

**RUBIDOUX COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

**MINUTES OF REGULAR MEETING
Thursday, March 6, 2025**

DIRECTORS PRESENT: Bernard Murphy
Hank Trueba, Jr.
John Skerbelis
Diana Leja
Leslie Altamirano

STAFF PRESENT: Brian Laddusaw, General Manager
Brandon Thomas, Assistant General Manager
Kirk Hamblin, Director of Finance and Administration
Martha Perez, Customer Service/Accounts Payable
Manager
Melissa Trujillo, HR Generalist/Safety and Facilities
Coordinator

VISITORS (SIGNED IN): Ross Leja, RCSD Resident
Dick Durant, RCSD Consultant
Jennifer Brooks, RCSD Consultant

ITEM 1. CALL TO ORDER

The meeting of the Board of Directors of the Rubidoux Community Services District by President Trueba, at 4:00 PM Thursday, March 6, 2025, in-person and by teleconferencing at the District's Administrative Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 2. PLEDGE OF ALLEGIANCE – General Manager

ITEM 3. ROLL CALL – General Manager

ITEM 4. PUBLIC COMMENTS

No public comments.

ITEM 5. CONSENT CALENDAR

- A. Approval of Minutes for February 20, 2025, Regular Meeting
- B. Consideration to Approve the March 6, 2025, Salaries, Expenses and Transfers

C. DM 2025-13: Receive and File Statement of Cash Asset Schedule Report Ending January 2025

ACTION:

Director Murphy moved, and Director Altamirano seconded to approve the Consent Calendar.

Roll call:

Ayes – 5 (Murphy, Trueba, Skerbelis, Leja, Altamirano)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried 5-0-0-0.

ITEM 6. CORRESPONDENCE AND RELATED INFORMATION

ITEM 7. REPORTS

A. Operations Report (Second Meeting Each Month)

B. Emergency and Incident Report (Second Meeting Each Month)

C. General Manager and Staff Reports / Updates

The Meet the Machines event is scheduled for Saturday, March 15th, from 9:00 AM to 1:00 PM at the Skyview Event Center, located at 5257 Wineville Ave., Jurupa Valley. The District will be participating in the event, and attendance is free.

The Mayor's Prayer Breakfast is upcoming. Traditionally, the District has received four free tickets. The event is scheduled for May 1, 2025. Director Murphy will not be attending the event, but Director Trueba will be receiving a ticket. Director Skerbelis will be using the RCSD ticket. If there are not enough available RCSD tickets, Directors Altamirano and Leja will purchase their own tickets.

The City of Jurupa Valley Public Works will be holding their Public Works Open House again this year, scheduled for May 9th. AGM Thomas shared that facility tours can be scheduled after March 17th. The Board would like to schedule the tour on Monday, March 24th, from 9:30 AM to 2:00 PM.

The Solid Waste Committee met in January and again on February 27th to discuss the Burrtec Contract. Director Murphy shared that there is one issue being discussed, and both he and Director Skerbelis would like to receive input from the Board. Director Murphy mentioned a proposal to collect items that do not normally go in the containers, including the option to dispose of household hazardous items. The City of Jurupa Valley has a drop-off date for

hazardous waste. Director Skerbelis would like Burrtec to pick up hazardous items, specifically motor oil. Director Altamirano suggested adding this to the bulky item pickup and inquired about how the City of Riverside offers one free drop-off at Agua Mansa once a month.

The RAC Committee is scheduled for Monday, March 10, 2025. Director Murphy will be in attendance. There are two items up for discussion: the audit of their books and the purchase of capital equipment. The City recently held a Public Safety Shutoff Meeting, where the direction to staff was to try to provide economic relief to residents affected by the power shutoff. Southern California Edison reported issues with the power. The next Interagency Meeting is scheduled for March 28th. Director Murphy would like to have fire personnel provide their input on the power safety shutoff.

Director Leja asked if there will be any changes to the Burrtec contract regarding SB998 and whether they are inspecting the bins. Martha confirmed that Burrtec is conducting inspections, but they are not issuing fines.

D. Committee Reports

A Regional Advisory Committee Meeting will be held on March 10th at 1:00 PM.

ITEM 8. ACTION/DISCUSSION ITEMS.

A. DM 2025-14: Discussion and Request for Board Input on the Rubidoux Community Services District Strategic Plan Development

BACKGROUND:

As part of the ongoing 5-Year Strategic Plan development and in accordance with DM 2025-11 (February 20, 2025), Board members were asked to provide responses to a series of engagement questions aimed at shaping the District's priorities, challenges, and long-term vision. This input will help guide the Strategic Plan's direction, ensuring alignment with the District's mission, values, and service objectives.

At this evening's Board meeting, members will have the opportunity to review, discuss, and further refine their input on the Strategic Plan. Dick Durant from Lillestrand Leadership Consulting, the District's consultant, will be in attendance to facilitate the discussion, capture key insights, and provide guidance on how Board feedback will be considered in the planning process.

Discussion

The discussion will focus on the key elements of the Strategic Plan, including:

- The Mission Statement and its role in defining the District's purpose.
- Top priorities for the District over the next five years.
- Challenges and risks that may impact operations, finances, and service delivery.
- Community outreach and education efforts, including how the District engages with residents.
- Public perception and branding, ensuring the District's reputation and facilities reflect its values.

- External factors that could influence the District’s future success.

The consultant will take notes and document the discussion to ensure all key points are considered. Following the Board discussion, staff will compile the feedback, review it in coordination with the consultant, and determine how best to integrate the insights into the Strategic Plan. While all feedback will be carefully reviewed, not all suggestions may be incorporated into the final plan.

Next Steps

After this meeting, staff and the consultant will refine the Strategic Plan based on Board input. A draft version will be developed and shared with the Board for review. The final Strategic Plan will be presented for formal adoption at a future Board meeting, anticipated in Spring 2025.

Staff appreciates the Board’s participation in this critical planning process and looks forward to a productive discussion.

COMMENT(S): GM Laddusaw introduced Dick Durant, a consultant assisting with the Strategic Plan. Director Altamirano provided her input, mentioning tree rebates similar to those offered by the City of Riverside. They provide tree rebates once a year and also offer vouchers for purchases. RCSD partnering with the City to help the community get to know RCSD. JUSD is working on a curriculum to teach children about the City.

Director Leja and Director Trueba attended the Health Jurupa Valley presentation. The differences between JCSD and RCSD were discussed, particularly the swag JCSD provides. GM Laddusaw agreed that we could continue to make improvements. JARPD shares cute videos, and she recommended continuing social media involvement.

Director Altamirano shared that when RCSD previously attended an event, one of our employees was very excited to work in the industry. She also asked if we are working on an app to ensure residents receive up-to-date information. The Director of Finance and Administration mentioned that the goal is to encourage residents to view the website.

Director Leja suggested that the bins should list the items that belong in them. Director Trueba shared that Burrtec offers compost classes, which could be a potential partnership opportunity for RCSD.

ACTION:

No formal action is required at this time.

B. DM 2025-15: Consider California Special District Association Board of Directors Election Call for Nomination, Seat B – Southern Network For Term 2026-2028

BACKGROUND:

Rubidoux Community Services District ("District") is a member of the California Special Districts Association ("CSDA"), a nonprofit organization founded in 1969 to promote good governance and enhance local services through professional development, advocacy, and other support for independent special districts.

CSDA represents over 1,000 special districts across California, including water, irrigation, fire protection, park and recreation, police, healthcare, and community services districts. The association provides education and training, legal and legislative advocacy, funding assistance, insurance programs, and essential industry information to support district management and operations.

The District recently received correspondence from CSDA announcing a call for nominations for the CSDA Board of Directors Seat B in the Southern Network. CSDA's governance structure consists of six regional networks, each with three board seats serving staggered three-year terms. The Southern Network's Seat B is up for election, currently held by Don Bartz, General Manager of Phelan Pinon Hills Community Services District. Mr. Bartz has declared his intention to seek re-election. The two other Southern Network representatives, Jo MacKenzie (Director, Vista Irrigation District) and Arlene Schafer (Director, Costa Mesa Sanitary District), are not up for re-election this cycle.

If any District Board Members are interested in seeking election for the Southern Network Seat B, the following timeline and actions are recommended:

➤ March 6, 2025 (tonight):

A. Discuss and determine if any Board Member is interested in being nominated for the CSDA Seat B – Southern Network.

B. If multiple Board Members express interest, select a preferred candidate.

C. Direct staff to prepare a resolution nominating the preferred candidate.

➤ March 20, 2025:

A. Consider and adopt the nomination resolution.

B. Allow the nominated candidate to complete the required candidate information sheet.

C. Direct staff to submit the nomination resolution and candidate information sheet to CSDA.

Commitment & Expectations

Board Members considering this opportunity should be aware of the following responsibilities:

- Attend approximately 4-5 CSDA Board meetings annually at CSDA's Sacramento office.
- Participate in at least one CSDA committee, which meets 3-5 times per year in Sacramento.
- Attend, at minimum, CSDA's Special Districts Legislative Days (spring) and CSDA Annual Conference (fall).
- Complete all four modules of CSDA's Special District Leadership Academy within two years of election.

Nomination & Election Timeline

- **April 11, 2025** – Deadline for CSDA to receive candidate nominations.
- **June 10 - July 25, 2025** – Voting period.
- **July 29, 2025** – Successful candidates notified.
- **August 2025** – New CSDA Board Members introduced at the CSDA Annual Conference in Monterey, CA.

Board Members should review the attached CSDA correspondence dated February 10, 2025, for additional details regarding the nomination process.

Budget Considerations

Serving on the CSDA Board requires travel to Sacramento and attendance at key CSDA events. CSDA reimburses Board Members for expenses related to attending Board and committee meetings. However, costs for CSDA’s Special Districts Legislative Days, Annual Conference, and Special District Leadership Academy are not reimbursed by CSDA and will result in out-of-pocket expenses for the District.

Estimated costs to the District:

- **When both major CSDA events are held in Northern California:** \$4,500 per year
- **When one major event is in Southern California:** \$3,700 per year
- **One-time cost for CSDA Special District Leadership Academy:** \$1,060

If a Director is nominated to the CSDA Board Southern Network Seat B, these expenses will be included in the FY 2025-2026 budget as the budget will be adopted before the successful candidate is notified.

ACTION:

Director Trueba moved, and Director Murphy seconded, to approve the General Manager preparing a nomination resolution for Director John Skerbelis' consideration at the March 20, 2025, Board meeting.

Roll call:

Ayes – 5 (Trueba, Murphy, Skerbelis, Leja, Altamirano)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried 5-0-0-0.

C. DM 2025-16: Consider Adopting Resolution No. 2025-924, A Resolution Rescinding Resolution No. 2022-897 and Adopting a Revised Policy on the Discontinuation of Residential Water Service Due to Non-Payment

BACKGROUND

California Senate Bill 998 (“SB 998”) mandates that public water systems serving more than 200 service connections have a written policy for discontinuation of residential water service due to non-payment. The policy must ensure customers are given at least 60 days’ notice before water service is discontinued. Additionally, SB 998 allows for alternative payment arrangements to prevent shutoffs.

Rubidoux Community Services District (“District”) initially adopted its Discontinuation of Residential Water Service for Non-Payment Policy (“Policy”) with Resolution No. 2019-859, effective February 1, 2020. However, enforcement was paused due to a COVID-19 moratorium from March 4, 2020, to December 31, 2021.

Following the end of the moratorium on January 1, 2022, the District resumed enforcement. In response to operational challenges and evolving industry standards, the Board adopted Resolution No. 2022-884 on February 3, 2022, and later Resolution No. 2022-897 in September 2022, which revised procedures for payment cutoffs and notices.

Under the current policy, the District manually hand-delivers the red Final Shut Off Notices (“red notices”) to customers facing potential water service discontinuation. This practice has revealed several operational challenges:

- The District hand-delivers approximately 500 red notices per month, requiring 165 staff hours monthly.
- Highly skilled utility staff must allocate multiple days each week to deliver notices, diverting them from core operational duties.
- The practice incurs substantial costs, including \$41.59 per hour in labor costs, \$4,000 annually in printing expenses, and additional expenses from vehicle wear and fuel.
- It is estimated that the District spends approximately \$10,000 per month on the hand-delivery of the red notices.
- Often, staff is required to deliver multiple red notices to the same property address due to the routine high wind events in the District constantly displacing the door hangers, resulting in additional staff time incurred.

Impact of District Growth

With the growth of the District, the number of red notices has increased significantly while staffing levels have remained the same.

- In 2023, the District delivered approximately 300 red notices per month.
- In 2025, this number increased to approximately 500 red notices per month, representing a 66% increase.

This increase in workload has placed additional strain on existing staff resources, impacting operational efficiency and employee productivity.

Safety Concerns

Additionally, employees have reported safety concerns while delivering red notices, including:

- Encounters with aggressive dogs and confrontations with unwell individuals.
- Two current employees were bitten by dogs, requiring medical attention and resulting in workers' compensation claims.

These safety incidents highlight the need for a more secure and efficient notification process while also maintaining compliance with SB 998.

Proposed Revision

To enhance employee safety, improve efficiency, reduce costs, and align with industry best practices, the District proposes modernizing its notification process for delinquent accounts by transitioning from hand-delivered red notices to a more streamlined approach:

- Customers will be notified via Certified Mail through a third-party provider, Infosend.
 - If the mail is returned, the District will attempt to contact the customer by phone.
 - If the customer cannot be reached by mail or phone, the District will hand-deliver the red notice. While rare, hand delivery will remain an option in exceptional cases, though this procedural change is expected to significantly reduce the need for it.
- Customers will be offered a one-time free reconnection for their first service shutoff, provided they update their contact information.

No other changes are being proposed to the existing Policy. For ease of review, a redline copy of the proposed changes is provided at Attachment 1.

Benefits of the Change

The proposed revisions are expected to:

- Improve safety by eliminating the need for employees to enter private properties.
- Significantly reduce operational costs associated with staff labor, printing, and vehicle expenses.
- Increase notification consistency and accuracy by utilizing automated systems.
- Maintain compliance with SB 998 while improving customer service.

Budget Considerations

As noted, the District currently spends approximately \$10,000 per month to prepare and hand-deliver red notices. This estimate includes customer service staff time for notice preparation, utility staff time for delivery, fuel expenses, and vehicle wear and tear.

Under the proposed changes, Final Shut-Off Notices will be sent via Certified Mail at an estimated cost of \$1 per notice (including production and postage), totaling approximately \$500 per month, depending on the number of notices mailed. Additional staff time may be required to address returned notices.

Overall, this transition is expected to save the District approximately \$9,000 per month while also allowing staff to focus on core operational responsibilities.

ACTION:

Director Skerbelis moved, and Director Altamirano seconded, the motion to approve adopting Resolution No. 2025-924, A Resolution Rescinding Resolution No. 2022-897, and adopting a revised policy on the discontinuation of residential water service due to non-payment.

Roll call:

Ayes – 4 (Trueba, Skerbelis, Leja, Altamirano)

Noes – 1 (Murphy)

Abstain – 0

Absent – 0

The motion was carried 4-1-0-0.

D. DM 2025-17: Consideration to Approve Amendment No. 2 to Development Agreement with EM Ranch, LLC for Future Well Sites and Leland Thompson Water Treatment Facility Expansion

BACKGROUND:

On March 30, 2023, the Rubidoux Community Services District ("District") executed a Development Agreement ("Agreement") with EM Ranch Owner, LLC ("Developer") for the 'District at Jurupa Valley' project ("Project")(Attachment 1). The Project, formerly known as 'Emerald Meadows,' is a roughly 247-acre mixed-use development comprising residential, commercial, hospitality, warehouse/industrial, and open space. The Agreement outlined terms for the acquisition of designated well sites ("Well-Site Properties") and additional land ("Subject Property") required for the District's groundwater expansion efforts.

On October 10, 2023, the District and Developer executed Amendment No. 1 to the Agreement, which introduced an optional cash purchase mechanism alongside Water Capacity Fee Credits for the acquisition of the properties (Attachment 2). This amendment provided the District with greater flexibility in property acquisition while facilitating critical infrastructure development, particularly the expansion of the Leland Thompson Water Treatment Facility ("Thompson Plant") to support future drinking water wells.

Discussion

As the Project has progressed, the District and Developer have engaged in further discussions regarding the valuation and acquisition process for the properties. In accordance with Section 4.02 of the Agreement, both parties conducted separate and independent appraisals. Once both appraisals were returned, the District and Developer elected to forego a third appraisal and instead met and conferred, reaching a final valuation amount. This final valuation amount (transaction price) was determined to be the halfway point between the difference of the two original appraisals. The District's appraiser recommended this approach as utilizing a third appraiser included the risk of potentially having to pay nearly \$400,000 more for the same properties.

To formalize these terms and refine the property transfer process, the District and Developer have prepared Amendment No. 2 to the Agreement ("Second Amendment")(Attachment 3). The Agreement was reviewed by the District's General Counsel who confirmed that the Second Amendment complies with applicable legal requirements and provides the District with clear acquisition terms.

Property Description

- Subject Property (1.35-acres)
 - Purpose: Expand Leland Thompson Water Treatment Facility for future demand
 - Expanded treatment capacity, operational flexibility
- Well-Sites Properties
 - Well 23 (0.2815-acres)
 - Well 24 (0.25-acres)
 - Purpose: Expanded drinking water supply
- Note: The acquisition and development of these properties are included in the District's 2022 Water Master Plan adopted by the Board of Directors on June 16, 2022, pursuant to DM 2022-55.
- Note: The District obtained a clean Preliminary Title Report and conducted a Phase I Environmental Site Assessment on all three properties which revealed no evidence of recognized environmental conditions, no controlled recognized environment conditions, no historical recognized environmental conditions, or significant data gaps in connection with the properties. Based on these results, a Phase II Environmental Site Assessment was not considered necessary.

Key Terms of Amendment No. 2

The Second Amendment includes the following provisions:

1. Final Transaction Price of Properties

- The mutually agreed purchase price for the properties is \$2,132,728, broken down as follows:
 - Lot 8 (Subject Property): \$1,385,075
 - Lot 17 (Well-Site Property-Well 23): \$381,120
 - Lot 18 (Well-Site Property-Well 24): \$366,533

2. Water Capacity Fee Credits for Purchase

- The District has elected to acquire the properties using Water Capacity Fee Credits, calculated at the current rate of \$6,800 per Equivalent Dwelling Unit ("EDU").
- Based on the assessed value, the District will provide 313.64 EDU Fee Credits in exchange for the properties.
- If the District's Water EDU fees change before the closing date of the property transactions, the valuation will be reassessed, and the EDU credits recalculated accordingly.

3. Execution of Purchase Agreements

- The District and Developer will enter into separate Purchase Agreements for the Subject Property and Well-Site Properties.
- The Purchase Agreement for the Subject Property will be executed within five (5) days of the recordation of the Final Map for the Project.
- The Purchase Agreement for the Well-Site Properties will be executed within five (5) days of Developer’s completion of the pipeline connecting the Thompson Plant to the Well-Site Properties. The District is preparing a separate reimbursement agreement with the same developer to compensate them for constructing the pipeline on the District’s behalf. This agreement will be presented for consideration at a future Board meeting.

4. Clarifications to Existing Agreement

- The Second Amendment confirms that all other terms and conditions of the Agreement, as previously amended, remain unchanged and in full force.
- Any future amendments or inconsistencies between the Agreement and the Second Amendment will be governed by the provisions of the Second Amendment.

Benefits to the District

- **Certainty in Property Valuation:** The final valuation ensures transparency and predictability in property acquisition.
- **Secured Water Supply Infrastructure:** The agreement supports the expansion of groundwater pumping and treatment capacity.
- **Maintained Financial Flexibility:** The use of Water Capacity Fee Credits allows the District to secure essential properties without immediate cash outlays.
- **Alignment with Grant Commitments:** The timely acquisition of the Subject Property supports the District’s obligations under the U.S. Bureau of Reclamation WaterSmart Drought Resiliency Program for Well 25.

Budget Considerations

The total acquisition cost for the properties is \$2,132,728, which will be paid through Water Capacity Fee Credits and will require no upfront cash. In addition to the purchase price, the District will be responsible for standard escrow transaction costs, including but not limited to title insurance, escrow fees, and recording fees. Staff estimates these additional costs to be approximately \$15,000 to \$25,000, depending on final closing expenses. Staff requests authorization of up to \$25,000 for necessary transaction costs. Included in the District’s FY 2024|2025 Water Capital Improvement Project (CIP) Budget is line 8 ‘District at JV Well Sites/LT Expansion’ for \$100,000, which is more than sufficient to cover the cost of this transaction.

ACTION:

Director Altamirano moved, and Director Leja seconded, the motion to approve Amendment No. 2 to the Development Agreement with EM Ranch Owner, LLC, and to authorize the General Manager to execute Amendment No. 2, the Purchase and Sale Agreement, and any related documents necessary to implement the terms of the Agreement. Additionally, the motion includes authorization for the General Manager to utilize up to \$25,000 of the District's FY 2024|2025 Water Capital Improvement Project Budget for necessary transaction costs.

Roll call:

Ayes – 5 (Murphy, Trueba, Skerbelis, Leja, Altamirano)

Noes – 0

Abstain – 0

Absent – 0

The motion was carried 5-0-0-0.

ITEM 9. DIRECTOR'S COMMENTS AND REQUESTS

Director Murphy commented on the front lawn at the Administration office. He would like an update in the next two meetings if the front lawn is still in the same condition. Director Altamirano thanked GM Brian and Melissa for assisting her during the career day she attended. Director Trueba commented that the addition of Director Leja and Director Altamirano has been a pleasure. Director Leja thanked GM Brian and AGM Brandon for the presentation at the Health Jurupa Valley presentation. Director Leja would like the front lawn to be documented with pictures and video. Director Skerbelis had no comments or requests.

ITEM 10. NEXT MEETING

Thursday, March 20, 2025, at 4:00 p.m.

ITEM 12. ADJOURNMENT

President Trueba adjourned the meeting at 5:16 P.M.