

**MINUTES OF REGULAR MEETING**  
**June 21, 2018**  
**RUBIDOUX COMMUNITY SERVICES DISTRICT**

**DIRECTORS PRESENT:** F. Forest Trowbridge  
Christopher Barajas  
Hank Trueba  
Bernard Murphy  
Armando Muniz

**DIRECTORS ABSENT:**

**STAFF PRESENT:** Dave Lopez, General Manager  
Steve Appel, Assistant General Manager  
Brian Jennings, Manager Budgeting/Accounting

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, June 21, 2018, at the District Office, 3590 Rubidoux Boulevard, Rubidoux, California.

**ITEM 4. APPROVAL OF MINUTES**

Approval of Minutes for Regular Board Meeting, June 7, 2018.

**Director Muniz moved and Director Trueba seconded to approve the June 7, 2018 Minutes.**

**The motion was carried unanimously.**

**Ayes – 5 (Barajas, Murphy, Trowbridge, Trueba, Muniz)**  
**Noes - 0**

**ITEM 5. Consider to Approve the Salaries, Expenses and Transfers.**

Consideration to Approve June 22, 2018, Salaries, Expenses and Transfers.

**Director Trowbridge moved and Director Muniz seconded to Approve the June 22, 2018, Salaries, Expenses and Transfers.**

**The motion was carried unanimously.**

**Ayes – 5 (Barajas, Trowbridge, Murphy, Trueba, Muniz)**  
**Noes - 0**

## **ITEM 6. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS**

There were no members of the public to address the Board.

## **ITEM 7. CORRESPONDENCE AND RELATED INFORMATION**

The first item under correspondence and related information was comments from Timothy Quinn, the executive ACWA on renewed push for statewide water tax. The next article is about the South Tahoe Public Utility District's Wastewater Treatment Operation. They are providing secondary effluent. They are making an impact to making a "0" emission. The final article is the Colorado River reservoirs are expected to be less than half full by September 30, 2018.

## **ITEM 8. MANAGER'S REPORT**

### **Operations Report:**

The vessels have been charged with carbon. Each vessel contains 20,000 lbs. to remove 1,2,3 TCP. We have taken samples. The good news is its zero, or non-detect in the samples submitted to the state or their permission to use it. We are waiting on them to give an affirmative response. They are reviewing the environmental documents that we filed. Similarly we are working with the property owner at the nitrate plant. That's a bigger treatment facility. We are going to need more vessels; consequently we are going to need more property. Steve is presently reaching out to the property owner for acquisition of property so we can start that project.

### **Emergency and Fire Report:**

The Incident Report for May 1 – May 31, 2018 there were a total of 255 calls, in comparison to the same period in 2017, there were a total of 289 calls. The year to date total is 1,358, compared to 1,345 in 2017.

## **ITEM 9. Consideration to Approve Resolution No. 2018-842, a Resolution Authorizing the Reapportionment of Certificates of Participation (COP's) Surplus Revenues for FY 2017-2018. DM 2018-41.**

### **BACKGROUND**

The attached resolution, Resolution No. 2018-842, is a follow-up administrative action item pursuant to the approved 2017-2018 budget. The adoption of Resolution No. 2018-842 will effectuate the transfer of \$500,000.00 from surplus COP funds to the General Fund Department as a transfer obligation for FY 2017-2018 year. As stated in the recitals, the COP fund has a balance of \$2,777,325.00 ending May 30, 2018. Less this General Fund transfer leaves a FYE balance of \$2,277,325.00.

Finally, this transfer was a part of the approved 2017-2018 RCSD budget.

Attached is Resolution No. 2018-842 presented for your review and consideration this afternoon.

**Director Barajas moved and Director Trowbridge seconded approval of Resolution No. 2018-842, a Resolution Authorizing the Reapportionment of Certificates of Participation (COP's) Surplus Revenues for FY 2017-2018 to the Rubidoux Community Services District Board of Directors.**

**Ayes – 5 (Trowbridge, Muniz, Murphy, Trueba, Barajas)**

**Noes – 0**

**Absent – 0**

**Motion passes unanimously.**

**ITEM 10. DM 2018-42. PUBLIC HEARING – Consideration to Adopt Ordinance No. 2018-123, an Ordinance Authorizing the Adjustment of Certain Water Rates for the Delivery of Potable Water to Residential, Commercial and Industrial Customers.**

### **BACKGROUND**

Pursuant to the Board of Directors' authorization and attached for your adoption is Water Rate Ordinance No. 2018-123 which increases potable water rates by 6.5%. More specifically, Staff made presentations to the Board regarding the necessity to increase water rates at your May 3<sup>rd</sup> and 17<sup>th</sup>, 2018, Budget Review Workshops meetings. The proposed increase for a typical household of four (4) consuming 19 units of water would see a \$2.61 increase per month.

Attached for the Board of Directors consideration is Draft Ordinance No. 2018-123 which increases operational component of the water charges by 6.5%. Before adoption of Ordinance No. 2018-123, the Board **must conduct a Public Hearing** to afford any interested and/or effected parties the opportunity to submit comments. As of the writing of this DM, there have been *NO Written Comments* submitted in opposition or in favor of proposed Potable Water increases. Adoption tonight of Ordinance No. 2018-123 will have a billing date of July 1, 2018.

**Director Murphy opened the Public Hearing. There were no comments from the public.**

**Director Murphy Closed the PUBLIC HEARING.**

**Director Muniz moved and Director Trueba seconded Adoption of Ordinance No. 2018-123 to the Rubidoux Community Services District Board of Directors. Ordinance No. 2018-123 has an effective date of July 1, 2018.**

**Ayes – 5 (Trowbridge, Muniz, Murphy, Trueba, Barajas)**

**Noes – 0**

**Absent – 0**

**Motion passes unanimously.**

**ITEM 11. Consideration to Approve FY 2018-2019 Budget Adjustments as Presented by Staff and Approved by the Board of Directors at the Rubidoux Community Services District Budget Review Workshops. DM 2018-43.**

Attached for the Board of Directors' consideration is the approval of adjustments to the 2018-2019 budgets for the Rubidoux Community Services District's (District) Operating and Capital Funds. Pursuant to the two Budget review sessions held this past May 3<sup>rd</sup> and 17<sup>th</sup>, 2018, adjustments to water, wastewater and trash collection services were effectuated by the adoption of Resolution and Ordinances. As the Board is aware, the 2018-2019 budget incorporates adjustments to all enterprise operations and services (Water, Wastewater and Solid Waste Collection and Disposal) pursuant to Prop. 218. While no one likes increases, the adjustments were necessary for the safe/reliable operations and continued maintenances of our three (3) utility services.

Additionally, in the General Fund we project a 1.0% increase to our secured property tax base. On a go forward basis, the real challenge is our Fire protection contract which generally increases annually in the range of 4-5%.

The Capital Improvement Budgets reflect the District's **Pay As You Go (PAYGO)** policy. And with all Capital Improvement projects proposed, District Staff always recommends a finance plan to pay for subject improvement(s) for Board authorization and approval. Going forward, efficiency of water usage and water conservation will continue to State's mandate.

Attached for the Board of Directors review is a clear draft budget that reflects the Adjustments discussed and presented to the Rubidoux Community Services District Board of Directors at the May 2018 Budget Review Workshops.

**Director Muniz moved and Director Trueba seconded adoption of the adjustments to 2018-2019 budgets to the Rubidoux Community Services Districts Board of Directors as presented.**

**Ayes – 5 (Barajas, Trowbridge, Murphy, Trueba, Muniz)**

**Noes – 0**

**The motion was carried unanimously.**

**ITEM 12. Consideration to Adopt Debt Management Policy for the Rubidoux Community services District. DM 2018-44.**

Attached for the Board of Directors consideration is a Debt Management Policy for the Rubidoux Community Services District to be incorporated into the District's Policy Manual. Such a debt policy was requested by the State of California as part of the State Grant/Loan Program(s) eligibility. The attached Debt Policy was reviewed by District Counsel, Mr. John R. Harper, and his comments are also attached. The enclosed Debt Management Policy was developed in accordance to Federal and State guidelines.

## **RECOMMENDATION**

Adoption of a Debt Management Policy is an administrative matter for the Board. Subject policy meets Federal and State debt Management Guidelines. As mentioned earlier, the debt policy has been reviewed by District Legal Counsel; consequently, Staff recommends adoption to the Rubidoux Community Services District Board of Directors.

**Director Trowbridge moved and Director Trueba seconded adopting a Debt Management Policy for the Rubidoux Community Services District.**

**The motion was carried unanimously.**

**Ayes – 5 (Barajas, Trowbridge, Murphy, Trueba, Muniz)  
Noes - 0**

## **ITEM 13. DM 2018-33. Receive and File Statement of Cash Asset Schedule Report Ending May 2018.**

### **BACKGROUND**

The year-to-date Interest ending May 31, 2018 is \$201,867.00 for District controlled accounts. With respect to District “Funds in Trust”, we show \$8,667.00 which has been earned and posted. The District has a combined YTD total of \$210,534.45 as of May 31, 2018.

With respect to the District’s Operating Funds (Excluding Operating Reserves), we show a balance of \$5,733,548.00 ending May 31, 2018. That is **\$762,476.00 MORE** than July 1, 2017, beginning balance of \$4,971,073.00.

The District’s Field/admin Fund continues to grow and current fund balance nears \$356,400.00.

Submitted for the board of directors consideration is the *May 2018, Statement of Cash Asset Schedule Report* for your review and acceptance this evening.

**Director Muniz moved and Director Trowbridge seconded to Receive and File the Statement of Cash for the Month of May 2018 for the Rubidoux Community Services District.**

**The motion was carried unanimously.**

**Ayes – 5 (Barajas, Trowbridge, Murphy, Trueba, Muniz)  
Noes - 0**

## **ITEM 14. Directors Comments – Non action.**

Director Murphy adjourned the June 21, 2018, Regular Board meeting at 4:42 pm.