel. Consultant has represented to District that certain key personnel will perform and coordinate the Services under this Contract. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of District. In the event that District and Consultant cannot agree as to the substitution of key personnel, District shall be entitled to terminate this Contract for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the District, or who are determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the District.

3.2.5 District's Representative. The District hereby designates the **General Manager**, or his or her designee, to act as its representative for the performance of this Contract ("District's Representative"). District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Scott Manno, or his or her designee, to act as its representative for the performance of this Contract ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Contract. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Contract.

3.2.7 Coordination of Services. Consultant agrees to work closely with District staff in the performance of Services and shall be available to District's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Contract in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a District Business License, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Consultant shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the District, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising there from. Consultant shall defend, indemnify and hold District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

### 3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Contract until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Contract by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability:* Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability:* Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits of: (1) *General Liability:* \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Contract/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of three (3) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount of \$1,000,000 per claim and aggregate.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:



(A) General Liability. The general liability policy shall be endorsed to state that: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced in contract limits or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the DISTRICT, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the District.

3.2.10.8 Verification of Coverage. Consultant shall furnish District with original certificates of insurance and endorsements (blanket endorsements acceptable) effecting coverage required by this Contract on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to review complete, certified copies of all required insurance policies, at any time.

3.2.10.9 Claims-Made Form. If General Liability, Pollution and/or Asbestos Pollution Liability and/or Errors & Omissions coverage are written on a claims-made form:

3.2.10.9.1 The "Retro Date" must be shown, and must be before the date of the contract or the beginning of contract work.

3.2.10.9.2 Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work.

3.2.10.9.3 If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a "Retro Date" prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of three (3) years after completion of contract work.

3.2.10.9.4 A copy of the claims reporting requirements must be submitted to the Entity for review.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Contract. The total compensation shall not exceed **FIFTY ONE THOUSAND** dollars (**\$51,000**) without written approval of District's General Manager. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Contract.

3.3.2 Payment of Compensation. Consultant shall submit to District a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. District shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by District.

3.3.4 Extra Work. At any time during the term of this Contract, District may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Contract. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from District's Representative.

### **3.4 Accounting Records.**

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Contract. All such records shall be clearly identifiable. Consultant shall allow a representative of District during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Contract. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Contract for a period of three (3) years from the date of final payment under this Contract.

### **3.5 General Provisions.**

#### **3.5.1 Termination of Contract.**

3.5.1.1 Grounds for Termination. District may, by written notice to Consultant, terminate the whole or any part of this Contract at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services

which have been adequately rendered to District, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Contract except for cause.

3.5.1.2 Effect of Termination. If this Contract is terminated as provided herein, District may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Contract. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Contract is terminated in whole or in part as provided herein, District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Contract shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Consultant:** Scott W. Manno  
RAMS  
735 E. Carnegie Drive, Suite 100  
San Bernardino, CA 92408  
Direct: (909) 889-0871  
Fax: (909) 889-5361  
Email: [smanno@ramscpa.net](mailto:smanno@ramscpa.net)

**District:** Ryan Gross, General Manager  
PO Box 2206, 31242 Hilltop Blvd.  
Running Springs, CA 92382  
Phone: 909.867.2766  
Cell: 909.938.8061  
Fax: 909.867.2828  
Email: [rgross@runningspringswd.com](mailto:rgross@runningspringswd.com)

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

### 3.5.3 Ownership of Materials and Confidentiality.

#### 3.5.3.1 Documents & Data; Licensing of Intellectual Property.

This Contract creates a non-exclusive and perpetual license for District to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Contract ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that District is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Contract. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the District. District shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Contract shall be at District's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Contract shall be held confidential by Consultant. Such materials shall not, without the prior written consent of District, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Contract.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Contract, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify and hold the District, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner to the proportionate extent arising out of or incident to any alleged negligent

acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Contract. To the extent of Consultant's negligence, Consultant shall pay and satisfy its share of any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse District and its directors, officials, officers, employees, agents and/or volunteers, its share of legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its directors, officials, officers, employees, agents or volunteers.

3.5.7 Entire Contract. This Contract contains the entire Contract of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or Agreements. This Contract may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Contract shall be governed by the laws of the State of California. Venue shall be in San Bernardino County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Contract.

3.5.10 District's Right to Employ Other Consultants. District reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Contract shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Contract or any interest herein without the prior written consent of the District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Contract, the language of this Contract shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Contract. All references to District include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Contract. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Contract.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Contract shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Contract is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Contract. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, District shall have the right to rescind this Contract without liability. For the term of this Contract, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any District's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Contract. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Contract.

Each Party warrants that the individuals who have signed this Contract have the legal power, right, and authority to make this Contract and bind each respective Party.

3.5.22 Counterparts. This Contract may be signed in counterparts, each of which shall constitute an original.

**3.6 Subcontracting.**

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Contract, except as expressly stated herein, without prior written approval of District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Contract.

Running Springs Water District

Rogers, Anderson, Malody &  
Scott, LLP

By: \_\_\_\_\_  
Ryan Gross  
General Manager

By: \_\_\_\_\_  
Scott W. Manno  
Partner



**EXHIBIT "A"**

**SCOPE OF SERVICES**

**REFER TO:**

**Consultant's Proposal dated May 8, 2018**



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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

May 8, 2018

**PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradferd A. Welebir, CPA, MBA, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

**MANAGERS / STAFF**

Jenny Liu, CPA, MST  
Seong-Hyea Lee, CPA, MBA  
Charles De Simoni, CPA  
Gardenya Duran, CPA  
Brianna Schultz, CPA  
Lisa Dongxue Guo, CPA, MSA

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

This letter is to confirm our understanding of the professional services we are to provide the Running Springs Water District for the fiscal year ended June 30, 2019.

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

***Monthly services:***

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

***Annual basis:***

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

**MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

*Employee Benefit Plan  
Audit Quality Center*

California Society of  
Certified Public Accountants



*Additional assistance:*

- Rate analysis
- Long - range financial planning
- Assistance with implementation and conversion of a new financial and utility billing system
- Staff training in various accounting functions

Our fee for these services will be based on actual time spent at our standard rates of \$110 - \$300 per hour, depending on staff level. We estimate our fee for the above services to be \$49,000 - \$51,140 per year and is based on our estimated time and historical trends. As usual, we will only bill for work completed by our firm. The fee estimate is based on an hourly estimate of between 300 and 320 hours per year at approximately \$165 per hour.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If either party elects to terminate our services, our engagement will be deemed to be completed upon written notification of termination. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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

Sincerely,

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



\_\_\_\_\_  
Scott W. Manno, CPA, CGMA  
Partner

RESPONSE:

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

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

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

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

Running Springs Water District  
FY 2018-2019

<u>Description</u>	<u>Rate</u>	<u>Regular services</u>			<u>Total</u>
		<u>Year-end</u>	<u>Monthly</u>	<u>Travel</u>	
Budget Hrs - SK	\$145	170	96	6	\$ 39,440
Budget Hrs - SM	\$300	30	7	2	11,700
Total Budget					<u>\$ 51,140</u>

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

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

**SUBJECT:** CONSIDER APPROVING THE WRITE OFF OF PAST DUE  
UNCOLLECTIBLE AMBULANCE BILLS

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider approving the write off of \$741,134.76 in past due uncollectible charges for ambulance service pursuant to Resolution No. 09-12 (Refer to Attachment 1).

**REASON FOR RECOMMENDATION**

To write off past due and uncollectible ambulance bills listed in Attachment 2 that have been dormant with no payment activity for seven years.

**BACKGROUND INFORMATION**

On May 16, 2012 the Board of Directors adopted Resolution No. 09-12, approving a policy for writing off uncollectible charges for ambulance service. A copy of Resolution No. 09-12 is included as Attachment 1.

The ambulance write off policy is a guide for District staff in halting or limiting continued efforts to collect delinquent bills for ambulance service provided by the District. This is the second round of proposed write offs since the Resolution was adopted.

The Board of Directors authorized the first round of write offs for uncollectible ambulance bills on April 17, 2013 in the amount of \$252,411.92.

The accounts can be re-activated if payments commence.

**FISCAL INFORMATION**

If approved the total write off amount is \$741,134.76. The following table lists the balance sheet adjustments that will be made to the Ambulance Accounts Receivable account if approved:

Ambulance Accounts Receivable (400-12000)	
6/14/2018 A/R Balance	\$2,139,488.93
Write Off Amount	(\$741,134.76)
Adjusted A/R Balance	\$1,398,354.17
Total Write Off	\$741,134.76
	x 97%
Already Expensed as Bad Debt	\$718,900.72
Net Write Off Amount	\$22,234.04
Uncollectible Allowance Balance (400-12050)	\$1,558,274.00
Adjustment Due to Write Off	\$718,900.72
Adjusted Uncollectible Allowance Balance	\$839,373.28

The \$741,134.76 will be written off in the Ambulance Information Management (AIM) billing software to reduce the accounts receivable (A/R) balance.

Since 2006 we have been recording ambulance A/R balance as 97% uncollectible, we have already recorded 97% as bad expense in past years. So the net effect will be \$22,234.04 in this fiscal year. Refer to Attachment 3.

#### **ATTACHMENTS**

- Attachment 1 – Resolution No. 09-12
- Attachment 2 – List of uncollectible accounts
- Attachment 3 – Ambulance Balance Sheet

**RESOLUTION NO. 09-12**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
RUNNING SPRINGS WATER DISTRICT APPROVING A  
POLICY FOR WRITING OFF UNCOLLECTIBLE  
CHARGES FOR AMBULANCE SERVICE**

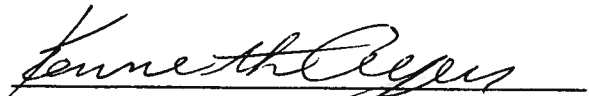
**WHEREAS**, the Fire Department of Running Springs Water District provides ambulance service and imposes charges for such service; and

**WHEREAS**, in a variety of circumstances the charges imposed for ambulance service cannot be recovered, in whole or in part, or it becomes apparent that continued efforts to recover such charges will not be successful or worthy of the effort; and

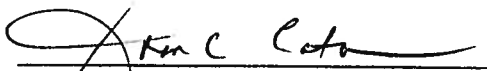
**WHEREAS**, it is in the best interest of the District to provide a policy to guide District staff in their decisions to halt or limit collection efforts;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Running Springs Water District does hereby adopt the "Ambulance Charge Write-Off Policy" attached hereto as Exhibit "A" to guide District staff in halting or limiting continued efforts to collect delinquent bills for ambulance service provided by the District.

**ADOPTED** this 16th day of May, 2012.

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

ATTEST:

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

## **Ambulance Charge Write-Off Policy**

Claims in bankruptcy - All collection efforts on claims against someone who has filed for bankruptcy protection must cease immediately per Section 362 of the United States Code. When bankruptcy is officially declared, any amount not recovered from the bankruptcy proceedings must be written off.

Medicaid (Medi-Cal) claims – We must accept mandatory assignment on these claims per State mandate. Once payments are received on the account, the balance must be written off after any appeal efforts. Once we accept a valid Medicaid card, the patient no longer has any financial responsibility whether it is paid or not.

Medicare claims – We must accept mandatory assignment on these claims per federal mandate in Section 4531 of the Balanced Budget Act of 1977. After payment is made, we can charge for their 20% co-pay and then must write off the balance. If the charges are denied due to non-coverage at the time of service, the patient is responsible for the total amount billed.

Workers Compensation claims – These claims are paid at the Medicare fee schedule rates and the balance must be written off per federal mandate as required by Labor Code Section 5307.1.

All claims requiring mandatory assignment will be logged and must require 2 signatures.

Any outstanding charges of \$30 or less can be written off without further approval by the Board.

Accounts that have been dormant (with no payment activity) after 7 years will be presented to the Board to be written off. They will be presented to the Board by account number and last date of activity annually for write off. Accounts can be re-activated if payments commence.



# Pending Bills Report

Date: 6/13/2018 Time: 1:36:44PM

ATTACHMENT 2

Running Springs Fire Dept  
P O Box 2206 - 31250 Hilltop  
P O Box 2206  
Running Springs, CA 92382-2206

\* Date of Service Range: 01/01/2006 - 06/30/2011

## Subtotals for Commercial

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$74,041.56	123
Total Pending Bills:	\$74,041.56	123

## Subtotals for Medicaid (CA)

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$6,329.09	4
Total Pending Bills:	\$6,329.09	4

## Subtotals for Medicare

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$10,510.47	27
Total Pending Bills:	\$10,510.47	27

## Subtotals for Patient

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$650,278.64	398
Total Pending Bills:	\$650,278.64	398

**Grand Totals**

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$741,159.76	552
Total Pending Bills:	\$741,159.76	552

-25.00  
\$741,134.76

# Pending Bills Report

Date: 6/13/2018 Time: 4:05:19PM

Running Springs Fire Dept  
P O Box 2206 - 31250 Hilltop  
P O Box 2206  
Running Springs, CA 92382-2206

Date of Service Range: 01/01/2006 - 06/30/2011

Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
<b>Pending Commercial Bills:</b>								
			Sent to Collections	02/16/2007	\$1,377.50	\$1,327.50	\$50.00	4,125
			Sent to Collections	01/11/2007	\$1,250.01	\$1,145.01	\$105.00	4,158
			Sent to Collections	12/29/2006	\$1,250.01	\$1,145.01	\$105.00	4,180
			Sent to Collections	03/21/2006	\$1,571.27	\$1,227.02	\$344.25	4,457
			Sent to Collections	03/20/2010	\$1,932.38	\$1,864.88	\$67.50	2,996
			Sent to Collections	06/12/2007	\$1,454.25	\$720.00	\$734.25	3,890
			Sent to Collections	04/11/2008	\$1,616.16	(\$30.00)	\$1,646.16	3,550
			Sent to Collections	08/05/2007	\$1,529.21	\$1,193.39	\$335.82	3,947
			Sent to Collections	10/10/2006	\$1,845.71	\$1,765.71	\$80.00	4,257
			Sent to Collections	03/07/2010	\$1,952.11	(\$30.00)	\$1,982.11	2,933
			Sent to Collections	06/19/2011	\$2,087.86	\$1,957.86	\$130.00	2,534
			Sent to Collections	12/21/2006	\$1,437.23	(\$30.00)	\$1,467.23	4,180
			Sent to Collections	06/15/2006	\$1,595.74	\$1,515.74	\$80.00	4,367
			Sent to Collections	01/09/2006	\$1,354.67	\$1,274.67	\$80.00	4,524
			Sent to Collections	07/10/2010	\$1,743.22	\$1,451.74	\$291.48	2,876
			Sent to Collections	01/03/2006	\$1,276.32	\$991.06	\$285.26	4,530
			Sent to Collections	01/15/2006	\$1,628.76	\$18.76	\$1,610.00	4,517
			Sent to Collections	02/06/2006	\$1,464.36	(\$30.00)	\$1,494.36	4,451
			Sent to Collections	02/18/2006	\$1,401.27	\$1,321.27	\$80.00	4,488
			Sent to Collections	02/25/2006	\$1,077.56	\$616.54	\$461.02	4,466
			Sent to Collections	04/11/2006	\$1,522.64	\$1,371.22	\$151.42	4,159
			Sent to Collections	05/25/2006	\$1,474.01	\$1,231.99	\$242.02	4,289
			Sent to Collections	06/01/2006	\$1,385.01	\$1,305.01	\$80.00	4,327
			Sent to Collections	11/14/2006	\$1,471.27	\$1,371.27	\$100.00	4,214
			Sent to Collections	07/12/2006	\$1,471.27	\$1,341.27	\$130.00	4,340
			Sent to Collections	08/02/2006	\$1,411.54	\$1,311.54	\$100.00	3,988
			Sent to Collections	12/25/2006	\$1,411.54	\$1,381.54	\$30.00	4,180
			Sent to Collections	12/27/2006	\$1,649.82	\$1,289.86	\$359.96	4,180
			Sent to Collections	01/03/2007	\$1,152.68	\$661.61	\$491.07	4,165
			Sent to Collections	01/07/2007	\$1,394.52	(\$30.00)	\$1,424.52	4,046
			Sent to Collections	01/27/2007	\$1,751.94	\$1,671.94	\$80.00	4,068
			Sent to Collections	02/25/2007	\$1,598.76	\$1,441.27	\$157.49	3,900
			Sent to Collections	10/02/2009	\$1,699.62	\$1,529.62	\$170.00	3,151
			Sent to Collections	02/24/2007	\$1,734.92	(\$30.00)	\$1,764.92	4,121
			Sent to Collections	03/01/2007	\$1,445.95	\$935.21	\$510.74	4,107
			Sent to Collections	06/01/2007	\$1,624.45	\$1,069.57	\$554.88	3,933
			Sent to Collections	06/02/2007	\$1,683.86	(\$30.00)	\$1,713.86	3,773
			Sent to Collections	06/30/2007	\$1,360.48	\$407.20	\$953.28	3,891
			Sent to Collections	07/09/2007	\$1,505.31	\$1,475.31	\$30.00	3,733
			Sent to Collections	07/31/2007	\$1,286.94	\$1,256.94	\$30.00	3,736
			Sent to Collections	07/31/2007	\$1,346.77	\$1,266.77	\$80.00	3,969
			Sent to Collections	08/19/2007	\$1,555.51	\$1,110.19	\$445.32	3,851
			Sent to Collections	08/23/2007	\$1,572.84	(\$30.00)	\$1,602.84	3,935
			Sent to Collections	08/31/2007	\$1,294.60	\$745.93	\$548.67	3,935
			Sent to Collections	12/08/2007	\$1,520.73	\$1,468.85	\$51.88	3,731
			Sent to Collections	07/25/2010	\$1,904.99	(\$30.00)	\$1,934.99	2,793

Trip #	Account #	Current Pavor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	01/08/2008	\$1,459.65	\$1,354.65	\$105.00	3,788
			Sent to Collections	01/08/2008	\$1,485.89	\$1,158.71	\$327.18	3,788
			Sent to Collections	01/18/2008	\$1,642.40	\$1,425.03	\$217.37	3,736
			Sent to Collections	10/14/2008	\$1,532.52	(\$30.00)	\$1,562.52	3,519
			Sent to Collections	01/24/2008	\$1,703.11	\$1,511.14	\$191.97	3,718
			Sent to Collections	01/31/2008	\$1,668.33	\$1,528.33	\$140.00	3,718
			Sent to Collections	02/04/2008	\$1,625.01	\$720.00	\$905.01	3,387
			Sent to Collections	02/29/2008	\$1,511.82	\$1,330.64	\$181.18	3,718
			Sent to Collections	03/16/2008	\$1,329.44	\$319.48	\$1,009.96	3,726
			Sent to Collections	03/27/2008	\$1,590.23	\$1,319.69	\$270.54	3,725
			Sent to Collections	11/22/2010	\$2,023.24	\$1,943.24	\$80.00	2,742
			Sent to Collections	05/06/2008	\$1,668.33	\$1,588.33	\$80.00	3,669
			Sent to Collections	11/30/2009	\$2,030.09	\$1,950.09	\$80.00	3,116
			Sent to Collections	09/04/2010	\$2,087.86	\$2,007.86	\$80.00	2,820
			Sent to Collections	05/17/2008	\$1,459.65	(\$30.00)	\$1,489.65	3,662
			Sent to Collections	06/11/2008	\$1,485.89	\$1,355.89	\$130.00	3,527
			Sent to Collections	06/21/2008	\$1,703.11	\$1,502.80	\$200.31	3,635
			Sent to Collections	08/23/2008	\$1,550.78	\$830.62	\$720.16	3,571
			Sent to Collections	09/23/2008	\$1,514.26	\$1,338.57	\$175.69	3,542
			Sent to Collections	01/19/2011	\$2,303.26	\$2,073.26	\$230.00	2,381
			Sent to Collections	09/29/2008	\$1,040.39	\$960.39	\$80.00	3,437
			Sent to Collections	10/03/2008	\$1,578.35	\$1,548.35	\$30.00	3,460
			Sent to Collections	11/27/2008	\$1,824.68	\$1,794.68	\$30.00	3,366
			Sent to Collections	12/18/2008	\$1,907.03	\$1,877.03	\$30.00	3,239
			Sent to Collections	12/26/2008	\$1,487.05	\$470.00	\$1,017.05	3,355
			Sent to Collections	12/28/2008	\$1,213.21	\$1,167.73	\$45.48	3,355
			Sent to Collections	12/30/2008	\$1,596.61	(\$30.00)	\$1,626.61	3,449
			Sent to Collections	02/10/2009	\$1,564.03	\$1,234.03	\$330.00	3,387
			Sent to Collections	02/18/2009	\$1,777.10	(\$30.00)	\$1,807.10	3,355
			Sent to Collections	02/26/2009	\$1,718.99	\$1,688.99	\$30.00	3,275
			Sent to Collections	03/01/2009	\$1,795.42	\$1,665.42	\$130.00	3,373
			Sent to Collections	03/14/2009	\$1,584.58	\$1,318.02	\$266.56	3,362
			Sent to Collections	04/02/2009	\$1,797.65	(\$30.00)	\$1,827.65	3,067
			Sent to Collections	05/13/2009	\$1,797.65	(\$30.00)	\$1,827.65	3,067
			Sent to Collections	07/07/2009	\$1,525.86	\$623.56	\$902.30	3,218
			Sent to Collections	07/30/2009	\$1,525.86	(\$30.00)	\$1,555.86	3,179
			Sent to Collections	08/27/2009	\$1,701.36	\$1,004.81	\$696.55	3,207
			Sent to Collections	09/05/2009	\$1,587.43	(\$30.00)	\$1,617.43	2,808
			Sent to Collections	09/05/2009	\$1,525.86	\$1,409.86	\$116.00	3,190
			Sent to Collections	09/24/2009	\$1,271.53	\$920.00	\$351.53	3,172
			Sent to Collections	10/05/2009	\$1,234.74	\$1,120.00	\$114.74	3,151
			Sent to Collections	10/11/2009	\$1,836.39	\$1,341.91	\$494.48	3,114
			Sent to Collections	10/17/2009	\$1,794.24	\$1,714.24	\$80.00	3,149
			Sent to Collections	11/01/2009	\$1,811.73	\$1,219.38	\$592.35	3,043
			Sent to Collections	11/21/2009	\$1,565.21	\$909.13	\$656.08	3,116
			Sent to Collections	11/25/2009	\$1,237.69	\$1,132.69	\$105.00	3,005
			Sent to Collections	11/30/2009	\$1,370.33	\$777.69	\$592.64	3,116
			Sent to Collections	12/27/2009	\$1,894.50	\$1,737.73	\$156.77	2,931
			Sent to Collections	12/27/2009	\$1,817.02	\$848.43	\$968.59	3,081
			Sent to Collections	01/03/2010	\$1,659.83	(\$30.00)	\$1,689.83	3,059
			Sent to Collections	01/12/2010	\$1,757.73	(\$30.00)	\$1,787.73	2,988
			Sent to Collections	01/28/2010	\$1,622.14	\$1,542.14	\$80.00	3,051
			Sent to Collections	02/02/2010	\$1,757.73	(\$30.00)	\$1,787.73	2,808
			Sent to Collections	02/08/2010	\$1,429.40	(\$30.00)	\$1,459.40	2,989
			Sent to Collections	02/15/2010	\$1,777.10	\$1,391.68	\$385.42	3,026
			Sent to Collections	02/26/2010	\$1,660.88	\$1,614.18	\$46.70	3,026
			Sent to Collections	02/13/2010	\$1,778.28	(\$30.00)	\$1,808.28	2,939
			Sent to Collections	02/13/2010	\$1,642.69	\$1,512.69	\$130.00	3,026
			Sent to Collections	03/31/2010	\$2,060.79	\$1,730.79	\$330.00	2,994

Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
20100000312	PAE 003204		Sent to Collections	05/02/2010	\$1,596.97	\$1,266.97	\$330.00	2,935
			Sent to Collections	04/20/2010	\$1,636.43	\$1,306.43	\$330.00	2,966
			Sent to Collections	04/01/2010	\$1,863.56	\$976.72	\$886.84	2,973
			Sent to Collections	04/17/2010	\$2,346.71	\$1,096.88	\$1,249.83	2,808
			Sent to Collections	05/23/2010	\$1,833.73	\$1,683.48	\$150.25	2,724
			Sent to Collections	06/06/2010	\$1,952.11	\$1,413.44	\$538.67	2,724
			Sent to Collections	06/26/2010	\$2,050.76	\$1,583.91	\$466.85	2,904
			Sent to Collections	08/18/2010	\$2,109.40	\$1,979.40	\$130.00	2,842
			Sent to Collections	09/03/2010	\$1,668.05	\$1,488.05	\$180.00	2,820
			Sent to Collections	10/03/2010	\$2,087.86	\$1,856.86	\$231.00	2,788
			Sent to Collections	10/07/2010	\$1,764.76	(\$30.00)	\$1,794.76	2,786
			Sent to Collections	10/22/2010	\$2,109.40	\$2,109.00	\$0.40	2,781
			Sent to Collections	10/23/2010	\$2,109.40	\$1,929.40	\$180.00	2,724
			Sent to Collections	12/29/2010	\$1,921.04	\$1,117.28	\$803.76	2,716
			Sent to Collections	12/29/2010	\$1,921.04	\$1,117.28	\$803.76	2,716
			Sent to Collections	01/07/2011	\$2,195.56	(\$30.00)	\$2,225.56	2,632
			Sent to Collections	03/06/2011	\$2,260.18	\$20.00	\$2,240.18	2,561
			Sent to Collections	05/13/2011	\$1,807.84	\$1,235.49	\$572.35	2,511
					\$202,216.30	\$128,174.74	\$74,041.56	

	Number of Trips
\$0.00	0
\$0.00	0
\$0.00	0
\$74,041.56	123
\$74,041.56	123

Sent to Collections	06/27/2008	\$1,294.60	(\$30.00)	\$1,324.60	3,634
Sent to Collections	08/18/2006	\$1,785.98	(\$30.00)	\$1,815.98	4,048
No Payment	02/03/2007	\$1,318.14	\$0.00	\$1,318.14	3,815
No Payment	11/16/2010	\$1,840.37	(\$30.00)	\$1,870.37	2,394
		\$6,239.09	(\$90.00)	\$6,329.09	

	Number of Trips
\$0.00	0
\$0.00	0
\$0.00	0
\$6,329.09	4
\$6,329.09	4

Sent to Collections	01/02/2006	\$1,487.73	\$1,341.38	\$146.35	4,341
Sent to Collections	09/10/2010	\$1,904.99	(\$30.00)	\$1,934.99	2,814
Sent to Collections	02/06/2006	\$1,025.60	(\$30.00)	\$1,055.60	4,363
Sent to Collections	02/25/2006	\$1,077.56	(\$30.00)	\$1,107.56	4,272
Sent to Collections	06/15/2006	\$1,522.64	(\$30.00)	\$1,552.64	4,367
Sent to Collections	12/10/2006	\$1,649.82	\$1,531.05	\$118.77	4,186
Sent to Collections	07/30/2006	\$1,649.82	\$1,401.85	\$247.97	4,334
Sent to Collections	02/16/2007	\$1,522.33	\$1,302.21	\$220.12	4,125
Sent to Collections	10/02/2006	\$1,232.99	\$1,104.79	\$128.20	4,213
Sent to Collections	03/08/2010	\$1,675.89	\$1,545.47	\$130.42	3,002
Sent to Collections	05/07/2007	\$1,301.07	\$1,172.00	\$129.07	4,048

Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
Sent to Collections	01/10/2007	\$1,641.47	\$1,371.96	\$269.51	3,988
Sent to Collections	03/20/2007	\$1,173.63	\$1,045.81	\$127.82	4,068
Sent to Collections	04/19/2007	\$1,675.51	\$1,576.90	\$98.61	4,062
Sent to Collections	08/24/2007	\$1,572.84	(\$30.00)	\$1,602.84	3,935
Sent to Collections	12/16/2007	\$1,633.55	\$1,491.98	\$141.57	3,814
Sent to Collections	06/09/2008	\$1,424.87	\$1,325.57	\$99.30	3,589
Sent to Collections	04/06/2008	\$1,685.72	\$1,537.16	\$148.56	3,589
Sent to Collections	06/14/2011	\$1,624.97	\$1,494.27	\$130.70	2,540
Sent to Collections	03/08/2010	\$1,873.19	\$1,754.29	\$118.90	2,931
Sent to Collections	05/23/2010	\$1,853.46	\$1,710.90	\$142.56	2,933
Sent to Collections	11/28/2009	\$1,602.77	\$1,449.82	\$152.95	3,116
Sent to Collections	11/19/2008	\$1,733.38	\$1,585.06	\$148.32	3,381
Sent to Collections	04/05/2009	\$1,564.03	\$1,413.83	\$150.20	3,341
Sent to Collections	03/02/2009	\$1,507.10	\$1,414.38	\$92.72	3,373
Sent to Collections	07/05/2009	\$1,561.31	\$1,396.00	\$165.31	3,249
Sent to Collections	12/20/2010	\$1,926.53	\$1,777.62	\$148.91	2,716

\$42,104.77      \$31,594.30      \$10,510.47

Number of Trips

\$0.00	0
\$0.00	0
\$0.00	0
\$10,510.47	27
\$10,510.47	27

Sent to Collections	06/06/2007	\$1,649.82	(\$29.26)	\$1,679.08	4,009
Sent to Collections	09/09/2007	\$1,703.11	(\$30.00)	\$1,733.11	3,922
Sent to Collections	03/05/2006	\$1,522.64	(\$30.00)	\$1,552.64	4,460
Sent to Collections	12/26/2006	\$1,505.31	(\$30.00)	\$1,535.31	4,180
Sent to Collections	02/14/2008	\$1,520.67	(\$30.00)	\$1,550.67	3,751
Sent to Collections	01/06/2008	\$1,790.06	(\$30.00)	\$1,820.06	3,789
Sent to Collections	10/05/2007	\$1,572.84	(\$30.00)	\$1,602.84	3,621
Sent to Collections	07/08/2006	\$1,564.72	(\$30.00)	\$1,594.72	4,341
Sent to Collections	04/18/2006	\$1,041.18	\$0.00	\$1,041.18	4,424
Sent to Collections	01/11/2006	\$1,237.01	(\$30.00)	\$1,267.01	4,520
Sent to Collections	01/15/2006	\$1,581.75	(\$30.00)	\$1,611.75	4,517
Sent to Collections	01/16/2006	\$1,464.36	\$345.00	\$1,119.36	4,517
Sent to Collections	01/27/2006	\$1,464.36	(\$30.00)	\$1,494.36	4,513
Sent to Collections	01/15/2006	\$1,159.13	\$0.00	\$1,159.13	4,510
Sent to Collections	02/11/2006	\$1,495.75	(\$30.00)	\$1,525.75	4,488
Sent to Collections	02/17/2006	\$1,332.89	(\$50.00)	\$1,382.89	4,488
Sent to Collections	06/30/2007	\$1,301.12	(\$30.00)	\$1,331.12	3,996
Sent to Collections	02/25/2006	\$1,077.56	(\$30.00)	\$1,107.56	4,487
Sent to Collections	02/28/2006	\$1,239.12	(\$30.00)	\$1,269.12	4,486
Sent to Collections	09/18/2010	\$2,066.32	(\$30.00)	\$2,096.32	2,809
Sent to Collections	03/08/2006	\$1,178.78	(\$30.00)	\$1,208.78	4,460
Sent to Collections	03/23/2006	\$1,401.22	(\$30.00)	\$1,431.22	4,454
Sent to Collections	04/01/2006	\$1,239.17	(\$30.00)	\$1,269.17	4,439
Sent to Collections	04/04/2006	\$1,449.85	(\$30.00)	\$1,479.85	4,438
Sent to Collections	04/09/2006	\$1,603.69	(\$30.00)	\$1,633.69	4,433
Sent to Collections	12/13/2009	\$1,758.91	(\$30.00)	\$1,788.91	3,082
Sent to Collections	04/18/2006	\$1,146.34	(\$30.00)	\$1,176.34	4,425
Sent to Collections	04/18/2006	\$1,146.34	(\$30.00)	\$1,176.34	4,425
Sent to Collections	04/18/2006	\$1,146.34	\$0.00	\$1,146.34	4,424
Sent to Collections	04/18/2006	\$1,041.18	\$0.00	\$1,041.18	4,424



Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	04/23/2006	\$1,474.01	(\$30.00)	\$1,504.01	4,424
			Sent to Collections	04/27/2006	\$1,603.69	(\$30.00)	\$1,633.69	4,424
			Sent to Collections	05/03/2006	\$1,587.48	(\$30.00)	\$1,617.48	4,418
			Sent to Collections	05/09/2006	\$1,328.12	(\$30.00)	\$1,358.12	4,403
			Sent to Collections	05/31/2006	\$1,514.69	(\$30.00)	\$1,544.69	4,391
			Sent to Collections	06/14/2006	\$1,717.16	(\$30.00)	\$1,747.16	4,367
			Sent to Collections	06/19/2006	\$1,401.22	(\$30.00)	\$1,431.22	4,363
			Sent to Collections	06/20/2006	\$1,222.91	(\$30.00)	\$1,252.91	4,363
			Sent to Collections	06/28/2006	\$1,368.80	\$95.00	\$1,273.80	4,363
			Sent to Collections	07/06/2006	\$1,598.76	(\$30.00)	\$1,628.76	4,341
			Sent to Collections	07/06/2006	\$1,505.31	(\$30.00)	\$1,535.31	4,341
			Sent to Collections	07/09/2006	\$1,360.48	(\$30.00)	\$1,390.48	4,341
			Sent to Collections	05/23/2010	\$1,656.16	(\$30.00)	\$1,686.16	2,933
			Sent to Collections	07/23/2006	\$1,683.86	(\$30.00)	\$1,713.86	4,334
			Sent to Collections	01/28/2007	\$1,683.86	(\$30.00)	\$1,713.86	4,150
			Sent to Collections	05/13/2011	\$1,624.97	(\$30.00)	\$1,654.97	2,569
			Sent to Collections	08/07/2006	\$1,505.31	\$0.00	\$1,505.31	4,304
			Sent to Collections	07/24/2006	\$1,284.63	(\$30.00)	\$1,314.63	4,334
			Sent to Collections	07/28/2006	\$1,454.25	(\$30.00)	\$1,484.25	4,334
			Sent to Collections	08/01/2006	\$1,683.86	(\$30.00)	\$1,713.86	4,326
			Sent to Collections	08/04/2006	\$1,173.63	(\$30.00)	\$1,203.63	4,326
			Sent to Collections	08/19/2006	\$1,692.58	(\$30.00)	\$1,722.58	4,303
			Sent to Collections	08/24/2006	\$1,377.50	(\$30.00)	\$1,407.50	4,303
			Sent to Collections	08/28/2006	\$1,573.44	(\$30.00)	\$1,603.44	4,303
			Sent to Collections	09/04/2006	\$1,556.37	(\$30.00)	\$1,586.37	4,282
			Sent to Collections	09/05/2006	\$1,488.29	(\$30.00)	\$1,518.29	4,282
			Sent to Collections	09/19/2006	\$1,394.52	(\$30.00)	\$1,424.52	4,272
			Sent to Collections	09/25/2006	\$1,615.78	(\$30.00)	\$1,645.78	4,272
			Sent to Collections	10/04/2006	\$1,462.60	(\$30.00)	\$1,492.60	4,257
			Sent to Collections	10/08/2006	\$1,284.10	(\$30.00)	\$1,314.10	4,250
			Sent to Collections	10/12/2006	\$1,394.52	(\$30.00)	\$1,424.52	4,244
			Sent to Collections	11/11/2006	\$1,326.44	(\$30.00)	\$1,356.44	4,214
			Sent to Collections	01/01/2007	\$1,632.80	\$0.00	\$1,632.80	4,165
			Sent to Collections	11/15/2006	\$1,666.84	(\$30.00)	\$1,696.84	4,214
			Sent to Collections	11/21/2006	\$1,488.29	(\$30.00)	\$1,518.29	4,214
			Sent to Collections	11/23/2006	\$1,598.76	(\$30.00)	\$1,628.76	4,214
			Sent to Collections	11/23/2006	\$1,615.78	(\$30.00)	\$1,645.78	4,214
			Sent to Collections	12/04/2006	\$1,615.78	(\$30.00)	\$1,645.78	4,186
			Sent to Collections	12/25/2006	\$1,649.82	(\$30.00)	\$1,679.82	4,180
			Sent to Collections	12/30/2006	\$1,666.84	(\$30.00)	\$1,696.84	4,180
			Sent to Collections	01/01/2007	\$1,632.80	(\$30.00)	\$1,662.80	4,165
			Sent to Collections	01/03/2007	\$1,152.68	(\$30.00)	\$1,182.68	4,165
			Sent to Collections	01/04/2007	\$1,428.56	(\$30.00)	\$1,458.56	4,160
			Sent to Collections	01/05/2007	\$1,556.37	(\$30.00)	\$1,586.37	3,892
			Sent to Collections	01/06/2007	\$1,666.84	(\$30.00)	\$1,696.84	4,160
			Sent to Collections	09/22/2007	\$1,650.94	\$0.00	\$1,650.94	3,908
			Sent to Collections	01/23/2008	\$1,442.26	(\$30.00)	\$1,472.26	3,785
			Sent to Collections	04/27/2008	\$1,807.45	(\$30.00)	\$1,837.45	3,695
			Sent to Collections	09/03/2007	\$1,442.26	(\$30.00)	\$1,472.26	3,922
			Sent to Collections	01/07/2007	\$1,496.64	(\$30.00)	\$1,526.64	4,158
			Sent to Collections	01/09/2007	\$1,267.08	(\$30.00)	\$1,297.08	4,158
			Sent to Collections	10/10/2008	\$1,696.86	(\$30.00)	\$1,726.86	3,521
			Sent to Collections	11/19/2009	\$1,720.17	(\$30.00)	\$1,750.17	3,116
			Sent to Collections	01/10/2007	\$1,522.33	(\$30.00)	\$1,552.33	4,158
			Sent to Collections	01/15/2007	\$1,649.82	(\$30.00)	\$1,679.82	4,152
			Sent to Collections	01/19/2007	\$1,615.78	(\$30.00)	\$1,645.78	4,152
			Sent to Collections	01/24/2007	\$1,352.13	(\$30.00)	\$1,382.13	4,150
			Sent to Collections	02/04/2007	\$1,530.68	(\$30.00)	\$1,560.68	4,125
			Sent to Collections	02/08/2007	\$1,590.41	\$70.00	\$1,520.41	4,125

Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	02/09/2007	\$1,683.86	(\$30.00)	\$1,713.86	4,125
			Sent to Collections	02/10/2007	\$1,216.22	(\$30.00)	\$1,246.22	4,125
			Sent to Collections	02/10/2007	\$1,581.74	(\$30.00)	\$1,611.74	4,125
			Sent to Collections	02/12/2007	\$1,369.15	(\$30.00)	\$1,399.15	4,125
			Sent to Collections	02/19/2007	\$1,284.05	(\$30.00)	\$1,314.05	4,123
			Sent to Collections	02/26/2007	\$1,683.86	(\$30.00)	\$1,713.86	4,123
			Sent to Collections	02/28/2007	\$1,420.21	(\$30.00)	\$1,450.21	4,122
			Sent to Collections	03/16/2007	\$1,318.14	(\$30.00)	\$1,348.14	3,932
			Sent to Collections	03/21/2007	\$1,369.15	\$1,264.15	\$105.00	4,090
			Sent to Collections	03/27/2007	\$1,488.87	(\$30.00)	\$1,518.87	4,089
			Sent to Collections	04/01/2007	\$1,377.50	(\$30.00)	\$1,407.50	4,073
			Sent to Collections	04/03/2007	\$1,428.56	(\$30.00)	\$1,458.56	4,075
			Sent to Collections	04/17/2007	\$1,522.33	(\$30.00)	\$1,552.33	4,062
			Sent to Collections	04/19/2007	\$1,488.29	(\$30.00)	\$1,518.29	4,062
			Sent to Collections	04/26/2007	\$1,785.98	(\$30.00)	\$1,815.98	4,061
			Sent to Collections	04/29/2007	\$1,649.82	(\$30.00)	\$1,679.82	4,061
			Sent to Collections	05/02/2007	\$1,505.31	(\$30.00)	\$1,535.31	4,048
			Sent to Collections	05/07/2007	\$1,658.49	(\$30.00)	\$1,688.49	4,048
			Sent to Collections	05/12/2007	\$1,394.52	(\$30.00)	\$1,424.52	4,039
			Sent to Collections	12/18/2010	\$1,764.76	(\$30.00)	\$1,794.76	2,717
			Sent to Collections	05/30/2007	\$982.48	(\$30.00)	\$1,012.48	4,026
			Sent to Collections	06/17/2007	\$1,632.80	(\$30.00)	\$1,662.80	4,009
			Sent to Collections	06/17/2007	\$1,428.56	(\$30.00)	\$1,458.56	4,009
			Sent to Collections	06/21/2007	\$1,505.31	(\$30.00)	\$1,535.31	3,998
			Sent to Collections	06/22/2007	\$1,122.57	(\$30.00)	\$1,152.57	3,998
			Sent to Collections	07/21/2007	\$1,459.65	(\$30.00)	\$1,489.65	3,971
			Sent to Collections	07/25/2007	\$1,277.57	(\$30.00)	\$1,307.57	3,971
			Sent to Collections	07/25/2007	\$1,277.57	(\$30.00)	\$1,307.57	3,971
			Sent to Collections	07/29/2007	\$1,268.36	(\$30.00)	\$1,298.36	3,970
			Sent to Collections	08/02/2007	\$1,720.50	(\$30.00)	\$1,750.50	3,947
			Sent to Collections	08/03/2007	\$1,312.05	(\$30.00)	\$1,342.05	3,947
			Sent to Collections	08/11/2007	\$1,720.50	(\$30.00)	\$1,750.50	3,943
			Sent to Collections	08/14/2007	\$1,720.50	(\$30.00)	\$1,750.50	3,939
			Sent to Collections	11/20/2007	\$1,642.40	(\$30.00)	\$1,672.40	3,845
			Sent to Collections	08/15/2007	\$1,529.21	(\$30.00)	\$1,559.21	3,939
			Sent to Collections	09/06/2007	\$1,720.50	(\$30.00)	\$1,750.50	3,922
			Sent to Collections	09/08/2007	\$1,633.55	(\$30.00)	\$1,663.55	3,922
			Sent to Collections	09/19/2007	\$1,572.84	\$0.00	\$1,572.84	3,898
			Sent to Collections	09/22/2007	\$1,268.87	(\$30.00)	\$1,298.87	3,908
			Sent to Collections	09/22/2007	\$1,156.05	(\$30.00)	\$1,186.05	3,908
			Sent to Collections	09/30/2007	\$1,737.89	(\$30.00)	\$1,767.89	3,907
			Sent to Collections	09/30/2007	\$1,424.87	(\$30.00)	\$1,454.87	3,907
			Sent to Collections	10/02/2007	\$1,294.60	(\$30.00)	\$1,324.60	3,892
			Sent to Collections	10/07/2007	\$1,703.11	(\$30.00)	\$1,733.11	3,871
			Sent to Collections	11/01/2007	\$1,407.48	(\$30.00)	\$1,437.48	3,845
			Sent to Collections	11/10/2007	\$1,633.55	(\$30.00)	\$1,663.55	3,845
			Sent to Collections	11/13/2007	\$1,294.60	(\$30.00)	\$1,324.60	3,845
			Sent to Collections	11/24/2007	\$1,407.48	(\$30.00)	\$1,437.48	3,709
			Sent to Collections	11/25/2007	\$1,424.87	(\$30.00)	\$1,454.87	3,844
			Sent to Collections	11/25/2007	\$1,703.11	(\$30.00)	\$1,733.11	3,844
			Sent to Collections	12/04/2007	\$1,312.05	(\$30.00)	\$1,342.05	3,814
			Sent to Collections	12/06/2007	\$1,607.62	(\$30.00)	\$1,637.62	3,814
			Sent to Collections	12/07/2007	\$1,720.50	(\$30.00)	\$1,750.50	3,814
			Sent to Collections	12/10/2007	\$1,442.63	(\$30.00)	\$1,472.63	3,814
			Sent to Collections	12/15/2007	\$1,390.09	\$270.00	\$1,120.09	3,814
			Sent to Collections	12/16/2007	\$1,790.06	(\$30.00)	\$1,820.06	3,814
			Sent to Collections	12/19/2007	\$1,311.99	(\$30.00)	\$1,341.99	3,704
			Sent to Collections	12/22/2007	\$1,260.45	\$1,230.45	\$30.00	3,814
			Sent to Collections	12/23/2007	\$1,720.50	\$120.00	\$1,600.50	3,814



Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	12/24/2007	\$1,503.28	\$720.00	\$783.28	3,814
			Sent to Collections	12/28/2007	\$1,538.06	(\$30.00)	\$1,568.06	3,814
			Sent to Collections	01/05/2008	\$1,737.89	(\$30.00)	\$1,767.89	3,788
			Sent to Collections	01/09/2008	\$1,346.77	(\$30.00)	\$1,376.77	3,785
			Sent to Collections	01/21/2008	\$1,190.57	(\$30.00)	\$1,220.57	3,785
			Sent to Collections	01/21/2008	\$1,703.11	(\$30.00)	\$1,733.11	3,785
			Sent to Collections	02/01/2008	\$1,199.17	(\$30.00)	\$1,229.17	3,761
			Sent to Collections	02/03/2008	\$1,424.87	(\$30.00)	\$1,454.87	3,761
			Sent to Collections	02/04/2008	\$1,398.94	(\$30.00)	\$1,428.94	3,761
			Sent to Collections	02/06/2008	\$1,390.09	(\$30.00)	\$1,420.09	3,761
			Sent to Collections	06/04/2011	\$2,087.86	(\$30.00)	\$2,117.86	2,490
			Sent to Collections	02/09/2008	\$1,616.16	(\$30.00)	\$1,646.16	3,761
			Sent to Collections	02/09/2008	\$1,720.50	(\$30.00)	\$1,750.50	3,759
			Sent to Collections	02/10/2008	\$1,650.94	(\$30.00)	\$1,680.94	3,759
			Sent to Collections	02/11/2008	\$1,607.62	(\$30.00)	\$1,637.62	3,758
			Sent to Collections	02/13/2008	\$1,677.18	(\$30.00)	\$1,707.18	3,751
			Sent to Collections	06/15/2010	\$1,902.95	(\$30.00)	\$1,932.95	2,904
			Sent to Collections	03/03/2011	\$1,807.84	(\$30.00)	\$1,837.84	2,652
			Sent to Collections	02/18/2008	\$1,329.38	(\$30.00)	\$1,359.38	3,751
			Sent to Collections	03/05/2011	\$2,410.96	(\$30.00)	\$2,440.96	2,637
			Sent to Collections	03/10/2011	\$1,732.67	(\$30.00)	\$1,762.67	2,637
			Sent to Collections	04/05/2011	\$2,314.25	(\$30.00)	\$2,344.25	2,618
			Sent to Collections	04/09/2011	\$1,625.02	(\$30.00)	\$1,655.02	2,610
			Sent to Collections	03/04/2010	\$1,528.08	(\$30.00)	\$1,558.08	3,008
			Sent to Collections	09/01/2009	\$1,736.46	(\$30.00)	\$1,766.46	3,190
			Sent to Collections	11/02/2010	\$1,646.51	(\$30.00)	\$1,676.51	2,743
			Sent to Collections	09/27/2009	\$1,648.71	\$0.00	\$1,648.71	3,172
			Sent to Collections	09/28/2009	\$1,359.28	\$0.00	\$1,359.28	3,172
			Sent to Collections	02/24/2011	\$1,646.51	(\$30.00)	\$1,676.51	2,659
			Sent to Collections	03/03/2010	\$1,675.89	(\$30.00)	\$1,705.89	3,008
			Sent to Collections	07/02/2010	\$2,044.78	(\$30.00)	\$2,074.78	2,876
			Sent to Collections	03/07/2010	\$2,050.76	(\$30.00)	\$2,080.76	3,002
			Sent to Collections	02/23/2008	\$1,807.45	(\$30.00)	\$1,837.45	3,751
			Sent to Collections	03/04/2008	\$1,666.02	(\$30.00)	\$1,696.02	3,733
			Sent to Collections	12/30/2009	\$1,777.10	(\$30.00)	\$1,807.10	3,081
			Sent to Collections	03/04/2008	\$1,652.44	(\$30.00)	\$1,682.44	3,733
			Sent to Collections	03/13/2008	\$1,755.28	(\$30.00)	\$1,785.28	3,726
			Sent to Collections	04/04/2008	\$1,642.40	(\$30.00)	\$1,672.40	3,704
			Sent to Collections	04/05/2008	\$1,424.87	(\$30.00)	\$1,454.87	3,704
			Sent to Collections	04/08/2008	\$1,572.84	(\$30.00)	\$1,602.84	3,703
			Sent to Collections	04/19/2008	\$1,138.15	\$766.71	\$371.44	3,697
			Sent to Collections	01/16/2009	\$1,855.76	(\$30.00)	\$1,885.76	3,418
			Sent to Collections	04/19/2008	\$1,424.87	(\$30.00)	\$1,454.87	3,697
			Sent to Collections	04/28/2008	\$1,381.55	(\$30.00)	\$1,411.55	3,695
			Sent to Collections	05/12/2008	\$1,555.45	(\$30.00)	\$1,585.45	3,663
			Sent to Collections	05/17/2008	\$1,685.72	(\$30.00)	\$1,715.72	3,662
			Sent to Collections	05/23/2008	\$1,398.94	(\$30.00)	\$1,428.94	3,662
			Sent to Collections	05/25/2008	\$1,511.82	(\$30.00)	\$1,541.82	3,662
			Sent to Collections	06/05/2008	\$1,590.23	(\$30.00)	\$1,620.23	3,642
			Sent to Collections	06/05/2008	\$1,346.77	(\$30.00)	\$1,376.77	3,639
			Sent to Collections	12/26/2008	\$1,496.00	(\$30.00)	\$1,526.00	3,449
			Sent to Collections	07/02/2008	\$1,340.97	(\$30.00)	\$1,370.97	3,612
			Sent to Collections	07/02/2008	\$1,824.68	(\$30.00)	\$1,854.68	3,612
			Sent to Collections	07/14/2008	\$1,651.39	\$1,621.39	\$30.00	3,593
			Sent to Collections	08/01/2008	\$1,633.13	(\$30.00)	\$1,663.13	3,575
			Sent to Collections	08/07/2008	\$1,669.65	(\$30.00)	\$1,699.65	3,571
			Sent to Collections	08/13/2008	\$1,332.08	(\$30.00)	\$1,362.08	3,571
			Sent to Collections	08/19/2008	\$1,861.20	(\$30.00)	\$1,891.20	3,571
			Sent to Collections	09/01/2008	\$1,897.72	\$470.00	\$1,427.72	3,554

Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	09/01/2008	\$1,129.74	(\$30.00)	\$1,159.74	3,554
			Sent to Collections	09/01/2008	\$1,129.74	(\$30.00)	\$1,159.74	3,554
			Sent to Collections	09/03/2008	\$1,897.72	(\$30.00)	\$1,927.72	3,554
			Sent to Collections	09/07/2008	\$1,696.86	(\$30.00)	\$1,726.86	3,550
			Sent to Collections	09/20/2008	\$1,870.51	(\$30.00)	\$1,900.51	3,542
			Sent to Collections	11/19/2008	\$1,669.65	\$0.00	\$1,669.65	3,480
			Sent to Collections	09/20/2008	\$1,724.43	(\$30.00)	\$1,754.43	3,542
			Sent to Collections	09/25/2008	\$1,760.95	(\$30.00)	\$1,790.95	3,542
			Sent to Collections	09/27/2008	\$1,496.00	(\$30.00)	\$1,526.00	3,541
			Sent to Collections	09/29/2008	\$1,040.39	(\$30.00)	\$1,070.39	3,541
			Sent to Collections	10/05/2008	\$1,273.12	(\$30.00)	\$1,303.12	3,523
			Sent to Collections	10/09/2008	\$1,742.69	(\$30.00)	\$1,772.69	3,521
			Sent to Collections	10/11/2008	\$1,824.68	(\$30.00)	\$1,854.68	3,519
			Sent to Collections	10/24/2008	\$1,696.86	(\$30.00)	\$1,726.86	3,509
			Sent to Collections	11/08/2008	\$1,806.42	(\$30.00)	\$1,836.42	3,486
			Sent to Collections	07/08/2009	\$1,534.84	(\$30.00)	\$1,564.84	3,248
			Sent to Collections	08/24/2010	\$2,023.24	(\$30.00)	\$2,053.24	2,842
			Sent to Collections	12/22/2009	\$1,409.07	(\$30.00)	\$1,439.07	3,082
			Sent to Collections	09/18/2009	\$1,438.11	(\$30.00)	\$1,468.11	3,173
			Sent to Collections	02/19/2009	\$1,370.33	(\$30.00)	\$1,400.33	3,389
			Sent to Collections	11/08/2008	\$1,532.52	(\$30.00)	\$1,562.52	3,486
			Sent to Collections	08/20/2010	\$1,603.43	(\$30.00)	\$1,633.43	2,842
			Sent to Collections	01/01/2010	\$1,438.72	(\$30.00)	\$1,468.72	3,067
			Sent to Collections	11/26/2008	\$1,897.72	(\$30.00)	\$1,927.72	3,479
			Sent to Collections	11/29/2008	\$1,715.12	(\$30.00)	\$1,745.12	3,479
			Sent to Collections	12/02/2008	\$1,596.61	(\$30.00)	\$1,626.61	3,464
			Sent to Collections	12/06/2008	\$1,477.74	(\$30.00)	\$1,507.74	3,460
			Sent to Collections	12/04/2008	\$1,194.89	(\$30.00)	\$1,224.89	3,459
			Sent to Collections	12/25/2008	\$1,642.08	(\$30.00)	\$1,672.08	3,449
			Sent to Collections	01/01/2009	\$1,603.95	(\$30.00)	\$1,633.95	3,424
			Sent to Collections	01/03/2009	\$2,030.09	(\$30.00)	\$2,060.09	3,424
			Sent to Collections	01/03/2009	\$2,107.57	(\$30.00)	\$2,137.57	3,424
			Sent to Collections	01/03/2009	\$1,913.87	(\$30.00)	\$1,943.87	3,424
			Sent to Collections	01/04/2009	\$1,933.24	(\$30.00)	\$1,963.24	3,418
			Sent to Collections	01/06/2009	\$1,487.05	(\$30.00)	\$1,517.05	3,418
			Sent to Collections	01/16/2009	\$1,331.59	(\$30.00)	\$1,361.59	3,418
			Sent to Collections	01/25/2009	\$1,504.25	(\$30.00)	\$1,534.25	3,418
			Sent to Collections	01/27/2009	\$1,699.62	(\$30.00)	\$1,729.62	3,418
			Sent to Collections	01/31/2009	\$1,913.87	(\$30.00)	\$1,943.87	3,415
			Sent to Collections	02/01/2009	\$1,913.87	(\$30.00)	\$1,943.87	3,394
			Sent to Collections	02/09/2009	\$1,796.47	\$30.47	\$1,766.00	3,390
			Sent to Collections	02/16/2009	\$1,699.62	(\$30.00)	\$1,729.62	3,390
			Sent to Collections	02/17/2009	\$1,602.77	(\$30.00)	\$1,632.77	3,389
			Sent to Collections	03/05/2009	\$1,739.54	(\$30.00)	\$1,769.54	3,369
			Sent to Collections	03/07/2009	\$1,913.87	\$1,742.47	\$171.40	3,368
			Sent to Collections	03/13/2009	\$1,738.36	(\$30.00)	\$1,768.36	3,368
			Sent to Collections	03/14/2009	\$1,758.91	(\$30.00)	\$1,788.91	3,362
			Sent to Collections	03/15/2009	\$1,267.18	(\$30.00)	\$1,297.18	3,362
			Sent to Collections	03/15/2009	\$1,758.91	(\$30.00)	\$1,788.91	3,362
			Sent to Collections	03/16/2009	\$1,796.47	(\$30.00)	\$1,826.47	3,362
			Sent to Collections	03/17/2009	\$1,545.84	(\$30.00)	\$1,575.84	3,362
			Sent to Collections	03/19/2009	\$1,700.80	(\$30.00)	\$1,730.80	3,362
			Sent to Collections	03/19/2009	\$1,129.35	(\$30.00)	\$1,159.35	3,362
			Sent to Collections	04/29/2010	\$1,449.16	(\$30.00)	\$1,479.16	2,962
			Sent to Collections	03/20/2009	\$1,797.65	(\$30.00)	\$1,827.65	3,362
			Sent to Collections	03/21/2009	\$1,913.87	(\$30.00)	\$1,943.87	3,362
			Sent to Collections	03/21/2009	\$1,739.54	(\$30.00)	\$1,769.54	3,360
			Sent to Collections	09/03/2010	\$1,603.43	(\$30.00)	\$1,633.43	2,820
			Sent to Collections	03/24/2009	\$1,409.07	(\$30.00)	\$1,439.07	3,360

Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	09/02/2009	\$1,341.73	(\$30.00)	\$1,371.73	3,190
			Sent to Collections	04/05/2009	\$1,720.17	\$70.00	\$1,650.17	3,341
			Sent to Collections	11/23/2010	\$1,829.38	(\$30.00)	\$1,859.38	2,742
			Sent to Collections	04/09/2009	\$1,602.77	(\$30.00)	\$1,632.77	3,341
			Sent to Collections	09/18/2010	\$1,786.30	(\$30.00)	\$1,816.30	2,809
			Sent to Collections	04/15/2009	\$1,641.51	(\$30.00)	\$1,671.51	3,341
			Sent to Collections	04/25/2009	\$1,778.28	(\$30.00)	\$1,808.28	3,331
			Sent to Collections	04/27/2009	\$1,507.10	(\$30.00)	\$1,537.10	3,331
			Sent to Collections	05/06/2009	\$1,603.95	\$1,473.95	\$130.00	3,311
			Sent to Collections	05/08/2009	\$1,681.43	(\$30.00)	\$1,711.43	3,311
			Sent to Collections	05/16/2009	\$1,427.39	(\$30.00)	\$1,457.39	3,304
			Sent to Collections	06/12/2009	\$1,583.40	(\$30.00)	\$1,613.40	3,270
			Sent to Collections	06/20/2009	\$1,642.69	(\$30.00)	\$1,672.69	3,270
			Sent to Collections	06/27/2009	\$1,720.17	(\$30.00)	\$1,750.17	3,270
			Sent to Collections	07/08/2009	\$1,701.36	(\$30.00)	\$1,731.36	3,249
			Sent to Collections	07/10/2009	\$1,789.11	(\$30.00)	\$1,819.11	3,246
			Sent to Collections	07/14/2009	\$1,587.43	(\$30.00)	\$1,617.43	3,246
			Sent to Collections	07/18/2009	\$1,894.41	(\$30.00)	\$1,924.41	3,239
			Sent to Collections	06/20/2011	\$1,904.99	(\$30.00)	\$1,934.99	2,534
			Sent to Collections	08/12/2009	\$1,517.23	(\$30.00)	\$1,547.23	3,212
			Sent to Collections	08/13/2009	\$1,771.56	(\$30.00)	\$1,801.56	3,211
			Sent to Collections	08/24/2009	\$1,482.13	(\$30.00)	\$1,512.13	3,207
			Sent to Collections	08/31/2009	\$1,712.83	(\$30.00)	\$1,742.83	3,207
			Sent to Collections	09/26/2009	\$1,420.56	(\$30.00)	\$1,450.56	3,172
			Sent to Collections	10/03/2009	\$1,836.39	(\$30.00)	\$1,866.39	3,151
			Sent to Collections	10/05/2009	\$1,622.14	(\$30.00)	\$1,652.14	3,151
			Sent to Collections	10/16/2009	\$1,561.80	(\$30.00)	\$1,591.80	3,149
			Sent to Collections	11/11/2009	\$1,738.36	(\$30.00)	\$1,768.36	3,116
			Sent to Collections	11/20/2009	\$1,778.28	(\$30.00)	\$1,808.28	3,116
			Sent to Collections	11/23/2009	\$1,739.54	(\$30.00)	\$1,769.54	3,116
			Sent to Collections	11/28/2009	\$1,836.39	\$701.39	\$1,135.00	3,116
			Sent to Collections	12/06/2009	\$1,487.73	(\$30.00)	\$1,517.73	3,099
			Sent to Collections	12/17/2009	\$1,777.10	(\$30.00)	\$1,807.10	3,082
			Sent to Collections	12/27/2009	\$2,030.09	(\$30.00)	\$2,060.09	3,081
			Sent to Collections	12/27/2009	\$1,836.39	(\$30.00)	\$1,866.39	3,081
			Sent to Collections	12/28/2009	\$1,680.25	(\$30.00)	\$1,710.25	3,081
			Sent to Collections	01/01/2010	\$1,680.25	(\$30.00)	\$1,710.25	3,064
			Sent to Collections	01/02/2010	\$1,836.39	(\$30.00)	\$1,866.39	3,064
			Sent to Collections	01/03/2010	\$1,855.76	(\$30.00)	\$1,885.76	3,059
			Sent to Collections	01/30/2010	\$1,933.24	(\$30.00)	\$1,963.24	3,059
			Sent to Collections	01/10/2010	\$1,913.87	(\$30.00)	\$1,943.87	3,052
			Sent to Collections	01/24/2010	\$1,894.50	(\$30.00)	\$1,924.50	3,052
			Sent to Collections	01/25/2010	\$1,758.91	(\$30.00)	\$1,788.91	3,052
			Sent to Collections	01/30/2010	\$1,894.50	(\$30.00)	\$1,924.50	3,051
			Sent to Collections	01/31/2010	\$1,758.91	(\$30.00)	\$1,788.91	3,051
			Sent to Collections	02/12/2010	\$1,602.77	\$1,572.77	\$30.00	3,026
			Sent to Collections	02/28/2010	\$1,642.69	(\$20.00)	\$1,662.69	3,026
			Sent to Collections	03/04/2010	\$1,883.22	(\$30.00)	\$1,913.22	3,008
			Sent to Collections	03/05/2010	\$1,804.30	(\$30.00)	\$1,834.30	3,008
			Sent to Collections	03/06/2010	\$2,050.76	(\$30.00)	\$2,080.76	3,003
			Sent to Collections	03/08/2010	\$1,784.57	(\$30.00)	\$1,814.57	3,002
			Sent to Collections	03/11/2010	\$1,883.22	(\$30.00)	\$1,913.22	2,998
			Sent to Collections	03/14/2010	\$2,031.03	\$2,001.03	\$30.00	2,997
			Sent to Collections	03/20/2010	\$2,031.03	(\$30.00)	\$2,061.03	2,996
			Sent to Collections	03/21/2010	\$2,267.79	(\$30.00)	\$2,297.79	2,995
			Sent to Collections	04/15/2010	\$1,567.61	(\$30.00)	\$1,597.61	2,967
			Sent to Collections	04/26/2010	\$1,804.30	(\$30.00)	\$1,834.30	2,962
			Sent to Collections	05/27/2010	\$1,725.38	(\$30.00)	\$1,755.38	2,933
			Sent to Collections	04/26/2010	\$1,675.89	(\$30.00)	\$1,705.89	2,962



Trip #	Account #	Current Payor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	05/10/2010	\$2,070.49	(\$30.00)	\$2,100.49	2,934
			Sent to Collections	05/10/2010	\$1,636.43	(\$30.00)	\$1,666.43	2,934
			Sent to Collections	06/09/2010	\$1,360.61	(\$30.00)	\$1,390.61	2,904
			Sent to Collections	06/09/2010	\$1,735.08	\$87.00	\$1,648.08	2,808
			Partial Payment	06/12/2010	\$1,656.16	\$1,631.16	\$25.00	2,904*
			Sent to Collections	06/16/2010	\$1,912.65	(\$30.00)	\$1,942.65	2,904
			Sent to Collections	06/20/2010	\$1,932.38	(\$30.00)	\$1,962.38	2,904
			Sent to Collections	06/21/2010	\$1,360.61	(\$30.00)	\$1,390.61	2,904
			Sent to Collections	06/24/2010	\$1,685.92	(\$30.00)	\$1,715.92	2,904
			Sent to Collections	06/25/2010	\$1,833.73	(\$30.00)	\$1,863.73	2,904
			Sent to Collections	01/08/2011	\$2,109.40	(\$30.00)	\$2,139.40	2,689
			Sent to Collections	07/03/2010	\$1,613.98	(\$30.00)	\$1,643.98	2,876
			Sent to Collections	07/10/2010	\$2,044.78	(\$30.00)	\$2,074.78	2,876
			Sent to Collections	11/21/2010	\$2,023.24	(\$30.00)	\$2,053.24	2,742
			Sent to Collections	11/17/2010	\$2,044.78	(\$30.00)	\$2,074.78	2,742
			Sent to Collections	07/17/2010	\$2,001.70	(\$30.00)	\$2,031.70	2,872
			Sent to Collections	07/19/2010	\$2,012.69	(\$30.00)	\$2,042.69	2,872
			Sent to Collections	07/22/2010	\$2,120.39	(\$30.00)	\$2,150.39	2,871
			Sent to Collections	07/28/2010	\$1,764.76	(\$30.00)	\$1,794.76	2,871
			Sent to Collections	08/10/2010	\$1,861.91	(\$30.00)	\$1,891.91	2,843
			Sent to Collections	09/07/2010	\$1,624.97	(\$30.00)	\$1,654.97	2,626
			Sent to Collections	09/19/2010	\$2,044.78	(\$30.00)	\$2,074.78	2,809
			Sent to Collections	09/19/2010	\$2,238.64	(\$30.00)	\$2,268.64	2,809
			Sent to Collections	02/16/2011	\$2,163.47	(\$30.00)	\$2,193.47	2,661
			Sent to Collections	10/13/2010	\$2,077.31	(\$30.00)	\$2,107.31	2,785
			Sent to Collections	11/23/2010	\$2,023.24	(\$30.00)	\$2,053.24	2,742
			Sent to Collections	11/22/2010	\$2,023.24	(\$30.00)	\$2,053.24	2,742
			Sent to Collections	11/26/2010	\$1,840.37	(\$30.00)	\$1,870.37	2,739
			Sent to Collections	12/14/2010	\$1,646.51	(\$30.00)	\$1,676.51	2,724
			Sent to Collections	12/30/2010	\$2,120.39	(\$30.00)	\$2,150.39	2,716
			Sent to Collections	12/31/2010	\$1,850.92	\$1,265.64	\$585.28	2,716
			Sent to Collections	01/05/2011	\$1,624.97	(\$30.00)	\$1,654.97	2,693
			Sent to Collections	01/06/2011	\$2,163.47	(\$30.00)	\$2,193.47	2,690
			Sent to Collections	01/07/2011	\$1,711.13	(\$30.00)	\$1,741.13	2,690
			Sent to Collections	01/08/2011	\$2,292.76	(\$30.00)	\$2,322.76	2,689
			Sent to Collections	01/15/2011	\$2,410.96	(\$30.00)	\$2,440.96	2,689
			Sent to Collections	01/16/2011	\$1,915.54	(\$30.00)	\$1,945.54	2,689
			Sent to Collections	01/23/2011	\$2,120.44	(\$30.00)	\$2,150.44	2,687
			Sent to Collections	04/17/2011	\$2,260.18	(\$30.00)	\$2,290.18	2,604
			Sent to Collections	01/28/2011	\$1,745.11	(\$30.00)	\$1,775.11	2,687
			Sent to Collections	01/30/2011	\$2,281.72	(\$30.00)	\$2,311.72	2,687
			Sent to Collections	02/01/2011	\$2,012.69	(\$30.00)	\$2,042.69	2,666
			Sent to Collections	02/05/2011	\$2,432.50	\$0.00	\$2,432.50	2,632
			Sent to Collections	02/05/2011	\$2,583.28	(\$30.00)	\$2,613.28	2,666
			Sent to Collections	02/06/2011	\$1,829.38	(\$30.00)	\$1,859.38	2,665
			Sent to Collections	02/21/2011	\$1,409.57	(\$30.00)	\$1,439.57	2,659
			Sent to Collections	02/21/2011	\$2,314.25	(\$30.00)	\$2,344.25	2,659
			Sent to Collections	03/01/2011	\$1,711.13	(\$30.00)	\$1,741.13	2,652
			Sent to Collections	03/05/2011	\$2,475.58	(\$30.00)	\$2,505.58	2,637
			Sent to Collections	03/13/2011	\$2,195.56	(\$30.00)	\$2,225.56	2,633
			Sent to Collections	03/21/2011	\$2,141.93	(\$30.00)	\$2,171.93	2,633
			Sent to Collections	03/22/2011	\$1,646.51	(\$30.00)	\$1,676.51	2,632
			Sent to Collections	03/25/2011	\$2,131.43	(\$30.00)	\$2,161.43	2,632
			Sent to Collections	05/28/2011	\$2,109.40	(\$30.00)	\$2,139.40	2,569
			Sent to Collections	05/20/2011	\$2,012.69	(\$30.00)	\$2,042.69	2,569
			Sent to Collections	04/05/2011	\$1,926.53	(\$30.00)	\$1,956.53	2,618
			Sent to Collections	04/08/2011	\$1,581.89	(\$30.00)	\$1,611.89	2,610
			Sent to Collections	04/17/2011	\$1,603.43	(\$30.00)	\$1,633.43	2,599
			Sent to Collections	04/19/2011	\$1,958.62	(\$30.00)	\$1,988.62	2,599

Trip #	Account #	Current Pavor	Accounting Status	Date Of Service	Total Charge	Debits Credits	Balance	Days Old
			Sent to Collections	04/24/2011	\$2,023.24	(\$30.00)	\$2,053.24	2,599
			Sent to Collections	04/26/2011	\$1,969.61	(\$30.00)	\$1,999.61	2,599
			Sent to Collections	05/05/2011	\$1,786.30	(\$30.00)	\$1,816.30	2,583
			Sent to Collections	05/09/2011	\$1,764.76	(\$30.00)	\$1,794.76	2,583
			Sent to Collections	05/20/2011	\$1,829.87	\$470.00	\$1,359.87	2,569
			Sent to Collections	05/29/2011	\$1,980.16	(\$30.00)	\$2,010.16	2,568
			Sent to Collections	05/30/2011	\$1,926.53	(\$30.00)	\$1,956.53	2,568
			Sent to Collections	05/31/2011	\$1,894.22	(\$30.00)	\$1,924.22	2,568
			Sent to Collections	05/31/2011	\$1,894.22	(\$30.00)	\$1,924.22	2,568
			Sent to Collections	06/01/2011	\$1,991.15	(\$30.00)	\$2,021.15	2,555
			Sent to Collections	06/05/2011	\$2,087.86	(\$30.00)	\$2,117.86	2,550
			Sent to Collections	06/07/2011	\$1,905.04	(\$30.00)	\$1,935.04	2,550
			Sent to Collections	06/27/2011	\$2,023.24	(\$30.00)	\$2,053.24	2,534
			Sent to Collections	06/25/2011	\$2,130.94	(\$30.00)	\$2,160.94	2,514

Subtotals for Patient \$657,367.96    \$7,089.32    \$650,278.64

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$650,278.64	398
<b>Total Pending Bills:</b>	<b>\$650,278.64</b>	<b>398</b>

Grand Totals \$907,928.12    \$166,768.36    \$741,159.76

		Number of Trips
Pending Bills 0-29 Days Old:	\$0.00	0
Pending Bills 30-59 Days Old:	\$0.00	0
Pending Bills 60-89 Days Old:	\$0.00	0
Pending Bills 90+ Days Old:	\$741,159.76	552
<b>Total Pending Bills:</b>	<b>\$741,159.76</b>	<b>552</b>

- 25.00  
 \$741,134.76

# Balance Sheet

## Account Summary

As Of 06/14/2018

Running Springs Water District

Account	Name	Balance	
<b>Fund: 400 - Ambulance Operating Fund</b>			
<b>Assets</b>			
<a href="#">400-10000-00</a>	Ambulance Operating Fund	278,107.61	
<a href="#">400-10000-01</a>	Cash - For Conversion only	0.00	
<a href="#">400-12000-00</a>	Accounts receivable - Ambulance	<del>2,139,488.93</del>	1,398,354.17
<a href="#">400-12050-00</a>	Allowance of uncollectible	<del>-1,558,274.00</del>	- 839,373.28
<a href="#">400-12600-00</a>	Interest Receivable	0.00	
<a href="#">400-12900-00</a>	A/R - Other	0.00	
<a href="#">400-14000-00</a>	Prepaid Expenses	0.00	
<a href="#">400-16100-00</a>	Work in progress	0.00	
<a href="#">400-16400-00</a>	Furniture and Equipment	22,173.85	
<a href="#">400-16500-00</a>	Trucks and Automobiles	470,874.91	
<a href="#">400-16800-00</a>	Intangible Asset	19,308.64	
<a href="#">400-16900-00</a>	Accm. Depreciation - Ambulance	-331,498.44	
	<b>Total Assets:</b>	<del>1,040,181.50</del>	<u>1,017,947.46</u>

Net Write Off Amount = \$22,234.04

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** June 20, 2018

**TO:** Board of Directors

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

**SUBJECT: INTERGOVERNMENTAL TRANSFER (IGT) PROGRAM -  
FEDERAL MATCHING FUNDS FOR EMERGENCY MEDICAL  
TRANSPORT SERVICES**

**RECOMMENDED BOARD ACTION**

Consider authorizing the Fire Chief and/or General Manager to execute agreements to allow the Running Springs Fire Department to participate in a voluntary rate range Intergovernmental Transfer (IGT) program with the California Department of Health Care Services (DHCS) to increase reimbursements for emergency medical ambulance transport services provided to Molina Healthcare of California and Inland Empire Health Plan (IEHP) members.

**REASON FOR RECOMMENDATION**

To increase reimbursement to the Running Springs Fire Department for services provided to Medi-Cal Managed Care Health Plan Members. This IGT program will allow the Fire Department to access funding which will offset the loss in cost recovery under the Medi-Cal Managed Care Programs as a result of significantly reduced regular reimbursement rates.

**BACKGROUND INFORMATION**

Since 2006, the DHCS has offered public healthcare providers the opportunity to participate in a program that increases reimbursement for services provided to Medi-Cal managed care plan members. The DHCS program, called a voluntary rate range IGT program (Welfare and Institutions Code §§ 14164, 14301.4) provides a way for Medi-Cal Managed Care Health Plan Providers to gain access to federal matching funds for Medi-Cal reimbursements. Recently this program has been expanded to include public Emergency Medical Service (EMS) providers, like the Running Springs Fire Department, who provides health care services to Medi-Cal managed care enrollees making them eligible to receive increased reimbursements from Medi-Cal Managed Care Health Plan Providers.

Under the IGT program, counties and other political subdivisions or governmental entities in the State may elect to transfer funds to the State in support of the Medi-Cal

program. These funds are used as a match for federal funds, which are eventually returned to the EMS providers through their respective Medi-Cal Managed Care Health Plan Providers. In San Bernardino County, the Medi-Cal Managed Care Health Plan Providers Inland Empire Health Plan (IEHP) and Molina Healthcare of California Partner Plan, Inc. (Molina). Both IEHP and Molina have agreed this year to participate in the IGT program along with its regional partners, including the Running Springs Fire Department.

The IGT program requires the transfer of eligible local dollars from the Running Springs Fire Department to the DHCS. DHCS in turn uses transferred funds from local governments to increase the monthly capitation rates it paid Medi-Cal Managed Care Health Plan Providers in the prior fiscal year, thus allowing DHCS to receive additional federal funding from the Centers for Medicare and Medicaid Services (CMS) for payment to the Medi-Cal Managed Care Health Plan Providers. The Medi-Cal Managed Care Health Plan Providers then pay most of their IGT funded rate increases to the local governments that transferred the funds. Ultimately, each local government participant receives back the funding it provided, plus the federal match in return.

The following is a summary of the IGT process and approximate transfer amounts for the Running Springs Fire Department, based upon current information from the State DHCS:

State DHCS Rate Increase Contract: Based on the participating agencies' signed contracts to transfer funds to DHCS, the state will contact Molina and IEHP to increase their per member, per month capitation rates. The Plan's rate will be increased to the highest actuarially sound rate.

Transfer from the Department to the State: Once the CMS has approved the entire IGT transaction and the Plan rate contracts have been signed by DHCS and the Medi-Cal Managed Care Health Plans throughout the State, DHCS will submit a request to participating agencies to transfer funds to the State. With the Running Springs Water District Board approval, the Fire Department will transfer approximately \$77,978 to DHCS. Additionally, the Department will make a separate payment of approximately \$15,596 (20%) to DHCS as authorized in Welfare and Institutions Code Section 14301.4, to cover the administrative costs (assessment fee) of operating the IGT program. If the State is unable to use all of the transferred funds to increase Plan rates, it will return any used funds and the associated 20% administrative fee.

Payment to the Fire Department: After receipt of the IGT funds as well as the assessment fee, the State will draw down federal funds from CMS. Upon receipt of the District funds as well as the new federal match, DHCS will increase Molina's rate payments. Upon the receipt of the increased payments Molina will increase payments made to local health providers who provide service to their Medi-Cal plan beneficiaries. Running Springs Fire Department should receive approximately \$155,956, which is comprised of the original contribution of \$77,978 and the federal matched funds in the amount of \$77,978 less the 20% prepaid administrative fee of \$15,596. The resulting net revenue received by the Fire Department will be approximately, \$62,382.



The rate range IGT will be implemented through execution of three contracts; one with the DHCS, one with IEHP and one with Molina. These documents spell out the obligations of each entity in regard to the transfer of local government funds, the use of funds by DHCS, the payment of funds to Molina, and the treatment of payments by Molina. Before any funds are transferred, all the contracts must be signed by the participating agencies and the Plan rate increases must be approved by the federal government. The specific contract documents are included as Attachments 1-3.

### FISCAL INFORMATION

IEHP Estimated Non-Federal Share*	\$69,950
Molina Estimated Non-Federal Share*	\$8,028
RSFD Transfer to DHCS	\$77,978
DHCS Assessment Fee (20%)	\$15,596
<b>Total RSFD Transfer to DHCS</b>	<b>\$93,574</b>
Amount Returned to RSFD	\$155,956
<b>Net Additional Funds to RSFD</b>	<b>\$62,382</b>

\*Refer to Attachment 1, Exhibit 1:

### ATTACHMENTS

Attachment 1 – Agreement California Department Health Care Services (DHCS)

Attachment 2 – Agreement IEHP

Attachment 3 – Agreement Molina

**INTERGOVERNMENTAL AGREEMENT REGARDING  
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (“DHCS”) and the RUNNING SPRINGS FIRE DEPARTMENT (GOVERNMENTAL FUNDING ENTITY) with respect to the matters set forth below.

The parties agree as follows:

**AGREEMENT**

1. Transfer of Public Funds

1.1 The GOVERNMENTAL FUNDING ENTITY agrees to make a transfer of funds to DHCS pursuant to sections 14164 and 14301.4 of the Welfare and Institutions Code. The amount transferred shall be based on the sum of the applicable rate category per member per month (PMPM) contribution increments multiplied by member months, as reflected in Exhibit 1. The GOVERNMENTAL FUNDING ENTITY agrees to initially transfer amounts that are calculated using the Estimated Member Months in Exhibit 1, which will be reconciled to actual enrollment for the service period of July 1, 2017 through June 30, 2018 in accordance with Sub-Section 1.3 of this Agreement. The funds transferred shall be used as described in Sub-Section 2.2 of this Agreement. The funds shall be transferred in accordance with the terms and conditions, including schedule and amount, established by DHCS.

1.2 The GOVERNMENTAL FUNDING ENTITY shall certify that the funds transferred qualify for Federal Financial Participation pursuant to 42 C.F.R. part 433, subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, Federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-

related donations. Impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

1.3 DHCS shall reconcile the "Estimated Member Months," in Exhibit 1, to actual enrollment in HEALTH PLAN(S) for the service period of July 1, 2017 through June 30, 2018 using actual enrollment figures taken from DHCS records. Enrollment reconciliation will occur on an ongoing basis as updated enrollment figures become available. Actual enrollment figures will be considered final two years after June 30, 2018. If this reconciliation results in an increase to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, the GOVERNMENTAL FUNDING ENTITY agrees to transfer any additional funds necessary to cover the difference. If this reconciliation results in a decrease to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, DHCS agrees to return the unexpended funds to the GOVERNMENTAL FUNDING ENTITY. If DHCS and the GOVERNMENTAL FUNDING ENTITY mutually agree, amounts due to or owed by the GOVERNMENTAL FUNDING ENTITY may be offset against future transfers.

## 2. Acceptance and Use of Transferred Funds

2.1 DHCS shall exercise its authority under section 14164 of the Welfare and Institutions Code to accept funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement as IGTs, to use for the purpose set forth in Sub-Section 2.2.

2.2 The funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to Section 1 and Exhibit 1 of this Agreement shall be used to fund the non-federal share of Medi-Cal Managed Care actuarially sound capitation rates described in section 14301.4(b)(4) of the Welfare and Institutions Code as reflected in the contribution PMPM and rate categories

reflected in Exhibit 1. The funds transferred shall be paid, together with the related Federal Financial Participation, by DHCS to HEALTH PLAN(S) as part of HEALTH PLAN(S)' capitation rates for the service period of July 1, 2017 through June 30, 2018, in accordance with section 14301.4 of the Welfare and Institutions Code.

2.3 DHCS shall seek Federal Financial Participation for the capitation rates specified in Sub-Section 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services.

2.5 DHCS shall not direct HEALTH PLAN(S)' expenditure of the payments received pursuant to Sub-Section 2.2.

3. Assessment Fee

3.1 DHCS shall exercise its authority under section 14301.4 of the Welfare and Institutions Code to assess a 20 percent fee related to the amounts transferred pursuant to Section 1 of this Agreement, except as provided in Sub-Section 3.2. GOVERNMENTAL FUNDING ENTITY agrees to pay the full amount of that assessment in addition to the funds transferred pursuant to Section 1 of this Agreement.

3.2 The 20-percent assessment fee shall not be applied to any portion of funds transferred pursuant to Section 1 that are exempt in accordance with sections 14301.4(d) or 14301.5(b)(4) of the Welfare and Institutions Code. DHCS shall have sole discretion to determine the amount of the funds transferred pursuant to Section 1 that will not be subject to a 20 percent fee. DHCS has determined that \$0.00 of the transfer amounts, will not be assessed a 20 percent fee, subject to Sub-Section 3.3.

P.O. Box 2206  
Running Springs, CA 92382  
[rgross@runningspringswd.com](mailto:rgross@runningspringswd.com)

To DHCS:

Sandra Dixon  
California Department of Health Care Services  
Capitated Rates Development Division  
1501 Capitol Ave., Suite 71-4002  
MS 4413  
Sacramento, CA 95814  
[Sandra.Dixon@dhcs.ca.gov](mailto:Sandra.Dixon@dhcs.ca.gov)

6. Other Provisions

6.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal payments described in Sub-Section 2.2 of this Agreement that are funded by the GOVERNMENTAL FUNDING ENTITY, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and DHCS relating to the subject matter of this Agreement. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. This Agreement shall not modify the terms of any other agreement, existing or entered into in the future, between the parties.

6.2 The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

6.3 Sections 2 and 3 of this Agreement shall survive the expiration or termination of this Agreement.



6.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals. Accordingly, there shall be no third party beneficiary of this Agreement.

6.5 Time is of the essence in this Agreement.

6.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

7. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under Federal and State law and regulations.

8. Approval. This Agreement is of no force and effect until signed by the parties.

9. Term. This Agreement shall be effective as of July 1, 2017 and shall expire as of December 31, 2020 unless terminated earlier by mutual agreement of the parties.

**SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

RUNNING SPRINGS WATER DISTRICT DBA RUNNING SPRINGS FIRE DEPARTMENT:

By: George D. Corley

Date: 5/8/18

George D. Corley, Fire Chief, Running Springs Fire Department

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

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

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

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

**Exhibit 1**

<b>Funding Entity:</b>		<b>Running Springs Fire Department</b>	
<b>Health Plan:</b>		<b>Inland Empire HP</b>	
<b>Rating Region:</b>		<b>San Bernardino</b>	
Rate Category	Contribution PMPM	Estimated Member Months	Estimated Contribution (Non-Federal Share)
Child - non MCHIP	\$ 0.01	2,641,950	\$ 26,420
Adult - non MCHIP	\$ 0.02	1,253,586	\$ 25,072
SPD	\$ 0.04	460,309	\$ 18,412
SPD Full Dual	\$ 0.01	494	\$ 5
BCCTP	\$ 0.08	514	\$ 41
Estimated Total		4,356,853	69,950

<b>Funding Entity:</b>		<b>Running Springs Fire Department</b>	
<b>Health Plan:</b>		<b>Molina Healthcare</b>	
<b>Rating Region:</b>		<b>San Bernardino</b>	
Rate Category	Contribution PMPM	Estimated Member Months	Estimated Contribution (Non-Federal Share)
Child - non MCHIP	\$ 0.01	303,511	\$ 3,035
Adult - non MCHIP	\$ 0.02	118,983	\$ 2,380
SPD	\$ 0.04	65,252	\$ 2,610
BCCTP	\$ 0.07	36	\$ 3
Estimated Total		487,782	8,028





## LETTER OF AGREEMENT

This Letter of Agreement (“Agreement”) is made and entered into by and between *Inland Empire Health Plan* and *IEHP Health Access* (collectively referred to as “IEHP” or “PAYOR”), and **RUNNING SPRINGS WATER DISTRICT, DBA RUNNING SPRINGS FIRE DEPARTMENT** (“PROVIDER”) for the provision of medical services to PAYOR’s Members.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises herein, the parties hereto agree as follows:

1. DUAL ELIGIBLE BENEFICIARY – shall mean an individual 21 years of age or older who is enrolled for benefits under Medicare Part A (42 U.S.C. § 1395c et seq.) and Medicare Part B (42 U.S.C. § 1395j et seq.) and is eligible for medical assistance under the Medi-Cal State Plan.
2. MEDICARE - A benefit package that offers a specific set of health benefits at a uniform premium and uniform level of cost-sharing to all people with Medicare who live in the service area covered by Health Access as outlined in Attachment C. Medicare includes the Capitated Financial Alignment Demonstration, also known as the “Duals Pilot Project,” which is the pilot program seeking to integrate care across delivery systems for Dual Eligible Beneficiaries, as developed by CMS and DHCS.
3. PROVIDER shall render medical services as authorized by PAYOR to Member and agrees to accept the Fee Schedule listed in Attachment A. PROVIDER shall not bill, charge or attempt to collect any payments, surcharges or other remuneration, excluding applicable copayments, from Members of HMOs or other such programs as regulated by the Knox-Keene Health Care Service Plan Act of 1975 and the Department of Health Care Services through Title 22 of the California Code of Regulations, as amended.
4. Healthcare services provided by PROVIDER under this Agreement require prior authorization. All authorizations for services are only valid for the individual PROVIDER named in the authorization. Authorizations issued to a PROVIDER within a Provider Group are not considered “Group Authorization,” but rather are only valid for the individual credentialed PROVIDER named in the authorization.
5. PROVIDER shall maintain a uniform medical record in accordance with community standards and in compliance with all applicable federal and state laws, rules and regulations for each Member. Upon request, PROVIDER shall allow IEHP, the Department of Managed Health Care (DMHC), the Department of Health Care Services (DHCS) and all other state and federal regulatory agencies to inspect medical records for Member(s) and shall provide copies of all medical records or other medical reports, without charge. Provider shall allow IEHP and Health Access to access and use PROVIDER’s practitioner performance data.

6. PROVIDER shall prepare and maintain such records, including books, records and papers related to medical services provided to Members, and provide access to such information to IEHP, and other applicable state and federal regulatory agencies as may be necessary to comply with federal and state laws, rules and regulations. This obligation shall survive the termination of this Letter of Agreement for minimum of ten (10) years.
7. PAYOR shall make payments to PROVIDER in accordance with Attachment A hereto, provided the member is eligible with the PAYOR at the time services are rendered. PROVIDER shall submit claims to PAYOR for authorized covered services provided to Members within one hundred and twenty (120) days from the date of service. The claim must be submitted on a CMS 1500 or a UB-04 claim form and shall include all Member identifying information and the authorization number provided by PAYOR relating to medical services *Emergency Ground Transportation Services* provided pursuant to this Agreement.
8. PAYOR shall compensate PROVIDER within forty-five (45) working days of receipt of a complete CMS 1500 Claim Form from PROVIDER. Any compensation disputes must be filed within 365 calendar days of payment or denial and shall be handled in accordance with Health and Safety Code § 1371 et seq.
9. PAYOR and PROVIDER shall abide by any applicable State and Federal laws and regulations including, but not limited to, all provisions found in the Knox-Keene Health Care Service Plan Act of 1975, as amended.
10. PAYOR'S financial obligation under this agreement is subject to the Member's eligibility being effective with PAYOR at the time services are rendered.
11. Throughout the term of this Agreement, PROVIDER shall maintain, at its sole cost and expense, policies for insurance providing coverage for PROVIDER's general liability and professional liability (errors and omissions), and any other insurance coverage PROVIDER deems prudent and customary in the exercise of PROVIDER's business operations, in amounts as may be necessary to protect PROVIDER and its officers, agent, and employees in the discharge of its responsibilities and obligations under this Agreement. Upon request, PROVIDER shall furnish PAYOR with evidence of such insurance coverage.
12. The term of this Letter of Agreement shall become effective as of **September 20, 2016** and shall continue in effect for an initial term of one year that shall automatically renew on the anniversary date for subsequent one year periods not to exceed four (4) years after the initial term.
13. Either party may terminate this Agreement without cause by providing the other party thirty (30) working days prior written notice to terminate via Certified Mail.

14. This Agreement shall terminate immediately, upon IEHP's written notice, in the event of the occurrence of any of the following:
- a. Failure to Provide Quality Services – PROVIDER's failure to maintain the standards as provided herein.
  - b. Failure to Render Services – PROVIDER's failure to provide Health Care Services to Members as provided herein.
  - c. Breach of Material Term – PROVIDER's breach of any material term, covenant or condition of the Agreement.
  - d. Licensing – Revocation, suspension, or restriction of PROVIDER's licenses, accreditation or certification required for the performance of the duties hereunder.
  - e. Loss of Insurance Coverage – Failure by PROVIDER to maintain adequate professional liability insurance coverage, as provided herein.
  - f. Fraud – Upon IEHP's determination that PROVIDER has engaged in a fraudulent activity against the Plan or its Members.
15. Any notices required to be given herein by either party to the other shall be effected by certified letter to the appropriate address as follows:

**IEHP**

Inland Empire Health Plan  
P.O. Box 1800  
Rancho Cucamonga, CA 91729-1800  
(909) 890-2000  
Attn: Director of Contracts

**PROVIDER**

Running Springs Water District  
DBA Running Springs Fire Department  
31250 Hilltop Blvd – P.O. Box 2206  
Running Springs, CA 92382

16. Completed billing forms for services must be sent to:

Inland Empire Health Plan  
Attn: Claims Department – IEHP Direct Auth.  
PO Box 4349  
Rancho Cucamonga, CA 91729-4349

17. Payment for services rendered will be sent to:

Running Springs Water District  
DBA Running Springs Fire Department  
31250 Hilltop Blvd – P.O. Box 2206  
Running Springs, CA 92382



18. The relationship between PAYOR and PROVIDER is an independent contractor relationship. Neither PROVIDER nor its employee(s) and/or agent(s) shall be considered to be an employee(s) and/or agent(s) of PAYOR, and neither PAYOR nor any employee(s) and/or agent(s) of PAYOR shall be considered to be an employee(s) and/or agent(s) of PROVIDER. None of the provisions of this Agreement shall be construed to create a relationship of agency, representation, joint venture, ownership, control or employment between the parties other than that of independent parties contracting for the purposes of effectuating this Agreement.
19. This Agreement, including all attachments, which are incorporated herein by this reference, constitutes the entire agreement by and between the parties regarding the matters contemplated by this Agreement, and supersedes any and all other agreements, promises, negotiations or representations, either oral or written, between the parties with respect to the subject matter and period governed by this Agreement.
20. No alteration and/or amendment of any terms or conditions of this Agreement shall be binding, unless reduced to writing and signed by the parties hereto. Amendments required due to legislative, regulatory or other legal authority do not require the prior approval of PROVIDER and shall be deemed effective immediately upon PROVIDER's receipt of notice.
21. In the event any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
22. The provisions of the Government Claims Act (Government Code section 900 et seq.) must be followed first for any disputes arising under this Agreement.
23. This Agreement shall be governed by and construed in accordance with the laws of the State of California. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal (if permitted by law and a party elects to file an action in federal court) courts located in the counties of San Bernardino or Riverside, State of California.
24. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) – IEHP PLAN and PROVIDER are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009 (HITECH), Public Law 111-5, enacted February 17, 2009, and the laws and regulations promulgated subsequent hereto, for purposes of services rendered pursuant to the Agreement. Both parties agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under HIPAA and HITECH. Both parties further agree that it shall be in compliance with the requirements of HIPAA, HITECH and the laws and regulations promulgated subsequent hereto.

IN WITNESS WHEREOF, the parties hereto have entered into this Letter of Agreement as of September 20, 2016.

**PROVIDER:**

By: George D. Corley  
George D. Corley

Title: Fire Chief

Date: 09/28/2016

TIN#: 95-6006680

NPI#: 1902939390

**PAYOR**

By: \_\_\_\_\_  
David Carrish

Title: Director of Provider Contracting

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

## HEALTH PLAN-PROVIDER AGREEMENT

AMENDMENT TO AGREEMENT BETWEEN MOLINA HEALTHCARE OF CALIFORNIA PARTNERS PLAN, INC. AND RUNNING SPRINGS WATER DISTRICT, DBA: RUNNING SPRINGS FIRE DEPARTMENT.

## AMENDMENT \_

This Amendment is made by and between Molina Healthcare of California Partners Plan, Inc., a California corporation licensed pursuant to Health and Safety Code section 1349 et seq. to act as a health plan hereinafter referred to as "PLAN," and RUNNING SPRINGS FIRE DEPARTMENT, hereinafter referred to as "PROVIDER."

## RECITALS:

WHEREAS, PLAN and PROVIDER have previously entered into an Agreement effective \_\_\_\_\_;

WHEREAS, \_\_\_\_\_ of such Agreement provides for amending such Agreement;

WHEREAS, Molina Healthcare of California Partners Plan, Inc., a corporate entity licensed under Health and Safety Code Section 1349 et seq. has a contract with the California Department of Health Care Services (State DHCS) pursuant to Welfare and Institutions Code Section 14087.3 to act as a Medi-Cal managed care plan. Molina Healthcare of California Partner Plan, Inc. has subsequently entered into the Agreement referenced above, and amendments to it, to allow PROVIDER to render such services to Molina Healthcare of California Partner Plan, Inc. Medi-Cal members in San Bernardino County;

WHEREAS, the PROVIDER is a all risk fire department that provides rescue, emergency responses, incident management, fire protection/suppression, EMS (BLS/ALS), and ambulance services; and

WHEREAS, PLAN and PROVIDER desire to amend the Agreement to provide for Medi-Cal managed care capitation rate increases to PLAN as a result of intergovernmental transfers ("IGTs") from the \_\_\_\_\_ (GOVERNMENTAL FUNDING ENTITY) to the California Department of Health Care Services ("State DHCS") to maintain the availability of Medi-Cal health care services to Medi-Cal beneficiaries.

NOW, THEREFORE, PLAN and PROVIDER hereby agree as follows:

Amendment \_\_\_\_\_ of the Agreement is added to read as follows:

**2015-17 IGT MEDI-CAL MANAGED CARE CAPITATION RATE RANGE INCREASES**

**1. IGT Capitation Rate Range Increases to PLAN**

**A. Health Plan Retention**

(1) The PLAN shall retain a two percent (2%) administrative fee based on the total amount of the IGT MMCRRIs received from DHCS for PLAN's cost to administer this program. Each provider's share of the 2% fee shall be calculated based on that provider's proportionate share of the LMMCRR IGT payments made by Plan in San Bernardino County.

(2) PLAN will not retain any other portion of the IGT MMCRRIs received from the State DHCS other than those mentioned above.

**B. Conditions for Receiving Local Medi-Cal Managed Care Rate Range IGT Payments**

As a condition for receiving LMMCRR IGT Payments, PROVIDER shall, as of the date the particular LMMCRR IGT Payment is due:

(1) remain a participating provider in the PLAN and not issue a notice of termination of the Agreement; and

(2) maintain its current emergency response services for PLAN Medi-Cal beneficiaries.

**C. Schedule and Notice of Transfer of Non-Federal Funds**

GOVERNMENTAL FUNDING ENTITY shall notify the PLAN within five business days after the funds referred to in the Intergovernmental Transfer Agreement have been transferred to the State.

**D. Form and Timing of Payments**

PLAN agrees to pay LMMCRR IGT Payments to PROVIDER in the following form and according to the following schedule:

(1) PLAN agrees to pay the LMMCRR IGT Payments to PROVIDER using the same mechanism through which compensation and payments are normally paid to PROVIDER (e.g., electronic transfer). After paying any required taxes and retaining the Plan's administrative fee, as shown in Section B above, PLAN will pay PROVIDER a percent of the remaining LMMCRR IGT payment equal to the PROVIDER's contribution as a percent of total governmental entity contributions to this IGT.

(2) PLAN will pay the LMMCRR IGT Payments to PROVIDER no later than thirty (30) calendar days after receipt of the IGT MMCRRIs from State DHCS.

**E. Consideration**

(1) As consideration for the LMMCRR IGT Payments, PROVIDER shall use the LMMCRR IGT Payments for the following purposes and shall treat the LMMCRR IGT Payments in the following manner:

(a) The LMMCRR IGT Payments shall represent compensation for Medi-Cal services rendered to Medi-Cal PLAN members by PROVIDER during the State fiscal year to which the LMMCRR IGT Payments apply.

(b) To the extent that total payments received by PROVIDER for any State fiscal year under this Amendment exceed the cost of Medi-Cal services provided to Medi-Cal beneficiaries by PROVIDER during that fiscal year, any remaining LMMCRR IGT Payment amounts shall be retained by PROVIDER to be expended for health care services. Retained LMMCRR IGT Payment amounts may be used by the PROVIDER in either the State fiscal year for which the payments are received or subsequent State fiscal years.

(2) For purposes of subsection (1) (b) above, if the retained LMMCRR IGT Payments, if any, are not used by PROVIDER in the State fiscal year received, retention of funds by PROVIDER will be established by demonstrating that the retained earnings account of PROVIDER at the end of any State fiscal year in which it received payments based on LMMCRR IGT Payments funded pursuant to the Intergovernmental Agreement, has increased over the unspent portion of the prior State fiscal year's balance by the amount of LMMCRR IGT Payments received, but not used. These retained PROVIDER funds may be commingled with other GOVERNMENTAL FUNDING ENTITY'S funds for cash management purposes provided that such funds are appropriately tracked and only the depositing facility is authorized to expend them.

(3) Both parties agree that none of these funds, either from the GOVERNMENTAL FUNDING ENTITY or federal matching funds will be recycled back to the GOVERNMENTAL FUNDING ENTITY'S general fund, the State, or any other intermediary organization. Payments made by the health plan to providers under the terms of this Amendment constitute patient care revenues.

#### **F. PLAN's Oversight Responsibilities**

PLAN's oversight responsibilities regarding PROVIDER's use of the LMMCRR IGT Payments shall be limited as described in this paragraph. PLAN shall request, within thirty (30) calendar days after the end of each State fiscal year in which LMMCRR IGT Payments were transferred to PROVIDER, a written confirmation that states whether and how PROVIDER complied with the provisions set forth in Paragraph 1.F above. In each instance, PROVIDER shall provide PLAN with written confirmation of compliance within thirty (30) calendar days of PLAN's request.

#### **G. Cooperation Among Parties**

Should disputes or disagreements arise regarding the ultimate computation or appropriateness of any aspect of the LMMCRR IGT Payments, PROVIDER and PLAN agree to



work together in all respects to support and preserve the LMMCRR IGT Payments to the full extent possible on behalf of the safety net in San Bernardino County.

#### **H. Reconciliation**

Within one hundred twenty (120) calendar days after the end of each of PLAN's fiscal years in which LMMCRR IGT Payments were made to PROVIDER, PLAN shall perform a reconciliation of the LMMCRR IGT Payments transmitted to the PROVIDER during the preceding fiscal year to ensure that the supporting amount of IGT MMCRRIs were received by PLAN from State DHCS. PROVIDER agrees to return to PLAN any overpayment of LMMCRR IGT Payments made in error to PROVIDER within thirty (30) calendar days after receipt from PLAN of a written notice of the overpayment error, unless PROVIDER submits a written objection to PLAN. Any such objection shall be resolved in accordance with the dispute resolution processes set forth in Section VIII of the Agreement. The reconciliation processes established under this paragraph are distinct from the indemnification provisions set forth in Section J below. PLAN agrees to transmit to the PROVIDER any underpayment of LMMCRR IGT Payments within thirty (30) calendar days of PLAN's identification of such underpayment.

#### **I. Indemnification**

PROVIDER shall indemnify PLAN in the event DHCS or any other federal or state agency recoups, offsets, or otherwise withholds any monies from or fails to provide any monies to PLAN, or PLAN is denied any monies to which it otherwise would have been entitled, as a direct result of the LMMCRR IGT arising from the Intergovernmental Agreement. Recovery by PLAN pursuant to this section shall include, but not be limited to, reduction in future LMMCRR IGTs paid to PROVIDER in an amount equal to the amount of MMCRRi payments withheld or recovered from PLAN, or by reduction of any other amounts owed by PLAN to PROVIDER.

#### **J. Remittance Information**

The IGT-funded payments made by the PLAN pursuant only to this Amendment, shall be mailed to the PROVIDER at the address set forth below:

2. **Term**; Payment will be sent to Running Springs Water District, C/O; Ryan Gross, General Manager, P.O. Box 2206, Running Springs, CA 92315.  
[rgross@runningswd.com](mailto:rgross@runningswd.com), (909)-867-2766.

The term of this Amendment shall commence on July 1, 2017 and shall terminate on September 30, 2020.

All other terms and provisions of said Agreement shall remain in full force and effect so that all rights, duties and obligations, and liabilities of the parties hereto otherwise remain unchanged;

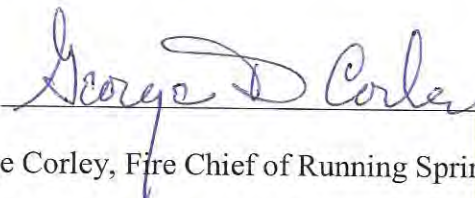
provided, however, if there is any conflict between the terms of this Amendment and the Agreement, then the terms of this Amendment shall govern.

**SIGNATURES**

HEALTH PLAN: 

Date: 5/22/18

Paul Van Duine, Vice President of Network Management and Operations, Molina Healthcare of California Partner Plan, Inc.

PROVIDER: 

Date: 5/29/18

George Corley, Fire Chief of Running Springs Fire Department

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

**DATE:** June 20, 2018

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager

**SUBJECT:** CONSIDER APPROVING AGREEMENT FOR OUTSIDE WATER AND SEWER SERVICE

**RECOMMENDATION**

It is recommended that the Board of Directors consider approving the attached agreement for the provision of temporary outside water and sewer service to Getaway House, Inc. at the Camp Helendade property.

**REASON FOR RECOMMENDATION**

Camp Helendade (Boy Scout Camp) is currently under negotiations to sell the property to a new owner with plans to operate a campground with approximately 43 tiny houses. As a condition of the purchase, the potential new owner is requesting a new temporary outside water and sewer service agreement until such time as the purchase agreement with the Boy Scouts of America is finalized and the annexation process is completed.

**BACKGROUND INFORMATION****Camp Helendade Property**

In late 2017 the potential new owners of the Camp Helendade property approached the District requesting information on the status of the Camp Helendade property owned by the Boy Scouts of America. Refer to attached letter dated December 19, 2017.

Attachment 1 is a draft of the Temporary Outside Water and Sewer Service Agreement with conditions that the property be annexed and that Running Springs Water District be granted the rights to the groundwater and to investigate additional groundwater resources on the property in exchange for discounted connection and capacity fees if the District is able to locate and develop additional groundwater resources.

Attachment 2 is a copy of the San Bernardino County Land Use Services Planning Project Notice and comments that the District submitted.

**FISCAL INFORMATION**

Annexation of the Camp Helendade property would allow for potential new groundwater resources and generate additional water and sewer revenue for the District.

**ATTACHMENTS**

Attachment 1 – Draft Outside Water and Sewer Agreement

Attachment 2 – Planning Project Notice

**AGREEMENT FOR THE PROVISION OF TEMPORARY OUTSIDE WATER  
AND SEWER SERVICE TO GETAWAY HOUSE, INC.**

THIS AGREEMENT is entered into and shall be effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the RUNNING SPRINGS WATER DISTRICT, an independent special district of the State of California (“District”), and GETAWAY HOUSE, INC. a Delaware corporation, or its assignee, GETAWAY LA, LLC (“Getaway”)

**RECITALS:**

1. On December 19, 2017 the District received a letter from Getaway and on February 20, 2018 the District received a letter from the California Inland Empire Council, Boy Scouts of America requesting a temporary outside water and sewer service agreement with the District for water and sewer service to one (1) parcel (APN 0328-101-29) (the “Parcel”), pending annexation of the Parcel to the District. The Parcel is outside the District’s service area but within its sphere of influence. The legal description of the Parcel is attached hereto as Exhibit “A”.
2. On February 21, 2018 the request was presented to the District Board of Directors and direction was given to District staff to proceed, all in accordance with the District’s standard terms and conditions for such service outside the District boundaries, with water and sewer service fees and charges to be imposed at the per gallon or other per unit charge established by the Board of Directors and in accordance with this Agreement.

**TERMS:**

1. Water and Sewer Service. The District agrees to provide water and sewer service to Getaway exclusively for the use and benefit of the Parcel described in Exhibit “A”, according to the terms and conditions hereinafter set forth. Such service shall be provided in accordance with the District’s ordinances and resolutions applicable to water and sewer service outside of the District’s boundaries as they now exist or may hereafter be amended.
2. Equivalent Dwelling Units (EDUs). The facilities located on the Parcel herein mentioned are the only facilities allowed to be connected under the terms of this Agreement. There are, or will be, a total of approximately 140 plumbing fixture units or seven EDUs within the facilities to be connected to the District’s water and sewer systems. The District acknowledges that the Parcel is currently unimproved and that Getaway intends to construct improvements on the Parcel in connection with its intended future use of the Parcel as a camp. Consequently, the number of plumbing fixture units and EDUs will increase in the future in connection with such development. In accordance with Section 5 below, the District agrees to utilize its best efforts to satisfy Getaway’s water and sewer

service requirements (consistent with the District's rules, regulations, ordinances, resolutions, policies, and procedures for such service) in connection with the development of the Parcel and shall not unreasonably withhold, delay or condition its consent to any future increase in the number of plumbing fixture units or EDUs in connection with Getaway's development of the Parcel.

3. Termination of Agreement. The provision of water and sewer service pursuant to this Agreement will terminate upon any of the following:
  - a. Annexation into the District's service area;
  - b. 20 years have passed from the effective date of this Agreement;
  - c. A material breach of this Agreement that is not cured within 90 days after the receipt of written notice thereof;
  - d. A written agreement between Getaway and the District, as approved by the Board of Directors, to cancel this Agreement.
  
4. Additional Terms of Service. The following terms of service shall also apply:
  - a. Getaway shall obtain, and the District shall reasonably cooperate with Getaway in obtaining, all required permits necessary to provide water and sewer service to the property and shall pay for the installation of the required facilities, water meter, and infiltration and inflow (I&I) mitigation measures. Sewer lateral and cleanouts shall be installed per County of San Bernardino (County) and District requirements.
  - b. A 5/8 x 3/4-inch water meter to measure water service to the Parcel shall be installed by the District at Getaway's expense at a location approved by the District.
  - c. Upon execution of this Agreement, approval by the Local Agency Formation Commission of San Bernardino County (LAFCO) and connection to the District's water and sewer system, Getaway will begin paying the following fees and charges (it being understood that any of the below charges or fees for a partial calendar year shall be prorated for such partial calendar year on a per diem basis for a 365-day calendar year):
    - i. Water Facilities Capacity Charge (Water Connection Fee) in effect at the time of connection. The Fiscal Year 2018/2019 Water Connection fee is \$5,382 per EDU;
    - ii. Sewer Facilities Capacity Charge (Sewer Connection Fee) in effect at the time of connection. The Fiscal Year 2018/2019 Sewer Connection fee is \$5,646 per EDU;
    - iii. Annual In-Lieu of Taxes Charge per District Resolution. For Fiscal Year 2017/2018 this charge is \$2,910 and will be calculated each

fiscal year based on assessed property valuation and according to District Resolution;

- iv. The District's prevailing monthly water service charge per EDU in effect at the time that service is provided. The Fiscal Year 2018/2019 fixed monthly service charge for a ¾-inch water meter per EDU is \$31.42;
  - v. The District's prevailing monthly sewer service charge per EDU in effect at the time that service is provided. The Fiscal Year 2018/2019 fixed monthly service charge per EDU is \$44.49 plus an additional \$2.00 monthly charge for each EDU per District Resolution;
  - vi. Water Infrastructure Repair and Replacement Charge of \$1.88 per month per EDU;
  - vii. Sewer Infrastructure Repair and Replacement Charge of \$5.25 per month per EDU;
- d. Bills shall be rendered by the District to Getaway for fees described above approximately the first of each month. Bills shall be due and payable upon presentation and shall be delinquent thirty (30) days after postmark. Bills may be by the year at Getaway's request.
  - e. In the event a delinquent bill is not satisfied within an additional sixty (60) days (90 days from original bill postmark) water and sewer services may be discontinued by the District without liability and the water delivery to Getaway as well as the sewage flows to the District system may be stopped. Service shall not be resumed until all delinquent accounts with the District have been paid in full. Flow shall not be stopped until notice of such contemplated action has been sent via certified mail to the following addresses: (i) Getaway House, Inc., 147 Prince Street, Brooklyn, NY 11201, and (ii) Barack Ferrazzano Kirschbaum & Nagelberg LLP, 200 West Madison Street, Suite 3900, Chicago, Illinois 60606, Attention: Dapo Adedeji.
  - f. The District shall promptly inspect, and the District shall use commercially reasonable efforts to cause the County to promptly inspect, the installation of the sewer lateral and connection and the approval of the County and the District of said lateral and connection as a condition of the District accepting flow from Getaway. Sewer clean-outs shall be installed as recommended by the District to facilitate cleaning and inspection of the line.
  - g. Getaway shall ensure the facilities are constructed such that I&I is eliminated and prevented from entering into the sewer system either through laterals, mains, lift stations, or connection point, to the satisfaction of the District. All such I&I will be addressed by Getaway at no cost to the

District should it be noted that water has breached the system. The District reserves its right to discontinue acceptance of flow from Getaway should the I&I issue remain unaddressed for a period greater than 30 calendar days from the date of notice from the District.

5. No Expansion of Service. Water and sewer service shall not be provided to any additional buildings, dwelling units or treatment facilities without prior written approval by the District, not to be unreasonably withheld, conditioned or delayed. If approval is provided, the sewer service fees and charges outlined above will apply to any expanded service. Failure to obtain such written approval prior to such expansion of service shall constitute a material breach of this Agreement which shall relieve the District of any further obligation to provide service to Getaway. Subject to these restrictions and such other constraints as are set forth in this Agreement and without limitation of the District's other obligations set forth in this Agreement, the District agrees to utilize its best efforts to satisfy Getaway's water and sewer service requirements, consistent with the District's rules, regulations, ordinances, resolutions, policies, and procedures for such service.
6. Annexation. The District and Getaway shall immediately apply for annexation of the Parcel into the District through the appropriate LAFCO application process, with all fees paid by Getaway.
7. Groundwater Rights and Groundwater Wells. Getaway shall deed all groundwater rights to the District and allow the District to investigate (in a manner that does not unreasonably interfere with Getaway's current or intended future use of the Parcel) potential groundwater well locations on the property at mutually agreed upon locations. If the District desires to use one or more locations for a future groundwater well, Getaway shall provide easements for the necessary facilities, at mutually acceptable locations that do not unreasonably interfere with Getaway's current or intended future use of the Parcel (and with any such easements being on terms mutually and reasonably acceptable to the parties, which terms shall include, without limitation, reasonable and customary insurance, indemnification and restoration obligations on the part of the District with respect to the District's access to the Parcel and use of any water or sewer facilities located thereon), to the District and the Parties may negotiate a discounted connection and capacity charge.
8. Indemnity. Getaway agrees to indemnify, defend and save harmless the District and its directors, officials, agents, officers, officials, consultants and employees, from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever arising from any negligent act or omission, or reckless or willful misconduct of Getaway or its directors, officials, agents, officers, consultants and employees, in connection with its use of the Parcel. Such indemnification shall not apply to the negligence, omission, or reckless or willful misconduct of the District, its directors, officials, agents, officers, officials, consultants and employees.



9. Cooperation; Restoration. Without limitation of the District's other obligations set forth in this Agreement, the District agrees to reasonably and promptly cooperate with Getaway in connection with (a) securing the LAFCO approval further in this Agreement, (b) establishing a connection for the Parcel to the District's water and sewer system, (c) applying for annexation of the Parcel into the District through the appropriate LAFCO application process, and (d) satisfying or otherwise performing any of Getaway's other obligations under this Agreement that require the involvement of the District. Further, the District agrees to promptly repair any and all damage caused by the District's entry onto, or the performance of any work by the District on, under or about, the Parcel so as to restore the Parcel, together with any improvements located on the Parcel and/or utility facilities serving the Parcel, to its or their previous condition.

**GENERAL:**

1. Type of Use. It is understood and agreed that water and sewer service to Getaway shall be for commercial use as a camp.
2. Costs and Attorneys' Fees. In the event of any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reimbursement of costs and reasonable attorneys' fees.
3. No Other Agreements. This Agreement contains all of the terms and conditions of the Agreement between the parties regarding sewer service from the District to said Parcel named herein. No other such agreements exist as of the date of this Agreement.
4. Conditions of Service. Failure by Getaway to conform to the provisions of this Agreement after 90 days following the receipt of written notice of any such non-conformance shall relieve the District from any further obligation to provide water and sewer service to Getaway.
5. LAFCO Approval Required. The obligation to provide water and sewer service to Getaway as set forth in this Agreement shall be conditional upon prior approval by LAFCO. In the event that LAFCO does not approve the District's provision of water and sewer service to Getaway as set forth in this Agreement, then this Agreement shall be null and void. Getaway shall be responsible for payment of all fees charged by LAFCO to obtain such approval.
6. This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which, when taken together, shall be considered one document. Transmission of a party's signature by facsimile or over the Internet in electronic photostatic copy format shall be deemed delivery of such party's signature. No failure or delay of either party in exercising its rights herein shall be deemed to be a waiver of such rights unless expressly made in writing by the party waiving its rights.

7. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not be binding on Getaway until such time, if any, as Getaway (or an affiliate) obtains title to the Parcel.

**SIGNATURE PAGE FOR THE AGREEMENT FOR THE PROVISION OF  
TEMPORARY OUTSIDE WATER AND SEWER SERVICE BY AND BETWEEN  
RUNNING SPRINGS WATER DISTRICT AND GETAWAY HOUSE, INC.**

IN WITNESS WHEREOF, District and Getaway have executed this Agreement to be effective on and as of the Effective Date set forth in the preamble to this Agreement.

**GETAWAY**

GETAWAY HOUSE, INC.,  
a Delaware corporation

\_\_\_\_\_  
Steve Collins, Chief Development Officer

**DISTRICT**

Running Springs Water District, an  
Independent Special District of the  
State of California

\_\_\_\_\_  
Ryan Gross, General Manager

## EXHIBIT "A"

### Legal Description of the Land

That certain real property situated in the unincorporated area of the County of San Bernardino, State of California, and is described as follows:

PARCEL 5 AS SHOWN ON LOT LINE ADJUSTMENT NO. M313-18 AS EVIDENCED BY A CERTIFICATE OF COMPLIANCE NO. M0100-98 RECORDED AUGUST 11, 1998 AS INSTRUMENT NO. 1998-0319430 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF THE NORTH ½ OF SECTION 32, TOWNSHIP 2 NORTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE SOUTHEASTERLY LINE OF PARCEL NO. 1 AS CONVEYED TO THE COUNTY OF SAN BERNARDINO BY DEED RECORDED FEBRUARY 23, 1954, IN BOOK 3333, PAGE 179 OF OFFICIAL RECORDS, AND THE NORTHEASTERLY LINE OF WILDERNESS ROAD, AS SHOWN ON SHEET 6 OF TRACT NO 5090, AS PER MAP RECORDED IN BOOK 80 PAGES 92 TO 100, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID WILDERNESS ROAD THE FOLLOWING FOUR COURSES, SOUTH 45° 22' 25" EAST, A DISTANCE OF 212.61 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHEASTERLY THROUGH A CENTRAL ANGLE OF 102° 19' 30" AN ARC DISTANCE OF 225.24 FEET, THENCE NORTH 32° 18' 05" EAST, A DISTANCE OF 28.91 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 225.00 FEET; THENCE NORTHEASTERLY THROUGH A CENTRAL ANGLE OF 25° 55' 02", AN ARC DISTANCE OF 100.47 FEET TO THE TRUE POINT OF BEGINNING (SAID POINT BEARS S29° 52' 50" EAST, 1648.51 FROM THE NW CORNER OF SECTION 32); THENCE NORTH, A DISTANCE OF 516.09 FEET; THENCE EAST, A DISTANCE OF 2050.15 FEET; THENCE SOUTH, A DISTANCE OF 1256.48 FEET TO THE NORTH LINE OF CLUB WILDERNESS CAMP, SAID POINT BEING THE WEST END OF THE MOST NORTHERLY LINE OF PARCEL AS DESCRIBED ON DEED RECORDED IN BOOK 7107, PAGE 248 OF OFFICIAL RECORDS; THENCE SOUTHWEST ALONG THE NORTHERLY LINE OF SAID WILDERNESS CAMP TO NORTHERLY LINE OF WILDERNESS ROAD; THENCE NORTH WESTERLY ALONG NORTH EASTERLY LINE OF SAID ROAD TO THE POINT OF BEGINNING.

SAVING AND EXCEPTING PARCEL DESCRIBED AS FOLLOWS:

COMMENCING AT THE SAID POINT OF INTERSECTION OF THE SOUTHEASTERLY LINE OF SAID PARCEL NO. 1, THENCE ALONG SAID WILDERNESS ROAD THE FOLLOWING FOUR COURSES, SOUTH 45° 22' 25" EAST, A DISTANCE OF 272.81 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 125.00 FEET; THENCE NORTHEASTERLY THROUGH A CENTRAL ANGLE OF 102° 19' 30" AND ARC DISTANCE OF 225.24 FEET; THENCE NORTH 32° 18' 05" EAST, A DISTANCE OF 28.91 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 225.00 FEET; THENCE NORTHEASTERLY THROUGH A CENTRAL ANGLE OF 36° 58' 55" AN ARC DISTANCE OF 145.21 FEET TO THE TRUE POINT OF BEGINNING, THENCE NORTH, A DISTANCE OF 200.00 FEET; THENCE EAST, A DISTANCE OF 208.52 FEET; THENCE SOUTH, A DISTANCE OF 202.15 FEET TO A POINT ON A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 325.00 FEET; THENCE NORTHWESTERLY THROUGH A CENTRAL ANGLE OF 7° 05' 06", AN ARC DISTANCE OF 40.00 FEET; THENCE NORTH 82° 56' 55" WEST, A DISTANCE OF 62.26 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH

AND HAVING A RADIUS OF 225.00 FEET, THENCE WESTERLY THROUGH A CENTRAL ANGLE OF 27° 46' 25" AN ARC DISTANCE OF 109.07 FEET TO THE TRUE POINT OF BEGINNING.

ALSO SAVING AND EXCEPTING THAT PORTION THEREOF LYING WITHIN THE FOLLOWING DESCRIBED PARCEL 1 OF Property PER BOOK 7107, PAGE 248 OF OFFICIAL RECORDS (CLUB WILDERNESS CAMP) DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH BEARS SOUTH 79° 47' 21" EAST, 2068.43 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32, SAID POINT OF BEGINNING ALSO BEARS SOUTH 65° 52' 58" WEST, 59.80 FEET FROM THE ¾ INCH PIPE NUMBER 24 AS SHOWN ON SAN BERNARDINO COUNTY SURVEYORS MAP NUMBER 6565 OF THE ROAD TO RUNNING SPRINGS DUMP AND BORROW PIT, DATED DECEMBER 1955, SAID MAP ALSO BEING THE BASIS OF BEARINGS FOR THIS DESCRIPTION, AND FROM SAID POINT OF BEGINNING THENCE ON A CURVE, CONCAVE WESTERLY HAVING A RADIUS OF 183.00 FEET THROUGH A CENTRAL ANGLE OF 121° 35' 11", AN ARC DISTANCE OF 39259 FEET; THENCE NORTH 36° 52' 38" EAST, 286.83 FEET; THENCE NORTH 64° 07' 10" EAST 671.19 FEET; THENCE DUE EAST, 628.44 FEET; THENCE DUE SOUTH 839.57 FEET; THENCE DUE WEST, 1465.37 FEET TO THE POINT OF BEGINNING.

ALSO SAVING AND EXCEPTING ANY PORTION LYING WITHIN COUNTY ROAD KNOWN AS WILDERNESS ROAD AND LYING WEST OF WILDERNESS ROAD.

APN: 0328-101-29-0-000



SAN BERNARDINO COUNTY  
LAND USE SERVICES  
PLANNING PROJECT NOTICE

385 North Arrowhead Avenue, First Floor, San Bernardino, CA 92415-0187

Water District - Running Springs Water District

Referral Date:  
May 31, 2018

ATTENTION REVIEWING AGENCIES

The development proposal listed below has been filed with County Planning. Please comment in the space below. You may attach additional pages as necessary.

Your comments must be received by Planning no later than June 14, 2018 to be sure that they are included in the final project action. Please refer to this project by the Applicant's name and the Assessor Parcel Number indicated below. If you have no comment, a reply is not necessary. If you have any questions regarding this proposal, please contact Planner, ANTHONY DE LUCA at (909) 387-3067, by email at anthony.deluca@lus.sbcounty.gov, or mail your comments to the address above. If you wish, you may also FAX your comments to (909) 387-3223.

ASSESSOR PARCEL NUMBER: 0328-101-29 (See map below for more information)

PROJECT NUMBER: P201800246/RMC

APPLICANT: GETAWAY HOUSE, INC

LAND USE DISTRICT (ZONING): HT/RC

IN THE COMMUNITY OF: RUNNING SPRINGS/2ND/ SUPERVISORIAL DISTRICT

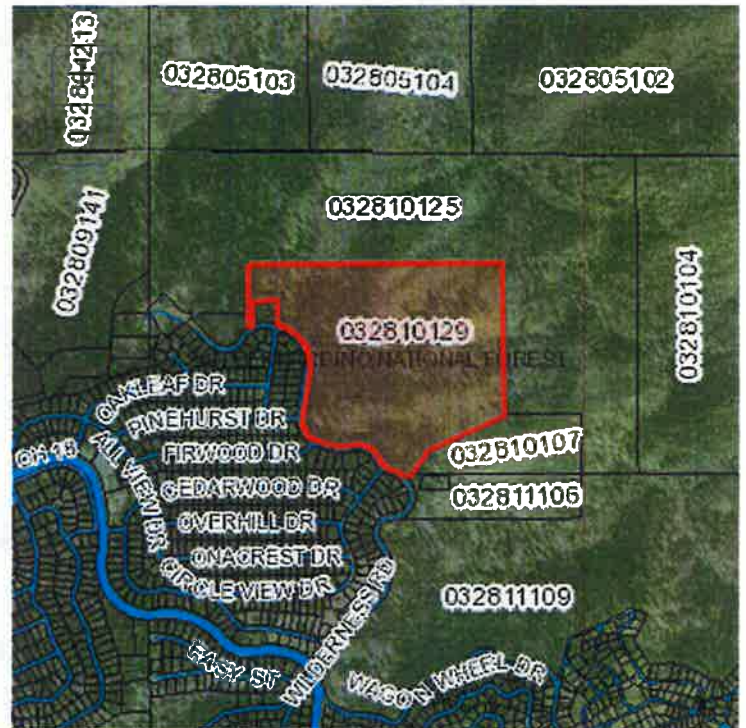
LOCATED AT: 2001 WILDERNESS RD RUNNING SPRINGS 92382

PROPOSAL: REVISION TO AN APPROVED ACTION TO REPURPOSE AN EXISTING ORGANIZED CAMPGROUND TO BE USED AS A PUBLIC CAMPGROUND RETREAT WITH 43 TINY HOME SITES. UNITS ARE APPROXIMATELY 150 SQUARE FEET EACH, TO BE RENTED FOR SHORT TERM CAMPING OPPORTUNITIES FOR A MAXIMUM OF 2-4 PEOPLE PER CAMPGROUND SITE ON 58 ACRES.

If you want to be notified of the project decision, please print your name clearly and legibly on this form and mail it to the address above along with a self-addressed, stamped envelope. All decisions are subject to an appeal period of ten (10) calendar days after an action is taken.

Comments (If you need additional space, please attach additional pages):

VICINITY MAP



The Running Springs Water District has been working with the applicant on a temporary water and sewer service agreement until such time as the property can be annexed into the Running Springs Water District service area. A copy of the draft agreement is attached.

Ryan Gross, General Manager  
Running Springs Water District

SIGNATURE RYAN GROSS

6/5/2018  
DATE

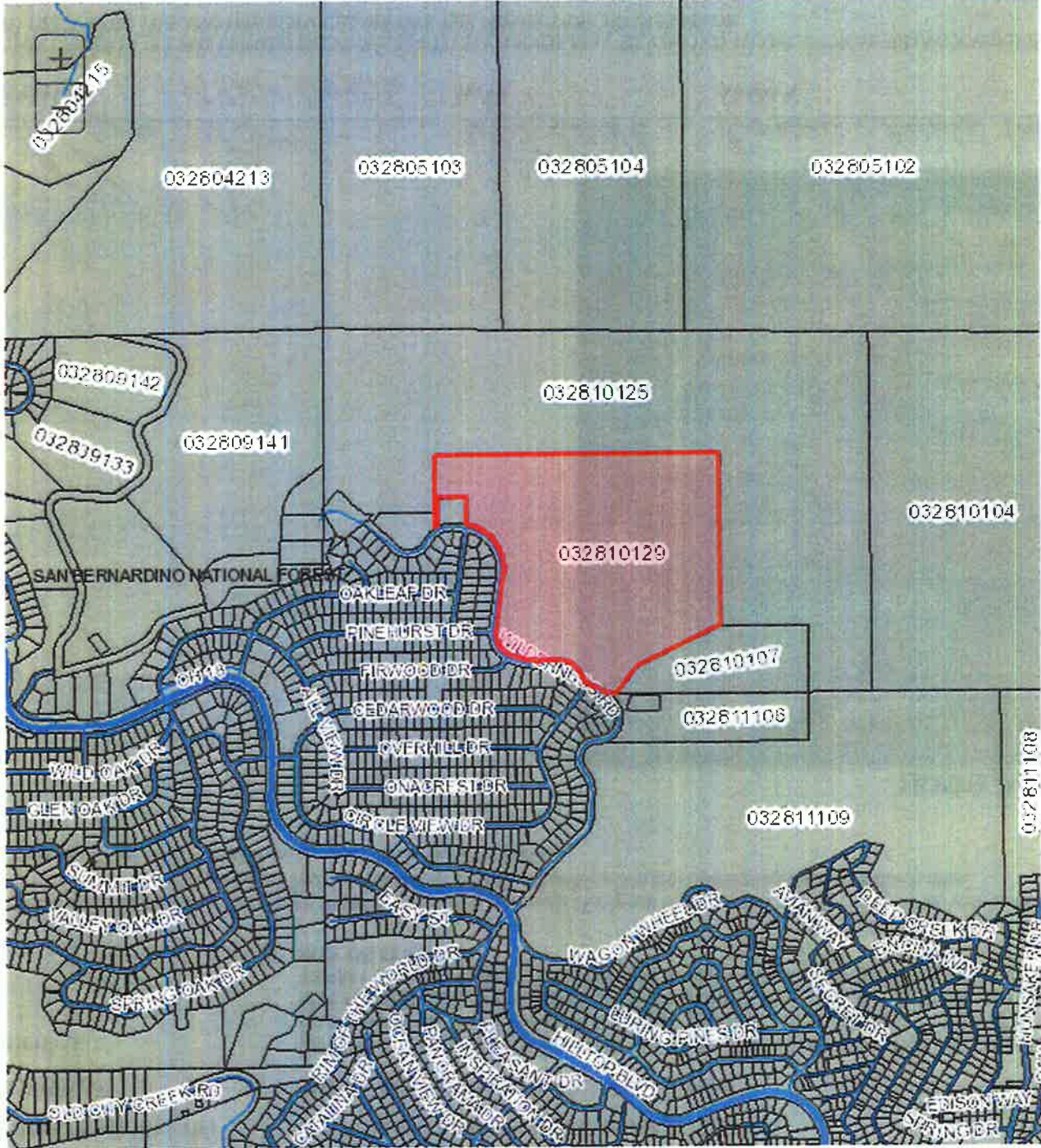
Running Springs Water District  
AGENCY

IF THIS DECISION IS CHALLENGED IN COURT, SUCH CHALLENGE MAY BE LIMITED TO ONLY THOSE ISSUES RAISED IN WRITING AND DELIVERED TO LAND USE SERVICES BEFORE THE PROJECT DECISION IS MADE.

IF A PUBLIC HEARING IS HELD ON THE PROPOSAL, YOU OR SOMEONE ELSE MUST HAVE RAISED THOSE ISSUES AT THE PUBLIC HEARING OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE HEARING BODY AT, OR PRIOR TO, THE HEARING. DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, TIME RESTRICTIONS MAY BE PLACED ON ORAL TESTIMONY AT ANY PUBLIC HEARING ABOUT THIS PROPOSAL. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.



PARCEL MAP



**REVISIONS  
APPLICATION**

P201800246

Complete all sections of this form. If you believe that an item does not apply to your project, mark it "N/A." Do not leave any blank spaces.

**Section 1 – APPLICATION INFORMATION:**

Applicant's Name: Getaway House, Inc.

Address: 147 Prince Street

City Brooklyn, NY Zip 11201

Phone 703-731-3347 FAX No. N/A E-Mail Lauren@Getaway.House

Owner's Name: Boy Scouts of America - California Inland Empire Council

Address: P.O. Box 8910

City Redlands, CA Zip 92375

Phone 951-271-0968 FAX No. N/A E-Mail Mike.Downs@DownsEnergy.com

Representative's Name: same as above

Address: \_\_\_\_\_

City \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ FAX No. \_\_\_\_\_ E-Mail \_\_\_\_\_

**Section 2 – REQUEST:**

This request is for a revision to:  Map  Conditions of Approval

APN: 328-101-29

File/Index #: Project Number: P201700631

Description of Proposed Revisions:  
Continue campground use; minor revision to property structures and landscaping

This change is initiated by:  Applicant, Engineer or Representative  County

The applicant agrees to defend, indemnify and hold harmless the County, its agents, officers and employees from any claim, action or proceeding attacking or seeking to set aside, void or annul the approval of all or part of the matters applied for, or any other claim, action or proceeding relating to or arising out of such approval. This obligation includes the obligation to reimburse the County, its agents, officers and employees for any court costs or attorney fees which the County, its agents, officers or employees are required by a court to pay as a result of such a claim, action or proceeding. The County agrees to notify the applicant of any such claim, action or proceeding promptly after the County becomes aware of it. The County agrees to cooperate in the defense provided by the applicant. The County may, at its own expense, participate in the defense of the claim, action or proceeding, but such participation will not relieve the applicant of the applicant's defense and indemnification obligations.

To be completed by County Staff: Filing Date: \_\_\_\_\_ Project No.: \_\_\_\_\_ JCS Project No.: \_\_\_\_\_



**Section 3 – SIGNATURE:**

I certify under penalty of perjury that I am the (check one)

- Legal Owner (all individuals must sign as their names appear on the deed to the land), **OR**
- Owner's legal Agent, and that the foregoing is true and correct. (Please submit an authorization letter from legal owners).

**The applicant/owner/developer agrees to pay all accumulated charges for this project, if this is an actual cost application. Your project will not be approved, finalized, or vested until all charges are paid in full. If attempts to collect any outstanding funds are unsuccessful, your project will be closed and the account sent to collections. County will make every effort to stop work and notify the applicant before proceeding and placing a project into deficit.**

Getaway House, Inc.  
\_\_\_\_\_  
(Print) (APPLICANT OR LEGAL AGENT)

  
\_\_\_\_\_  
Signature

4/17/18

\_\_\_\_\_  
Date

REGISTRATION NO.  
(IF R.C.E. OR LICENSED LAND SURVEYOR)

\_\_\_\_\_

\_\_\_\_\_  
(Print) (OWNER(S) OF RECORD)\*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print) (OWNER(S) OF RECORD)\*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print) (OWNER(S) OF RECORD)\*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

*\*If property is owned by corporation, partnership or other group, signee shall indicate corporate position or title and submit substantiating documentation (e.g. incorporation certificate)*

In 2001, Running Springs Water District completed a source water assessment to determine the contamination vulnerabilities of Running Springs Water District's water resources. Our sources are considered vulnerable to contamination from historic dumps/landfills, sewer collection systems, high density housing, storm drain discharges, utility maintenance areas and illegal and/or unauthorized dumping. You may request a copy of the assessment by contacting the California State Water Resources Control Board, Division of Drinking Water at (909) 383-4320 or the Running Springs Water District at (909) 867-2766.

Source No.	Source ID	Most Vulnerable Activities (PCA)	Chemical Detected
8	Horizontal Well 041I	Historic waste dumps/landfills	None
9	Horizontal Well 041J	Historic waste dumps/landfills	None
11	Luring Canyon Vertical Well	Housing-high density	Arsenic
		Sewer Collection System	None
16	Sidewinder Canyon Vertical 05	Wells-Water Supply	None
17	Sidewinder Vertical Well 01A	Wells-Water Supply	None
18	Sidewinder Vertical Well 03	Wells-Water Supply	None
	Weiss Canyon Vertical	Sewer Collections Systems	None
22	Rimwood Vertical Well #2 Well	Wells-Water Supply	None
28	Horizontal Well 86-7-13H	Sewer Collections Systems	None
29	Horizontal Well 04D	Sewer Collections Systems	None
31	Owl Rock Vertical Well	Illegal activities/unauthorized dumping	None
33	Horizontal Well 96-6-16H	Sewer Collections Systems	None
		Historic waste dumps/landfills	None
34	Luring Pines Well	Housing-high density	Nitrate
		Sewer Collections Systems	Nitrate
		Storm Drain Discharge Points	None
50	Ayers Well 2	Sewer Collections System	None
101	District Complex Vertical Well	Sewer Collections Systems	None
		Utility stations-maintenance areas	None
103	Horizontal Well 98-9-17H	Wells-Water Supply	None
104	Horizontal Well 98-9-18H	Historic waste dumps/landfills	None
105	Harris Vertical Well	Sewer Collections Systems	None

- ppm - Parts per million
- ppb - Parts per billion
- mg/L - Milligrams per liter = ppm
- ug/L - Microgram per liter = ppb
- pCi/l - picoCuries per liter is a measure of the radioactivity in water.
- NTU - Nephelometric Turbidity Unit is a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person. Turbidity is a measure of the cloudiness of water. We monitor turbidity because it is a good indicator of water quality. High Turbidity can hinder the effectiveness of disinfectants.
- TDS - Total Dissolved Solids
- MCL - Maximum Contaminant Level is the highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as economically and technologically feasible. Secondary taste and appearance of drinking water.
- MCLG - Maximum Contaminant Level Goal is the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- PDWS - Primary Drinking Water Standard: MCL's for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.
- PHG - Public Health Goal. The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.
- Range - Lowest to Highest
- N/S - No Standard
- ND - Non-Detect
- Micromos - One Millionth of OHM.

RUNNING SPRINGS WATER DISTRICT  
Post Office Box 2206  
Running Springs, CA 92382

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**RUNNING SPRINGS WATER DISTRICT**  
**2017 Annual Water Quality Report**



**Running Springs Water District**  
**2017 Annual Drinking Water**  
**Consumer Confidence Report (CCR)**

*Este informe contiene información muy importante sobre su agua potable.  
Tradúzcalo o hable con alguien que lo entienda bien*

Board of Directors – Bill Conrad, Anthony Grabow, Errol Mackzum, Mike Milliorn, Michael Terry

Public Water System ID#: 3610062

The Running Springs Water District (District) will be replacing all of its customer's aging water meters this summer with new automatic meter reading (AMR) technology. The AMR project will improve water use efficiency, leak detection and eliminate the need for estimated snow billing. The District applied for and has received a funding agreement for the AMR project from the State Water Resources Control Board Clean Water State Revolving Fund Green Project Reserve that includes 50% principle forgiveness which is essentially equivalent to a \$400,000 grant.

The District Customers are encouraged to continue to voluntarily limit outdoor irrigation of ornamental landscapes or turf with potable water to two or three days per week. Please visit the Running Springs Water District website at: <http://www.runningspringswaterdistrict.com/> for additional water conservation information.



We are pleased to present the District's Annual Water Quality Consumer Confidence Report (CCR) for calendar year 2017. This Report is designed to provide information regarding the quality of water we deliver to you every day. Our goal is, and always has been, to provide a safe and dependable supply of drinking water.

Your water primarily comes from groundwater wells located throughout the Running Springs Water District. Other sources include imported State Water Project water purchased from the Crestline-Lake Arrowhead Water Agency (CLAWA) and groundwater purchased from Arrowbear Park County Water District (ABPCWD).

Running Springs Water District, CLAWA and ABPCWD routinely monitor for contaminants in your drinking water according to Federal and State laws. The State allows us to monitor some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, are more than one year old. The tables in this report illustrate the results of our monitoring from January 1 to December 31, 2017. We are presenting the water quality report data and tables from our purchased water suppliers, CLAWA and ABPCWD, in essentially the same format that they were provided to us.

If you have any questions about this report, please contact the District, Safety Compliance Operator at (909) 867-2766. We want our valued customers to be informed about their water utility. If you would like to learn more, please attend any of our regularly scheduled Board Meetings which are held on the 3<sup>rd</sup> Wednesday of each month at 9:00am in the District's Board room located at 31242 Hilltop Blvd., Running Springs, CA 92382.

***The District's Board of Directors and Staff strive to meet your service needs. We are always interested in your comments and suggestions and ask that all of our customers help us protect our water resources. If you have suggestions to help us improve our service or would like more information, please contact us at (909) 867-2766 or visit our website at <http://www.runningspringswd.com>.***

Running Springs Water District / 2017 Water Quality Report

TEST RESULTS							
Contaminants	MCL	PHG (MCLG)	Average Level	Range of Detection	Sample Dates	Violation Yes/No	Typical Source of Contamination
<b>PRIMARY STANDARDS***</b>							
<b>Microbiological</b>							
Turbidity *(NTU)	5	NS	.08	ND-0.5	2015-2017	No	Soil Runoff
<b>Disinfection Byproducts****</b>							
Total Trihalomethanes (TTHM) (ppb)	80	NS	10.48	1.5-18.3	2017	No	Byproduct of drinking water disinfection.
Haloacetic Acids (HAAS) (ppb)	60	NS	0.76	ND-1.8	2017	No	Byproduct of drinking water disinfection.
<b>Inorganics</b>							
Flouride (ppm)***	2	1	0.04	ND-.14	2015-2017	No	Erosion of natural deposits, water additive to promote strong teeth.
Nitrate (as NO3) (ppm) Monitored yearly	45	45	1.1	ND-6.5	2017	No	Runoff/leaching from fertilizer use. Leaching from septic tanks, sewage and erosion of natural deposits.
Arsenic (ppm)	10	4	1.06	ND-9.6	2014-2017	No	Erosion of natural deposits, runoff from orchards, glass, and electronics production waste.
<b>RADIOLOGICAL CONTAMINANTS**</b>							
Gross Alpha Activity (pCi/L)	15	N/S	3.4	ND-12.75	2014-2017	No	Erosion of natural deposits.
Uranium (pCi/L)	20	N/S	2.96	ND-9.85	2014-2017	No	Erosion of natural deposits.
<b>SECONDARY STANDARDS***</b>							
Chloride (ppm)	500	N/S	15.4	5.5-39.0	2015-2017	No	Runoff/leaching from natural deposits, sea water influence.
Corrosivity	Non-Corrosive	N/S	11.4	10.32-12.13	2015-2017	No	Natural/industrial-influenced balance of hydrogen, carbon, and oxygen in water affected by temperature and other factors.
Sulfate (ppm)	500	N/S	2.3	ND-6.4	2015-2017	No	Runoff/leaching from natural deposits, industrial waste.
Total Dissolved Solids (TDS)	1000	N/S	164.1	97-240	2015-2017	No	Runoff/leaching from natural deposits.
Specific Conductance (micromhos)	1600	N/S	288.9	180-440	2015-2017	No	Substances that form ions when in water, sea water influence.
Odor (Threshold)	3	N/S	1	1	2015-2017	No	Naturally occurring organic chemicals.
<b>OTHER CONTAMINANTS***</b>							
Sodium (ppm)	N/S	N/S	13.81	8.5-28	2015-2017	No	Erosion of natural deposits.
Potassium (ppm)	N/S	N/S	2.73	1-3.8	2015-2017	No	Erosion of natural deposits.
Magnesium (ppm)	N/S	N/S	9.72	3.9-17	2015-2017	No	Erosion of natural deposits.
Calcium (ppm)	N/S	N/S	30.33	17-41	2015-2017	No	Erosion of natural deposits.
Total Hardness (ppm)	N/S	N/S	114.6	59-170	2015-2017	No	Erosion of natural deposits.
<b>LEAD AND COPPER</b> – Lead and Copper are required as a Treatment Technique under the Lead and Copper Rule which requires systems to take water samples at the consumer's tap every three years. Results are from 2016. No schools in 2017 have requested lead sampling.							
	90 <sup>th</sup> Percentile Result	Unit Measurement	MCL	PHG			
Lead	0.66	ppb	15	2			Internal corrosion of household plumbing systems, discharge from industrial manufacturing, erosion of natural deposits.
Copper	131.2	ppb	1300	300			Internal corrosion of household plumbing systems, erosion of natural deposits.
* Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of water quality. High turbidity can inhibit the effectiveness of disinfectants. ** Radiological Contaminants – Four (4) quarterly samples are required ever four (4) years. *** Monitored every 3 years **** Results are calculated on a locational running annual average.							

As the tables show, we did not exceed the maximum contaminant level for any of the contaminants tested. Our drinking water exceeds Federal and State Standards. There may be terms and abbreviations you may not be familiar with so we are providing these definitions on the following page to help you better understand them. All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The Presences of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency Safe Drinking Water Hotline at (800) 426-4791.

Crestline-Lake Arrowhead Water Agency / 2017 Water Quality Report

Test Results						
Contaminant	Avg. Level Detected	Range of Levels Detected	Units	MCL	PHG	Major Sources in Drinking Water
<b>Primary Standards</b>						
Total Trihalomethanes*	44.00*	12.5-56.1	uG/l	80	N/A	Byproduct of drinking water disinfection
Haloacetic Acids*	10.00*	0-8.3	uG/l	60	N/A	Byproduct of drinking water disinfection
<b>Inorganic Chemicals</b>						
Fluoride (naturally occurring)	.04	0-.59	mg/l	2	1	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories
Nitrate (as NO3)	.26	0-.58	mg/l	45	45	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
<b>Secondary Standards</b>						
Chloride	52.44	27-110	mg/l	500	N/A	Runoff/leaching from natural deposits; seawater influence
Sulfate	37.75	28-47	mg/l	500	N/A	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids (TDS)	225	130-320	mg/l	1000	N/A	Erosion of natural deposits
<b>Other Constituents</b>						
Sodium	47.44	34-73	mg/l	N/A	N/A	“Sodium” refers to the salt present in the water and is generally naturally occurring
Total Hardness	67.25	47-92	mg/l	N/A	N/A	“Hardness” is the sum of polyvalent cations present in the water, generally magnesium and calcium. The cations are usually naturally occurring
Odor-Threshold	1	1-1	TON	3	N/A	Naturally occurring organic materials
<b>Unregulated Contaminants</b>						
Boron	81.25	0-140	uG/l	1000	N/A	Erosion of natural deposits
Vanadium	1.30	0-4.7	uG/l	50	N/A	Erosion of natural deposits
pH	7.85	7.4-8.1	Unit	6.5-8.5	N/A	
*Total Trihalomethanes and Haloacetic Acids are reported as the Highest Locational Running Annual Average.						
<b>Sampling Results Showing Treatment of Surface Water Sources</b>						
Treatment Technique (a) (Type of approved filtration technology used)			Conventional Treatment with multimedia pressure filters			
Turbidity Performance Standards 9b) (that must be met through the water treatment process)			Turbidity of the filtered water must: 1 – Be less than or equal to 0.3 NTU in 95% of measurements in a month. 2 – Not exceed 1.0 BTU for more than eight consecutive hours. 3 – Not exceed 5.0 NTU at any time.			
Lowest monthly percentage of samples that met Turbidity Performance Standard No. 1			100%			
Highest single turbidity measurement during the year			0.11 NTU			
Number of violations of any surface water treatment requirements			0			
(a) A required process intended to reduce the level of a contaminant in drinking water. (b) Turbidity (measured in NTU) is a measurement of the cloudiness of water and is a good indicator of water quality and filtration performance. Turbidity results which meet performance standards are considered to be in compliance with filtration requirements.						

Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (800) 426-4791.

The sources of drinking water (both tap water and bottled) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity. Contaminants that may be presented in source water include:

- Micro contaminants, such as viruses, and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- Inorganic contaminants, such as salts and metals, that can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas productions, mining, or farming.
- Pesticides and herbicides, that may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses
- Organic chemical contaminants, including synthetic and volatile organic chemicals that are byproducts of industrial processes and petroleum production, and can also come for gas stations, urban storm water runoff, agricultural application and septic systems.
- Radioactive contaminants that can be naturally-occurring or be the result of oil and gas production and mining activities.

Arrowbear Park County Water District / 2017 Water Quality Report

Test Results							
Microbiologica l Contaminants	Highest No. of Detections	No. of months in violation	MCL	PHG (MCLG)	Typical Source of Bacteria		
No Microbiological contaminants (Total Coliform Bacteria or Fecal Coliform or E. Coli) were detected during weekly routine sampling.			1 positive monthly sample.	NS	Coliforms- Naturally present in the environment, E. coli- Human and animal fecal waste.		
Lead and Copper	Sam ple Date	No. of samples collected	90 <sup>th</sup> percentile level detected	No. Sites exceeding AL	AL	PHG (MCLG)	Typical Source of Contaminant
Lead (ppb)	8/15 /17	11	ND	0	15	0.2	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits.
Copper (ppm)	8/15 /17	11	.15	0	1.3	0.3	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.
Contaminant/ Constituent	Viol ation Y/N	Avg. Level Detected	Range of Detections	Unit of Measurm ent	MCL	PHG MCLG	Typical Source of Contaminant
<b>Radioactive Contaminants</b>							
Alpha Activity, Gross	N	0.3	0.0 -5.2	pCi/l	15	NONE	Erosion of Natural Deposits.
Uranium	N	ND	None	pCi/l	20	NONE	Erosion of Natural Deposits.
<b>Inorganic Chemical Contaminants</b>							
Nitrate as N (NO3-N)	N	.098	0.0 -49	mg/l	10	10	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits.
Fluoride*	N	0.08	0.0 – 0.15	mg/l	2	1	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories.
<b>Disinfection Byproducts (Trihalomethanes/Haloacetic Acids)</b>							
Total Trihalomethanes	N	ND	None	ug/l	80	80	Byproduct of drinking water disinfection.
Total Haloacetic Acids	N	ND	None	ug/l	60	60	Byproduct of drinking water disinfection.
<b>Secondary Standards</b>							
Chloride*	N	3.32	1.5 - 3.9	mg/l	500	NONE	Runoff/leaching from natural deposits; seawater influence.
Sulfate*	N	2.08	1.6 – 2.4	mg/l	500	NONE	Runoff/leaching from natural deposits; industrial wastes
Specific Conductance*	N	258	240 – 280	uS/cm	1600	NONE	Substances that form ions when in water; seawater influence.
Odor Threshold	N	1.2	1 – 2	TON	3	NONE	Naturally-occurring organic materials.
Total Dissolved Solids*	N	160	150-190	mg/l	1000	NONE	Runoff/leaching from natural deposits.
Turbidity*	N	0.1	0.0-0.2	NTU	5	NONE	Soil runoff.
<b>Other Constituents</b>							
Calcium*	N	37.8	33-42	mg/l	NONE	NONE	Erosion of natural deposits.
Magnesium*	N	2.3	2.0-2.5	mg/l	NONE	NONE	Erosion of natural deposits.
Sodium*	N	15.8	14-17	mg/l	NONE	NONE	Naturally occurring salts.
Bicarbonate (HCO3)	N	160	140-180	mg/l	NONE	NONE	Erosion of natural deposits.
Total Hardness*	N	102.2	91-110	mg/l	NONE	NONE	Sum of polyvalent cations present.
*Testing/sampling required once every three years. Data present in the table is from testing/sampling done in 2017 in accordance with the regulations. Next testing/sampling for these constituents is due in 2020.							
**Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of water quality. High turbidity can also hinder the effectiveness of disinfectants.							
<b>VIOLATION OF A MCL, MRDL, AL, TT, OR MONITORING AND REPORTING REQUIREMENT</b>							
Violation	Explanation	Duration	Actions taken to Correct the Violation		Health Effects Language		
No violations occurred in 2017							

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the State Water Resources Control Board Division of Drinking Water (SWRCB-DDW) limit the amount of certain contaminants in water provided by public water systems. SWRCB-DDW regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

In order to ensure that tap water is safe to drink, USEPA and the SWRCB-DDW prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. SWRCB-DDW regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

Lead: If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Running Springs Water District is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/lead>.





## Running Springs Water District June 2018 Newsletter



The Running Springs Water District is providing this Newsletter to our customers as part of our public outreach effort to share information regarding the District's ongoing activities, operations and services.

### Automatic Meter Reading (AMR) Technology Upgrade Project

The Running Springs Water District (District) will be replacing all of its customer's aging water meters this summer with new automatic meter reading (AMR) technology. The AMR project will improve water use efficiency, leak detection and eliminate the need for estimated snow billing or average billing. The District applied for and has received a funding agreement for the AMR project from the California State Water Resources Control Board, Clean Water State Revolving Fund, Green Project Reserve that includes 50% principal forgiveness which is essentially equivalent to a \$400,000 grant. Crews will be performing the work this summer of 2018.

### Pay your water and sewer bill online and view account information

The District has implemented a new utility billing system and customers can now go online to view their account information. Our new system allows customers to view their transaction history which includes their current balance due, make payments, view their water usage history comparing data for the previous two years, and view payment arrangements, contracts and deposits associated with their account. Customers are able to manage multiple accounts in one convenient location. There is a minimal processing fee for credit card payments. Use the following web address to register:

<http://www.runningspringswaterdistrict.com>

Click on the link to "View Account"  
Click "Utility Billing" and "Register".

### Fats, Oils and Grease (FOG)



Grease in sewer pipes causes sewer maintenance problems for property owners and the District. Never put grease, oil or fatty foods in your sink, drain or toilet and try to use your garbage disposal less.

### Please Think Before You Flush!

Basically, the only thing you should ever flush down a toilet is human waste (urine and feces) and toilet paper. Here is a list of some things to keep out of the toilet:

- automotive fluids
- baby wipes & disposable diapers
- bandages & bandage wrappings
- cleaning wipes of any kind
- condoms
- cotton balls & swabs
- facial tissue
- mini or maxi pads
- paint, solvents, sealants & thinners
- poisons & hazardous waste
- sanitary napkins
- tampons & tampon applicators
- unused medications

### Water Conservation

The Running Springs Water District is encouraging our customers to continue to voluntarily limit outdoor irrigation of ornamental landscapes or turf with potable water to two or three days per week.



Please visit [SaveOurH2O.org](http://SaveOurH2O.org) to find out how everyone can do their part, and visit [Drought.CA.Gov](http://Drought.CA.Gov) to learn more about how California is dealing with the effects of the drought.

All Californians are expected to stop: washing down driveways and sidewalks; watering of outdoor

(Continued on back)

landscapes that cause excess runoff; using a hose to wash a motor vehicle, unless the hose is fitted with a shut-off nozzle; and using potable water in a fountain or decorative water feature, unless the water is recirculated. The regulation makes an exception for health and safety circumstances.

### **Ten Outdoor Water Conservation Tips To Save Water And Lower Your Monthly Bill**

1. Do not over water your plants. More plants die from over watering than from under watering. Make sure the soil is dry several inches down near the base of the plant before watering.
2. Deep soak each time you water. Watering deeply creates a healthy root system that is better equipped to withstand drought and heat.
3. Cut back on watering when runoff occurs. Allow moisture to soak into the ground by lowering the duration of watering.
4. Use watering cans whenever possible, especially when watering just a few patio plants. Watering with a hose may actually put more water on the patio than in the containers as you move from plant to plant.
5. Water early in the morning or late in the evening when temperatures are cool and winds are calm.
6. Check hose connections for leaks and repair them promptly.
7. Adjust your sprinklers so water is aimed directly at plants rather than driveways, fences or the street.
8. Install a drip irrigation system or soaker hose around trees and shrubs.
9. Using mulch around plants and trees will greatly slow the evaporation of water from the soil.
10. Grow drought tolerant plants, many which can survive with less than an inch of water per week, once established.

Please visit the District's website at: <http://www.runningspringswaterdistrict.com/> for more information on water conservation.

### **Fire Safety**

With below normal precipitation this past wet season, the fire season is anticipated to begin much earlier. Unfortunately, the dry conditions will only worsen and lead to a higher fire threat. It is critical that homeowners are prepared for wildfires and remember "Ready, Set, Go!". Homeowners looking for more information on "Ready, Set, Go!" and on

how to prepare themselves, their families and their homes for wildfire can visit:

[www.ReadyForWildfire.org](http://www.ReadyForWildfire.org).

### **Annual Weed Abatement**

The Running Springs Fire Department will begin their inspections for the annual weed abatement program in June 2018. Please do your part in ensuring that your property has met the requirements of the Fire Department. You can obtain additional information regarding guidelines for weed abatement at [www.runningspringsfd.org](http://www.runningspringsfd.org) or by calling 909-867-2630.

### **Water & Sewer Availability Billing**

Just as a reminder, the District's annual Water and Sewer Availability billing for unimproved property will be mailed out the beginning of May 2018 and will be due no later than July 1, 2018. If payment is not received by July 1, 2018, the delinquent bills will be placed on the San Bernardino County property tax roll.

For more information regarding District functions and activities, please visit the District's websites at:

[www.runningspringswaterdistrict.com](http://www.runningspringswaterdistrict.com)  
[www.runningspringsfd.org](http://www.runningspringsfd.org)

or contact the District office by phone at 909-867-2766, or by mail at P.O. Box 2206, Running Springs, CA, 92382. In addition, we hold public Board Meetings at 9:00 a.m. on every third Wednesday of the month at our District Office located at 31242 Hilltop Blvd. (Highway 18) in Running Springs. Members of the public are always invited and encouraged to attend these meetings.

Please provide your email address on your next bill if you would like to receive District information by email.

The District accepts credit card payments in person at the main office. Credit, debit card or electronic check payments may also be made online at: <https://ipn.paymentus.com/otp/std/rswd> or by calling Paymentus at 877-506-3112. There is a processing fee for credit card payments.

*"The Mission of the Running Springs Water District is to provide water, fire, emergency medical service, sewer, and other beneficial services to the community: The goal of the District shall be to do so with the highest level of integrity and ethical principles and in the most efficient and cost effective manner possible."*



## MEMORANDUM

**To:** PUBLIC AGENCY CLIENTS  
**From:** BEST BEST & KRIEGER LLP  
**Date:** JUNE 12, 2018  
**Re:** GUIDELINES TO PREVENT SERIAL MEETINGS

### INTRODUCTION

The purpose of this memorandum is to provide members of “legislative bodies,” which include not only the governing body, but commissions, committees and standing subcommittees, advisory or decision-making, with practical suggestions to prevent “serial meetings” in violation of the Ralph M. Brown Act (Gov. Code § 54950, et seq.) related to open and public meetings.

The Brown Act is meant to promote transparency and public participation in local government: “All meetings of the legislative body of a local agency shall be open and public. . . .” (Gov. Code § 54953.) The Brown Act’s definition of a “meeting” is broad:

“meeting” means any congregation of a majority of the members of a legislative body at the same time and location, including teleconference location as permitted by Section 54953, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body. (Gov. Code § 54952.2(a).)

To hold a meeting, the Brown Act requires public notice to be posted that includes the items of business to be discussed at the meeting. (Gov. Code § 54954.2.) Unless there is a properly noticed meeting, a majority or quorum of the Brown Act body members may not take action, deliberate, discuss—or even “hear”—items within the subject matter of their council, board, commission, committee, or standing subcommittee. It is easy for any observer to determine now when a majority or quorum

of Brown Act body members have congregated in the same place: Just count them. And when they do so congregate (other than at a noticed public meeting), they cannot discuss their Brown Act body's business.

### **NO SERIAL MEETINGS**

Even when they have *not* congregated in *one place*, the Brown Act still prohibits communications among a majority or quorum of members about their Brown Act body's business. ((Gov. Code § 54952.2(b)(1).) That means that, outside of a meeting, a majority of members must not communicate *indirectly* —through intermediaries or technology— about business:

(b)(1) A majority of the members of a legislative body shall not, outside a meeting authorized by this chapter, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. (Gov. Code § 54952.2(b)(1).)

No one and nothing may be used to facilitate relevant communications among a majority of Brown Act body members outside of a meeting: not a staff person, not a member of the public, not an email forward, not a Facebook page, etc. These types of communications among a majority of Brown Act body members (made through intermediaries or technology and not while congregated in one place) are called “serial meetings.”

Serial meetings pose a special danger because they can occur *unintentionally*. Avoiding illegal serial meetings requires Brown Act body members to know the dangers and take affirmative steps to avoid them. These guidelines will help.

**OLD SCHOOL PROBLEMS**

**A. Contacts with staff**

The goal of the Brown Act is to have local government bodies deliberate and make decisions in an open and public meeting. If a staff member met individually with each Brown Act body member and served as an intermediary to forge consensus among the members, what is sometimes termed a “wheel meeting” because the staff member serves as the hub communicating with individual members, the spokes, the public would be deprived of the opportunity to observe and participate in the decision making process. On the flip side, if Brown Act body members showed up to conduct business without the benefit of a staff report or an opportunity to have new concepts or history explained, the meeting may become inefficient and the members would be unprepared to conduct the People’s business. Neither of these two scenarios serves the public well.

The Brown Act recognizes the value of staff briefings, but imposes limits to protect its goals. (Gov. Code § 54952.2(b)(2).) It allows staff members to answer questions and provide information to Brown Act body members, but prohibits staff from communicating the positions of the Brown Act body members to other members of that same body:

[The Brown Act provides that the prohibition on serial meetings] shall not be construed as preventing an employee or official of a local agency, from engaging in separate conversations or communications outside of a meeting authorized by this chapter with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency, if that person does not



communicate to members of the legislative body the comments or position of any other member or members of the legislative body. (Gov. Code § 54952.2(b)(2).)

Staff can inadvertently (or intentionally) become a conduit among a majority of the Brown Act body members in the course of providing briefs on local agency business items. Multiple members of the Brown Act body could separately give staff direction thereby shaping the ultimate recommendation to the Brown Act body as staff attempts to reconcile the differing views or direction. Members and staff of Brown Act bodies should be careful not to cross this line.

To avoid discussing, deliberating, or taking action---meaning, reaching a collective decision, commitment or promise to make a decision or actual vote by a majority (Gov. Code § 54952.6)---by way of staff briefing, please consider the following guidelines:

1. Limit your interactions during individual staff briefings to asking questions and acquiring information.
2. Avoid providing staff with your views and positions during individual staff briefings (unless it is absolutely clear that the staff member is not discussing the matter with other Brown Act body members).
3. Do not ask staff to describe or speculate about the views of other Brown Act body members.

**B. Contacts with constituents, developers and lobbyists**

A constituent, developer, or lobbyist can also become an intermediary among a majority of a Brown Act body causing a violation of the Brown Act. Remember, this can happen even if the Brown Act body member did not intend to participate in a violation of

the Brown Act. If members share their positions with third parties, they create a potential intermediary to cause a violation of the Brown Act. And also remember, only members of the body are liable for compliance with the Brown Act.

Many constituents' unfamiliarity with the requirements of the Brown Act aggravate this potential problem because they may believe that a Brown Act body member should, in the ordinary course of performing his or her public duty, commit to a position in a private conversation in advance of a meeting.

To avoid discussing, deliberating, or taking action by way of constituent conversation, please consider the following guidelines:

1. In private meetings, state the ground rules up front. Make it clear that the constituent should not disclose the views of other members during the conversation.
2. Engage in more listening and asking questions rather than expressing views or opinions.
3. Explain to the constituent that you will not make a final decision on a matter prior to the meeting on the subject matter.
4. At the end of the conversation, if you have disclosed your thoughts about a matter, counsel the constituent not to share your thoughts with other members of the Brown Act body.

**C. Contacts with fellow Brown Act body members**

Direct contact concerning local agency business with fellow members of the same Brown Act body is the most obvious means by which an illegal serial meeting can occur. This contact can occur through face-to-face or telephone conversations or text or email messages.

This is not to say that a Brown Act body member is precluded from discussing items of agency business with another member of the body outside of a meeting; as long as the communication does not involve a *majority* of the body, no meeting has occurred.

But, there is always the risk that one participant in the communication will disclose the views of the other participant to another member, thereby creating a serial meeting in violation of the Brown Act. This is sometimes referred to as a “chain meeting” as one member communicates with another and that member then communicates with a third member until a majority of the body is linked to the communication.

If you are a member of a five-member Brown Act body, you could designate an exclusive “Brown Act body buddy” with whom you discuss local agency business. (If you are on a seven-member body, you can designate two Brown Act buddies.) Be explicit in the arrangement so that you can speak freely without concern that your views will be shared with other members of the body.

### 21ST CENTURY PROBLEMS

Technology has increased the opportunity for communication outside of a noticed meeting and consequently has also increased the potential for violating the Brown Act. Social media creates the potential for an illegal serial meeting since members of the Brown Act body can learn other members’ views—outside of a meeting—from the privacy of the home, car, or office. These types of communication impede the Brown Act’s goal of promoting transparency and public participation in local government. Special care is warranted.

#### **A. Emails and text messages**

To avoid discussing, deliberating, or taking action by way of emails and text messages (which can be considered “public records” under the Public Records Act

(Gov. Code § 6250, et seq.; see, *City of San Jose v. Superior Court* (2017) 2 Cal.5th 608), please consider the following guidelines:

1. Do not send emails or text messages to the whole Brown Act body.
2. Use “bcc” in email communications when sending informational items to other Brown Act body members. This will help avoid the unintentional group message in the event a member hits “reply all.”
3. Remind Brown Act body members to refrain from clicking “reply all” in response to your email communication.
4. Ask the city clerk or city manager to forward the informational items to other Brown Act body members.

**B. Social media**

Social media platforms, such as Twitter, Facebook, Instagram, etc., allow members of Brown Act bodies to share information, which may include information relating to the Brown Act body’s business. If a majority of Brown Act body members are all friends on Facebook or follow each other on Twitter, those platforms could host an illegal serial meeting if the Brown Act body’s business is the topic of the social media post. (And these records are also likely to be considered “public records.”)

To avoid discussing, deliberating, or taking action by way of social media, please consider the following guidelines:

1. Keep information about upcoming matters before your Brown Act body *general* on social media – encouraging participation in noticed meetings is a good use of social media, but using social media as an alternative to noticed public meetings runs afoul of the goal of the Brown Act.

2. Do not enter a group page or chat for the members of your Brown Act body.
3. Do not contribute content that expresses your position regarding upcoming Brown Act body business on the City's social media page. This is more of a concern for administrative or "quasi-judicial" actions (like planning or business license applications).



These suggested guides for conduct may seem restrictive and may make it more difficult to gather information. But following the guidelines will help assure that your conduct comports with the Brown Act's goal of achieving open government and affording the public a meaningful opportunity to participate in local government.

If you have questions about compliance with the Brown Act in any given situation, please contact your Best Best & Krieger counsel or one of the authors for further guidance and advice.

CHRISTI HOGIN  
JANE ABZUG