



RUNNING SPRINGS WATER DISTRICT  
A MULTI-SERVICE INDEPENDENT SPECIAL DISTRICT

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

TO: BOARD OF DIRECTORS                      DATE POSTED:                      NOVEMBER 28, 2023  
RE: SPECIAL BOARD MEETING                      FROM:                      BOARD SECRETARY

A Special Meeting of the Board of Directors of the Running Springs Water District will be held on Wednesday, November 29, 2023, at the hour of 10:00 am at the District Office located at 31242 Hilltop Boulevard, Running Springs, California. This agenda was posted prior to 10:00 am on November 28, 2023 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 Amie Crowder, Board Secretary at 909-867-2766 at least 24 hours before the meeting, if possible.

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

**AGENDA**

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are expected to be routine and non-controversial and will be acted on at one time without discussion unless an item is withdrawn by a Board Member for questions or discussion.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

A. Approve Meeting Minutes

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4. Action Items – The following action items will be considered individually, and each **require a motion** by the Board of Directors for action.
  - A. Consider Approving Parking Area Lease Agreement Near Fire Station #50 and Find that the Project is Categorically Exempt from California Environmental Quality Act (CEQA) Pursuant to CEQA Guidelines Sections 15061(b)(3) and 15301  
(Presenter: Ryan Gross, General Manager) **Page 8**
  - B. Consider Authorizing General Manager to Enter into Negotiations for the Potential Purchase of APN 0295-042-39  
(Presenter: Ryan Gross, General Manager)
  - C. Consider Adopting Resolution No. 15-23, Setting the Schedule for 2024 Regular Board Meetings **Page 15**  
(Presenter: Ryan Gross, General Manager)
  - D. Consider Setting Maximum Calendar Year 2024 District Contribution to Employee Health Insurance Benefit **Page 16**  
(Presenter: Ryan Gross, General Manager)
5. General Manager’s Report
6. Board Member Comments/Meetings
7. Meeting Adjournment

Upcoming Meetings: Regular Board Meeting, December 20, 2023 at 9:00 am

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** November 29, 2023

**TO:** Board of Directors

**FROM:** Amie Crowder, Administration Supervisor, Board Secretary, Treasurer  
Ryan Gross, General Manager

**SUBJECT:** CONSIDER APPROVING MEETING MINUTES

**RECOMMENDATION**

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

**REASON FOR RECOMMENDATION**

Approval of meeting minutes.

**BACKGROUND INFORMATION**

The attached draft meeting minutes are from the Regular Board Meeting held on November 15, 2023.

**ATTACHMENTS**

Attachment 1 – Draft Meeting Minutes for Regular Board Meeting held on November 15, 2023

**MINUTES – November 15, 2023**

**PAGE 1 OF 4**

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
RUNNING SPRINGS WATER DISTRICT  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA  
November 15, 2023**

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A Regular Meeting of the Board of Directors of the Running Springs Water District was held on Wednesday, November 15, 2023, at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California, and through teleconference.

The following Directors were present at the District:

Tony Grabow, President  
Bill Conrad, Vice-President  
Mark Acciani, Director  
Laura Dyberg, Director

The following Directors were absent:

Mike Terry, Director

Also present at the District were the following:

Ryan Gross, General Manager  
Andy Grzywa, Fire Chief  
Rick Ellsberry, Battalion Fire Chief  
Trevor Miller, Operation Manager  
Amie R. Crowder, Secretary to the Board/Administration Supervisor

No visitors were present at the District.

**MEETING MINUTES**

**AGENDA ITEMS**

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

The Running Springs Water District Board Meeting was called to order at 9:00 A.M. by President Grabow. Vice-President Conrad led the assembly in the Pledge of Allegiance.

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

No Visitors Present

**3. Approval of Consent Items**

**A. Approve Meeting Minutes**

**B. Ratify Expenditures**

**C. Consider Granting the Running Springs Area Chamber of Commerce Permission to Utilize the Running Springs Water District’s Downtown Property for their 2024 Events**

Running Springs Chamber of Commerce would like to use the District’s Downtown Property for their 2024 events. The Board of Directors commended the Running Springs Chamber of Commerce for the events they provide to the Running Springs community.

**D. Consider Approving 2024 PCF Wage Scale**

Manager Gross reviewed the 2024 California minimum wage law and that the increase will be effective January 1, 2024.

**E. Consider Receiving and Filing the FYE 2023 Water Loss Audit**

Manager Gross reviewed the annual Water Loss Audit for FYE 2023.

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

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

**A. Consider Receiving, Filing and Authorizing the Distribution of the District’s Fiscal Year Ending 2022 Annual Financial Report and Audit Results**

The District’s Fiscal Year Ending 2022 Annual Financial Report and Audit Results were provided to the Board of Directors. Manager Gross asked the Board if they would like additional time to review and have an official presentation from the auditors, Van Lant and Fankhanel, L.L.P. The Board of Directors declined a presentation and would like to move forward with the Action Item. Manager Gross reviewed the Annual Financial Report and Audit Results with the Board of Directors, specifically highlighting that since the annexation, Green Valley Lake Sewer Service is now reflected in the District’s financials. Also reviewed on page 8 of the Financial Report, was the District’s increase of Change in Net Position.

Upon **motion** by Director Dyberg, **second** by President Grabow and **carried by a 4 to 0 vote**, Receiving, Filing, and Authorizing the Distribution of the District’s Fiscal Year Ending 2022 Annual Financial Report and Audit Results, was approved.

**B. Financial Presentation**

No Action Taken.

**C. Consider Approving Professional Services Contract for Design of the Harris Property Storage Building**

Manager Gross presented the design option and quote from Kadtec for the Harris Property Storage Building Project. This is the third quote the District received to prepare the plans and specifications for the District. Minimal conversation regarding the County Planning Department process, building specifications and functionality ensued.

Upon **motion** by Director Acciani, **second** by Vice-President Conrad and **carried by a 4 to 0 vote**, the Professional Services Contract for Design of the Harris Property Storage Building in the amount of \$12,350, was approved.

**D. Consider Request from Property Owner for Lease or Purchase of Property Near Fire Station #50**

Manager Gross and Fire Chief Grzywa provided an update on the staff parking situation near Fire Station #50 and are seeking direction. Various options were discussed.

No Action Taken.

**E. Consider Customer Request to Discount or Waive Water and Sewer Service Fees**

Secretary Crowder presented the written customer request to discount or waive water and sewer service fees for August 2023 and September 2023.

Upon **motion** by Vice-President Conrad, **second** by Director Dyberg and **carried by a 4 to 0 vote**, Customer Request to Discount or Waive Water and Sewer Service Fees, was denied.

**F. Consider Authorizing Expenditure for Groundwater Well Siting Evaluation**

Manager Gross informed the Board of Directors that one area that has high potential for groundwater is the Getaway House property. Manager Gross stated this is only for making the identification of potential groundwater well sites the District should test. The two bids received were reviewed.

Upon **motion** by Vice-President Conrad, **second** by Director Acciani and **carried by a 4 to 0 vote**, Awarding a Professional Services Agreement for a Groundwater Well Siting Evaluation, to KYLE Groundwater, for their price of \$12,146, was approved.

**G. Consider Authorizing Expenditures for SCADA System Improvements and Davit Arm Mast Base and Extension**

Operations Manager, Trevor Miller, reviewed in detail, the necessity for both the SCADA System Improvements and the Davit Arm Mast Base and Extension. The SCADA System

Improvements quote is a time and materials quote. The Davit Arm Mast Base and Extension is an approved system, certified, and required by OSHA and would be utilized throughout the District’s confined spaces rather than just the one-meter vault at the Deerlick lift station.

Upon **motion** by Director Acciani, **second** by Vice-President Conrad and **carried by a 4 to 0 vote**, Authorizing Expenditures for SCADA System Improvements and Davit Arm Mast Base and Extension, in the amount of \$8,120 and \$6,571.60 respectively, were approved.

**5. General Manager’s Report**

Manager Gross reported that the lot next to the Luring Pines water storage tank site is for sale. Manager Gross suggested the District may want to consider repurchasing this lot. It is currently listed for \$35,000. An update on The Valley View Pipeline Replacement Project was provided. The project is over 95% complete.

Secretary Crowder reported on the District Annual Holiday Luncheon and Battalion Chief Ellsberry reported on the Paid Call Firefighter Badge Pinning Ceremony.

Lastly, Manager Gross reported on a recent incident at the Farmer’s Market.

**6. Board Member Comments/Meetings**

No comments.

**7. Meeting Adjourned**

Upon motion by President Grabow and second by Vice-President Conrad, the meeting was adjourned at 10:08 A.M.

Respectfully Submitted,

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President, Board of Directors  
Running Springs Water District

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Secretary of the Board of Directors  
Running Springs Water District

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** November 29, 2023

**TO:** Board of Directors

**FROM:** Ryan Gross, General Manager  
Andy Grzywa, Fire Chief

**SUBJECT:** CONSIDER PARKING AREA LEASE NEAR FIRE STATION #50 AND FIND THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES SECTIONS 15061(b)(3) AND 15301

**RECOMMENDED BOARD ACTION**

It is recommended that the Board of Directors consider:

1. Approving a lease agreement for staff vehicle parking on a portion of APN 295-227-05 located on Hunsaker Way and West Drive, Running Springs, California;
2. Authorize the General Manager to execute the lease agreement and;
3. Find the Project Categorically Exempt Pursuant to CEQA Guidelines.

**REASON FOR RECOMMENDATION**

Running Springs Fire Department staff vehicle parking is needed near Fire Station #50.

**BACKGROUND**

Running Springs Fire Department staff has been using the vacant property to the north of Fire Station #50 for decades. The property owner has asked that the District either purchase that property or lease it for \$350 per month.

**ENVIRONMENTAL IMPACT**

The proposed parking area lease is exempt from CEQA review pursuant to State CEQA Guidelines section 15061(b)(3) because “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” The lease simply formalizes the existing agreement between the Running Springs Water District and the lessor in granting the District access to Lessor’s property to be used for



staff vehicle parking. No ground-disturbing construction activity will take place under this lease, and there will be no impact to the environment.

The approval of the lease is also exempt pursuant to State CEQA Guidelines section 15301 Existing Facilities (Class 1). The project is exempt from CEQA review under Class 1 because it consists of the minor alteration of existing public structures, facilities, mechanical equipment or topographical features, involving negligible or no expansion of the existing or former use. Here, the approval of the lease will not result in a change in operation or use. The lease memorializes the District's access to parking that is already in use. In addition, no change in the use of the lease area is anticipated.

Furthermore, none of the exceptions to the use of this categorical exemption identified in State CEQA Guidelines section 15300.2 apply. The project will not result in a cumulative impact from successive projects of the same type in the same place, over time. Additionally, there are no unusual circumstances surrounding the project that could result in the reasonable possibility of a significant effect on the environment. The project will not result in damage to scenic resources within an official state scenic highway, nor is the project site located on a site included on any list compiled pursuant to Government Code section 65962.5. Finally, the project will also not cause a substantial adverse change in the significance of historical resource.

## **ATTACHMENTS**

Attachment 1 – Lease Agreement

**RUNNING SPRINGS WATER DISTRICT****LEASE AGREEMENT FOR PARKING NEAR FIRE STATION #50**

This Lease Agreement (“Lease”) is made and entered into this 1<sup>st</sup> day of December, 2023 by and between the Running Springs Water District, a California public agency (“RSWD” or “Lessee”) and Victor Valley Investment Group LLC, (“Lessor”). Lessor and Lessee are sometimes collectively referred to herein as the “Parties.”

**RECITALS**

Lessor is the owner of certain real property (APN 295-223-13) located on Hunsaker Way and West Drive, Running Springs, California, as more particularly described in Exhibit “A” attached hereto and incorporated by reference herein (the “Property”).

Lessor desires to lease to Lessee and Lessee desires to lease from Lessor a portion of the Property to be used for staff vehicle parking (the “Premises”).

**AGREEMENT**

1. Premises Lease. Lessor hereby leases to the Lessee and Lessee leases from Lessor, on the terms and conditions set forth in this Lease, the Premises, which consists of approximately 1,000 square feet of the Property.

2. Term. The term of this Lease shall be for three (3) years commencing on December 1, 2023 and ending on December 1, 2026 (the “Term”); provided, however, that either party may terminate this Lease upon 60 calendar days written notice to the other, with or without cause.

3. Lease Payment. The Premises shall be leased to RSWD for the sum of Three Hundred Fifty Dollars (\$350) per month, payable in advance on the first of each month or \$4,200 paid annually for each year of the term.

4. Permitted Use. The Premises shall be maintained and used as a staff vehicle parking area (the “Permitted Use”). No other use of the Premises shall be permitted. Lessee shall obtain and maintain any and all permits and licenses required by any federal, state, or local authority in connection with the permitted use of the Premises, in good standing at all times during the term of this Lease. Lessee shall not use, occupy or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy, or other governmental requirement.

5. “AS-IS” Condition. LESSEE REPRESENTS THAT IT HAS MADE ANY AND ALL INVESTIGATIONS NECESSARY TO SATISFY LESSEE THAT THE PREMISES ARE SUITABLE FOR ITS INTENDED USE. LESSOR AND LESSEE ACKNOWLEDGE AND AGREE THAT LESSOR MAKES NO WARRANTY OR REPRESENTATION CONCERNING THE CONDITION OF THE PREMISES AND THAT LESSOR DELIVERS THE PREMISES TO LESSEE IN AN “AS-IS”, “WHERE-IS” CONDITION. LESSEE SHALL BE RESPONSIBLE FOR THE COST OF ANY COMPLIANCE WITH ANY APPLICABLE LAW OR REGULATION.

6. Construction and Improvements. Lessee shall be solely responsible for the development, construction and maintenance of the Premises, at its sole cost and expense and shall not be entitled to reimbursement of any kind from Lessor. Lessee shall not use or permit the Premises or any part of it to be used, for any other purpose without the prior written approval of Lessor.

7. Taxes and Assessments. Lessee shall pay all taxes and assessments, including, without limitation, real estate, personal property, and possessory interest taxes, and any and all utility, city, or county assessments, for any purpose, assessed, levied, confirmed, or imposed during the Term.

8. Utilities. Lessee acknowledges that the Premises does not presently have any utility services. If Lessee desires utilities at the Premises, Lessee shall procure, or cause to be procured, without cost to Lessor, but only upon the prior written consent of Lessor, any and all necessary permits, licenses, or other authorizations required for the lawful and proper installation and maintenance on the Premises of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying any utilities to the Premises. Lessee shall pay the suppliers for all water, gas, electricity, light, telephone, power, and other utilities and communications services used by Lessee on the Premises during the Term, whether or not the services are billed directly to Lessee.

9. Ownership; Surrender. Subject to Lessor's right to require removal or elect ownership, all improvements, alterations and utility installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. All Lessee owned improvements, alterations and utility installations shall, at the expiration or termination of this Lease, be removed from the Property and the Premises shall be restored to its current, undeveloped state.

10. Signage. Lessee may provide, at its own cost and expense, signage in a manner consistent with all applicable State and local laws, rules and regulations. The form and substance of the signage shall be subject Lessee's sole discretion. Lessor may, in a manner consistent with all applicable State and local laws, rules and regulations, place signs on the Property advertising the availability of the Property for sale or lease.

11. Insurance. Lessee is self-insured by the Special District Risk Management Authority.

12. Indemnification.

(a) Lessee shall indemnify and hold Lessor, and its employees, contractors, agents, representatives, successors and assigns (each a "Lessor Party"), harmless from any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including without limitation attorneys' fees and court costs) incurred in connection with or arising from (1) the use or occupancy of the Premises by Lessee, invitees or licensees of Lessee; (2) any activity, work, or thing done or permitted or suffered by Lessee in or about the Premises; (3) any acts, omissions, or negligence of Lessee, any person claiming under Lessee, or the employees, agents, contractors, invitees or licensees of Lessee, (4) any breach, violation, or nonperformance by Lessee, any person claiming under Lessee, or the employees, agents, contractors, invitees or licensees of Lessee of any term, covenant, or provision of this Lease or any law, ordinance, or governmental requirement of any kind; or (5) any injury or damage to the person, including death or serious injury, property, or operation of Lessee or its employees, agents, contractors, invitees or licensees of Lessee, or any other person entering upon the Premises under the express or implied invitation of Lessee. The foregoing indemnity shall not apply to the extent any liability, claim or damage is the result of Lessor's negligence or willful misconduct. If any action or proceeding is brought against Lessor, or a Lessor Party, by reason of any claim, Lessee, upon notice from Lessor, will defend the claim at Lessee's expense with counsel reasonably satisfactory to Lessor.

13. Claims or Liens. Lessee shall not suffer or permit any liens to be made or filed against the Premises by reason of labor forces, services or materials supplied (or claimed to have been supplied) to Lessee, and Lessee agrees to indemnify and hold harmless the Lessor and the Property against any such

liens. If any such lien shall at any time be filed against the Property, Lessee shall, within thirty (30) calendar days after notice to Lessor of the filing thereof, cause the same to be discharged of record; provided, however, that Lessee shall have the right to contest the amount or validity, in whole or in part, of any such lien by appropriate proceedings. In the event of such protest, Lessee shall first notify the Lessor and, if requested by the Lessor, Lessee shall promptly bond such lien in the manner authorized by law with a responsible surety company qualified to do business in the State of California. Lessee shall prosecute the contest of such proceedings with due diligence and at no cost or expense to the Lessor.

14. Assignment. Lessee shall not assign this Lease, or any interest in it or portion thereof, without the prior written consent of Lessor.

15. Events of Default. The following occurrences are “events of default”:

(a) Lessee defaults in the due and punctual payment of any amount due to Lessor hereunder, and the default continues for thirty (30) days after notice from Lessor;

(b) Lessee substantially fails to maintain the Premises;

(c) Lessee substantially breaches any of the other agreements, terms, covenants, or conditions that this Lease requires Lessee to perform, and the breach continues for a period of thirty (30) days after notice by Lessor to Lessee.

16. Remedies. In addition to any other remedies that Lessor may have under law or equity, if any one or more material events of default set forth under this Lease occurs and Lessee has not cured in the time provided for, then Lessor may, at its election, terminate this Lease.

16. Severability. If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and shall not be affected, impaired or invalidated thereby.

17. Attorney’s Fees. In case either party brings an action to enforce any term or condition of this Lease, the prevailing party shall be entitled to its reasonable attorney’s fees as determined by the court, and all other costs and expenses related to such action.

18. Waiver. The waiver by either Party of the breach of any provision of this Lease shall not be deemed to be a waiver of any subsequent breach of that or any other provision.

19. Binding on Successors. Subject to the provisions of paragraph 15, this Lease shall apply to and be binding upon the heirs, successors, executors, administrators, and assigns of the Parties hereto.

20. Captions. The various headings contained herein and the grouping of the provisions of this Lease into separate paragraphs are for the purpose of convenience only and shall not be considered in interpreting the provisions of this Lease.

21. Notices. Any and all notices which are required under the terms and conditions of this Lease or which either Lessor or Lessee desire to serve upon the other, shall be in writing and shall be deemed served when delivered personally, or when deposited in the United States mail, postage prepaid, return receipt requested, addressed as follows:

Victor Valley Investment Group, LLC:

RSWD:

P.O. Box 2206

Running Springs, CA 92382

Attn: General Manager

Attn: Jim Martindale:

Any notice so given shall be considered served on the other party three (3) calendar days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, 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.

22. Authority. Each Party to this Lease represents and warrants that it has all requisite power and authority to conduct its business and to execute, deliver, and perform its obligations under the Lease. Each Party warrants that the individual who has signed this Lease has the legal power, right and authority to make and enter into this Lease and bind each respective Party.

23. Entire Agreement. This Lease, along with any exhibits and attachments attached hereto and incorporated herein by reference, constitutes the entire agreement between the Lessor and the Lessee relative to the Premises, and may only be modified by mutual consent of the Parties in writing.

24. Governing Law. This Lease shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the date first written above.

LESSOR:

Running Springs Water District, a California public agency

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

Name: Ryan Gross

Its: General Manager

LESSEE:

Victor Valley Investment Group LLC

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

Name: Jim Martindale

Its:

EXHIBIT "A"

Description of the Property

certain real property (APN 295-223-13) located on Hunsaker Way and West Drive, Running Springs, California:



**RESOLUTION NO. 15-23**

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

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

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

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Running Springs Water District that beginning in January 2024 the regular Board Meetings of the Board of Directors in each month shall continue to be conducted on the third Wednesday of each month at 9:00 a.m. at the District's Boardroom located at 31242 Hilltop Boulevard, Running Springs, California.

**ADOPTED** by the Board of Directors of the Running Springs Water District on the 29th day of November 2023

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President of the Board of Directors  
Running Springs Water District

**ATTEST:**

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Secretary of the Board of Directors  
Running Springs Water District

**RUNNING SPRINGS WATER DISTRICT**

**MEMORANDUM**

**DATE:** November 29, 2023  
**TO:** Board of Directors  
**FROM:** Ryan Gross, General Manager  
**SUBJECT:** CONSIDER SETTING MAXIMUM 2024 DISTRICT CONTRIBUTION TO EMPLOYEE HEALTH INSURANCE BENEFITS

**RECOMMENDATION**

It is recommended that the Board of Directors provide direction to staff on the calendar year 2024 District contribution to employee's health insurance benefit.

**REASON FOR RECOMMENDATION**

To set the maximum amount the District will contribute towards an employee's health insurance plan premiums and/or qualified medical expense reimbursement plan.

**BACKGROUND INFORMATION**

On March 21, 2019 and Beginning with the Fiscal Year Ending (FYE) 2020 District Budget, the Board agreed to consider any future increases in the District's Employee Health Insurance cap amounts due to any CalPERS Health Insurance Premium increases, in November or December of each year.

The District's CalPERS Health Insurance Plan Premium adjustments are typically published in July and take effect January 1<sup>st</sup> of each year. Therefore, in order to better align any adjustments in CalPERS Health Insurance Premium increases and District contribution adjustments, the Board agreed to consider any adjustments take place in January.

**FISCAL INFORMATION**

The following tables show the 2023 and 2024 CalPERS Health Insurance Premium adjustments and the amounts the District contributes as well as a proposed 5% increase in the District's maximum contribution for calendar year 2024. The 5% proposed increase is based one half of the average premium increase.



CalPERS 2023 & 2024 Health Insurance Premiums - San Bernardino County								
HMO	2023			2024			% Change (+/-)	Employees Enrolled
	Single	2-Party	Family	Single	2-Party	Family		
Anthem Blue Cross Select	\$ 738	\$ 1,476	\$ 1,919	\$ 841	\$ 1,682	\$ 2,187	14%	4
Blue Shield Trio	\$ 661	\$ 1,323	\$ 1,720	\$ 705	\$ 1,409	\$ 1,832	7%	3
Health Net Salud y Mas	\$ 606	\$ 1,213	\$ 1,576	\$ 630	\$ 1,260	\$ 1,638	4%	2
Kaiser Permanente	\$ 755	\$ 1,509	\$ 1,962	\$ 865	\$ 1,731	\$ 2,250	15%	3
United Health Care Alliance	\$ 790	\$ 1,581	\$ 2,055	\$ 826	\$ 1,653	\$ 2,149	5%	2
<b>PPO</b>								
PERS Gold	\$ 680	\$ 1,361	\$ 1,769	\$ 785	\$ 1,571	\$ 2,042	15%	5
RSWD Contribution to Health Insurance (\$/month)	\$ 608	\$ 1,214	\$ 1,577	\$ 638	\$ 1,274	\$ 1,655	10%	Avg. Increase
% Paid by RSWD of Lowest Cost HMO Plan Premium	100%	100%	100%	101%	101%	101%	5%	1/2 Avg. Increase
Out of Pocket Including Dental HMO & Vision*	\$ 20	\$ 41	\$ 64	\$ 14	\$ 29	\$ 48		

\* Out of pocket ranges from \$14 to \$809 per month based on plan selection.

\*\* 5% is half of the average premium increase.

\*\*\* Total additional annual cost to the District would be \$12,769.

There are currently seven (7) employees enrolled in the District's Medical Reimbursement plan which use approximately 60% of the allotted maximum District contribution.