

MINUTES OF REGULAR MEETING
November 19, 2020
RUBIDOUX COMMUNITY SERVICES DISTRICT

DIRECTORS PRESENT: Armando Muniz
Bernard Murphy
John Skerbelis
F. Forest Trowbridge
Hank Trueba, Jr.

DIRECTORS ABSENT:

STAFF PRESENT: Jeffrey Sims, General Manager
Ted Beckwith, Director of Engineering
Brian Laddusaw, Director of Finance
Brian Jennings, Manager Budgeting & Accounting
Miguel Valdez, Manager of Operations
Yvonne Reyes, Assistant Engineer

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by Director Murphy, at 4:00 P.M., Thursday, November 19, 2020, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for November 5, 2020, Board Meeting.

Director Muniz moved and Director Skerbelis seconded to approve the November 5, 2020 Regular Meeting Minutes.

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Away – 0

The motion was carried unanimously.

ITEM 5. Consideration to Approve the November 20, 2020 Salaries, Expenses and Transfers.

Consideration to Approve the November 20, 2020 Salaries, Expenses and Transfers.

Director Muniz moved, and Director Murphy seconded to Approve the November 20, 2020 Salaries, Expenses and Transfers.

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Away – 0

The motion was carried unanimously.

ITEM 6. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS

There were no members of the public at this time.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

There was nothing to offer at this time.

ITEM 8. MANAGER’S REPORT

Operations Report:

Operations Manager, Miguel Valdez reported on potable water production and wastewater discharges for the month of October. There was an average of 4.8 mgd of potable water produced; 1.73 mgd of wastewater was discharged to Riverside. Contractors hired by Lennar for the Shadow Rock Development finished installing a 24” diameter pipeline on Pacific Avenue. Next week pressure check and disinfection procedures will be completed. Contractors working for the District finished improvements on District Tanks. The Hunter Tank center vent and flapper valve were replaced. These improvements were required by the state Division of Drinking Water (“DDW”) and due by November 30, 2020. Other improvements on other District tanks include replacement of the center vent on the Watson Tank, and an air gap installed on the overflow pipe on the Atkinson Tank.

DDW performs an annual sanitary survey of the District’s system. They make a list of deficiencies found in the system categorized by tanks, pumps, wells and so forth. They prioritize the deficiencies with more significant deficiencies having quicker schedules for correction. Mr. Jeff Sims stated that Miguel Valdez and his staff did a great job correcting the deficiencies well within the stated schedule.

Due to COVID one of the Orders enacted by the governor has impacted the District financially. Essentially the Order disallows the District to shut off customers delinquent on their bills. State DDW asked the District to complete a financial impact survey. Brian Laddusaw and Brian Jennings worked together to complete the financial impact survey which reports on a month-to-

month basis how District accounts receivables are increasing. Brian Laddusaw created a PowerPoint slide to show the Board A/R amounts by age. Mr. Sims asked Mr. Laddusaw and Mr. Jennings to look through the accounts with 60-day A/R and see if they can differentiate between the customers that own versus those that are tenants. The District has currently \$85,000 in the 60-day + debt. As a comparison to this time last year the District 60-day + A/R was approximately \$11,000-\$12,000. This is a 600% increase. Once DDW receives the surveys, they are supposed to do statistics on the information provided. It is hoped the outcome of the survey is state legislators will come up with some kind of relief for utilities.

Emergency and Fire Report:

Incidents Reported for the month of October 2020 at Rubidoux CSD’s Station 38 total 272 calls.

ITEM 9. Receive and File Statement of Cash Asset Report for all District Funds Ending October 2020. DM 2020-80.

BACKGROUND

Attached for the Board of Directors’ consideration is the October 2020 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$99,986.47 for District controlled accounts. With respect to District “Funds in Trust”, we show \$4,215.73 which has been earned and posted. The District has a combined YTD interest earned total of \$104,202.20 as of October 31, 2020.

The District’s Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$7,064,918.68 ending October 31, 2020. That’s **\$193,755.06 MORE** than July 1, 2020, beginning balance of \$6,871,163.62.

Further, the District’s Field/Admin Fund current fund balance is \$622,553.85.

Submitted for the Board of Directors consideration is the *October 2020, Statement of Cash Asset Schedule Report* for your review and acceptance this afternoon.

Director Skerbelis moved, and Director Muniz seconded to Receive and File the Statement of Cash for the Month of October 2020 for the Rubidoux Community Services District.

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 10. Consider Budget Amendments to Correct funding Utilization Between District Accounts. DM 2020-81.

Since adoption of the two (2) year budget for FY 2019-2020 and 2020-2021 by the Board of Directors on June 20, 2019, District staff has recommended several budget amendments for certain unforeseen expenses such as adding treatment facilities to deal with DDW's lowering of PFAS contaminant levels. With respect to the District's ongoing PFAS project, the Board of Directors considered and approved DM 2020-47 and DM 2020-57 which appropriated funds from the District's Water Fund Budget to the Water Capital Improvement Projects (CIP) Fund Budget. The project expenses include engineering services, vessels, construction, etc., which is estimated to cost approximately \$4.5 million when completed.

Upon further consideration, District staff noted certain components included in the original budget amendments for the PFAS projects were the initial resin/granular activated carbon (GAC) fills for the vessels. These are considered an operating and maintenance (period) cost and should not have been included in the overall project cost. Typically, consumable components are not considered to have the same useful life as the treatment equipment being constructed and are better suited to be funded out of the Water Fund Budget with normal operating funds as opposed to the CIP Fund Budget funded largely through capacity fees. Staff is recommending a budget amendment to realign the components of the PFAS project which are considered O&M expenses, such as the resin/GAC fill, to be included in the Water Fund Budget from normal operating funds rather than CIP funds.

Also, at the regularly scheduled October 15, 2020 Board meeting, staff requested permission to execute Task Order (DM 2020-74) with Blais & Associates (District grant consultants) to prepare a Notice of Intent (NOI) to submit for potential grant funding through California Office of Emergency Services ("Cal OES") Hazard Mitigation Grant Program ("HMGP"). The original Director's Memorandum amended the FY 2020-2021 District's budget to move \$3,990 from the Water Fund Budget to the Water Capital Improvement Project (CIP) Fund Budget. Upon further consideration staff recommends the budget for this effort to come from the Water Fund Budget rather than the Water the Water CIP Fund Budget making it consistent with the preceding Blais task orders for similar efforts.

Director Muniz moved, and Director Trowbridge seconded the Board of Directors authorize the General Manager to:

- 1. Amend the FY 2020-2021 District Budget by allocating routine operation and maintenance (O&M) costs associated with the District's PFAS project from the Water Capital Improvement Project Fund Budget to the Water Fund Budget for which the O&M expenses will be paid using normal operating funds.**
- 2. Amend the FY 2020-2021 District Budget by allocating \$3,990, which is to be paid to Blais under Task Order 3, from the Water Capital Improvement Project Fund Budget to the Water Fund Budget under the line item in Operating Expenses entitled "Consulting Fees - Water Supply Projects".**

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 11. Consider Employee Training Expense: DM 2020-82.

BACKGROUND

The Board of Directors of Rubidoux Community Services District (“District”) is elected by customers to set policies and direction consistent with the mission of the District which is “To provide high quality water services, sewer disposal, trash, and fire mitigation services at the best value for our customers.” Day to day implementation of the mission is accomplished through District staff which is led by the General Manager and leadership team. The current leadership team is comprised of the following positions - General Manager, Director of Engineering, Director of Finance and Administration, and Operation Manager. District staff are provided leadership by this team.

All organizations have a responsibility to plan for the successful transition and succession of organizational leadership. Being mindful of this, there are two factors the Board should be aware of: 1) the current leadership is relatively new to the District with the General Manager, Director of Finance and Administration, and Director of Engineering all having less than two years of service with the District. The Operation Manager has been with the District for 16 plus years but in the Operation role for approximately one year, and 2) the current General Manager contract ends May 2023.

The District enjoyed significant continuity in leadership until early 2019. Since then, Dave Lopez, Steve Appel, and Dan Ballow have retired. Combined, these three individuals had close to 85 years of District service.

The District’s current leadership team although new to the District, is doing well and working to implement new management techniques and processes gained through experience and training from other organizations. Now with the new leadership team fully in place, the next step is to develop a District Strategic Plan covering the next 3-5 years. This plan should include successful transition of the General Manager position in approximately 2 years.

To assist with growth of the current leadership team, it is recommended the District consider hiring Lillestrand Leadership Consulting (“Lillestrand”) to provide leadership coaching assistance. Loren Lillestrand is skilled at personal coaching of staff to help their leadership development. Lillestrand’s proposal totals \$25,500 and covers an approximate one-year period for three staff members. The process includes:

- a. Each of the three staff members complete a standardized assessment inventory of 22 distinct practices related to six key leadership areas including 1) creating a vision, 2) developing followership, 3) implementing the vision, 4) follow-through, 5) achieving results, and 6) team play.
- b. An initial one-on-one introductory meeting between Lillestrand and each team member.

- c. A one-on-one meeting to review the assessment inventory.
- d. Finalizing and reviewing a development plan for each team member.
- e. Ongoing one-on-one follow up meetings once a month for approximately 10 months.

Lillestrand will provide the General Manager with updates as the effort progresses so course correction can be made if necessary.

The General Manager worked at Western Municipal Water District who invested routinely in its leadership staff. Lillestrand engaged with Western leadership for over 5 years and assisted in the development of their current leadership. Although there have been many changes in leadership staff over the years at Western, there remains strong leadership enabling continuity of culture and progress on the Board approved strategic plan. The benefits of leadership development have far outweighed the investment.

The General Manager brought this before the Personnel Committee to consider supporting a recommendation to the full Board of Directors of approving a budget amendment to hire Lillestrand to provide leadership development coaching for the District's Director of Finance and Administration, Director of Engineering, and Operation Manager. The Personnel Committee fully supported this effort. With this leadership training and working together as a leadership team for the next two years, it is anticipated these three members of the leadership team will be competitive applicants for the Board to consider hiring as the next RCSD General Manager.

In the District's FY 2020-2021 approved budget there is approximately \$23,000 within various funds allocated for staff training uses. It is proposed allocating 60% of this budget towards this leadership training, or \$14,000, and authorizing a budget amendment of \$11,500 from unallocated General and Water Fund Reserves to cover the total \$25,500 cost. A spreadsheet is attached showing allocations of funds.

Director Trowbridge moved and Director Muniz seconded the Board of Directors authorize the General Manager to:

- 1. Amend the District's FY 2020-2021 Budget by:**
 - a. Allocating \$14,000 of General Fund, Water Fund and Sewer Fund budget to this Leadership Training effort.**
 - b. Allocating \$11,500 of unallocated General Fund and Water Fund Reserves to this Leadership Training effort.**
- 2. Enter into a professional services agreement with Lillestrand Leadership Consulting in the amount of \$25,000.**

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Away – 0

The motion carried unanimously.

ITEM 12. Authorize the Purchase of One Replacement Water Department Utility Vehicle. DM 2020-83.

BACKGROUND

On Tuesday, November 10, 2020, the District received sealed bids for the replacement of one water department utility vehicle. The proposed replacement vehicle is a 2021 Jeep Wrangler Sport 4X4. Bidding documents were delivered to four dealers in the local area and two sealed bids were received. Tom Bell's Chrysler/Dodge/Jeep in Redlands was the lowest bidder when combining cost of the new vehicle, trade-in, and warranty cost.

If approved, the new Jeep will replace the following fleet vehicle, a 2013 Jeep Wrangler (last five of the VIN 87441) with approximately 44,000 miles. Delivery maybe delayed due to COVID 19, but due to the \$4,686 difference between the low bid and second lowest bid, the delay is acceptable.

The low bid was submitted by Tom Bell's in Redlands for a total bid of \$19,608.00 (including taxes, extended warranty, and trade-in). Copies of the bids are attached.

The vehicle purchase is included in this year's water operating budget. The total budget for vehicle replacement is \$65,000.00. A copy of the water operating budget is included for your information.

Director Skerbelis moved, and Director Trowbridge seconded the Board of Directors authorize the General Manager to:

- 1a. Recognize the Bid for a 2021 Jeep Wrangler Sport by Tom Bell's Chrysler/Dodge/Jeep in Redlands for a total amount of \$19,608.00 as the lowest responsive bid (with extended warranty and trade-in); and**
- 2a. Surplus the 2013 Jeep Wrangler (VIN 1C4AJWAG4DL687441) and accept Tom Bell's trade-in offer \$22,000 for the Jeep.**

Roll call:

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 13. Consider Resolution No. 2020-872 – A Resolution of the Board of Directors of the Rubidoux Community Services District that All Persons Physically Attending Meetings of the Board of Directors Wear a Face Covering. DM 2020-84.

BACKGROUND

On March 19, 2020, the Governor of the state of California issued Executive Order N-33-20 in response to the COVID-19 virus. This Order initiated stay at home guidance with the goal of “flattening the curve” of the spread of the virus. Since then, additional guidance has been issued (attached) mandating “people in the state of California must wear face coverings, including “in any room or enclosed area where other people (except for members of the person’s own household or residence) are present when unable to physically distance.”

District leadership has provided guidance based on state and local Orders to its staff and has implemented many measures to protect staff and minimize spread of the virus in the workplace, implemented measures include but are not limited to addition of plexiglass between workstations, requirement of wearing a mask when in common areas, frequent hand washing, and frequent sanitization/disinfection of common areas. All these efforts have been made with two specific goals – 1) safeguard of the health and well-being of staff, and 2) ability to maintain the workforce for continuity of business for the benefit of District customers.

At the November 5, 2020 Rubidoux Community Services District (“District”) Board Meeting the General Manager was directed to prepare a policy for the Board to consider regarding a requirement for all persons physically attending the District Board Meetings to wear a face covering. Attached Resolution No. 2020-872 was prepared by District Counsel in response. This resolution if adopted would require all persons physically attending a meeting of the Board of Directors wear a face covering.

There were two written responses from the public that were read into the record in favor of requiring face masks to be worn by all persons physically attending Board meetings.

Director Skerbelis moved, and Director Muniz seconded the Board of Directors Adopt Resolution No. 2020-872 - A Resolution of the Board of Directors of the Rubidoux Community Services District that All Persons Physically Attending Meetings of the Board of Directors Wear a Face Covering.

Roll call:

Ayes – 3 (Muniz, Skerbelis, Trueba)

Noes – 2 (Murphy, Trowbridge)

Abstain – 0

Absent – 0

The motion was carried with a 3-2 vote.

**ITEM 14. Closed Session – CONFERENCE WITH REAL PROPERTY NEGOTIATORS:
DM 2020-85**

Property: 3715 Avalon Street, Jurupa Valley, CA (APN 179-111-004)
Agency Negotiator: Jeff Sims
Negotiating Parties: County of Riverside
Under Negotiation: Price
There was no reportable action.

ITEM 15. Directors Comments

Director Murphy adjourned the meeting at 5:06 PM.