

MINUTES OF REGULAR MEETING
February 20, 2020
RUBIDOUX COMMUNITY SERVICES DISTRICT

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

DIRECTORS ABSENT:

STAFF PRESENT: Jeffrey Sims, Asst. General Manager/District Engineer
Brian Laddusaw, Director of Finance
Brian Jennings, Manager Budgeting & Accounting
Miguel Valdez – Operations Manager

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by President Muniz, at 4:00 P.M., Thursday, February 20, 2020, at the District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for February 20, 2020, Special Board Meeting.

Director Trueba moved and Director Skerbelis seconded to approve February 20, 2020 Regular Meeting Minutes.

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba)
Noes – 0
Abstain – 0

The motion was carried unanimously.

ITEM 5. Consideration to Approve the February 21, 2020 the Salaries, Expenses and Transfers.

Consideration to Approve the February 21, 2020 the Salaries, Expenses and Transfers.

Director Skerbelis moved and Director Trueba seconded to Approve the February 21, 2020 Salaries, Expenses and Transfers.

Ayes – 5 (Muniz, Murphy, Skerbelis, Trowbridge, Trueba,
Noes – 0
Abstain – 0

The motion was carried unanimously.

ITEM 6. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS

There was no one in the audience to address the board.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

There was no correspondence or related information to present.

ITEM 8. MANAGER'S REPORT

Operations Report:

Mr. Miguel Valdez gave the operations report as follows. This week continued the reservoir tank inspections. The reports will be received when all the tanks have been inspected. This is done for preventative maintenance, to check for the seismic condition, and corrosion. On the sewer side, we have continued the installation of 70 feet of sewer pipeline from Raye Street to Avalon for future expansion. The District is installing this early to have the pipeline installed prior to planned City of Jurupa Valley street resurfacing efforts. The continuing construction of the Jurupa Hills Lift Station is underway. It should be done in approximately three weeks. Interviews for the Cross-Connection Inspector will be happening soon.

Emergency and Fire Report:

Station 38 had a total of 247 calls. There was a Total of 256 calls within the RCSD. The difference being calls outside the District service area. Of those, 167 calls 65.2% were medical aides.

ITEM 9. Receive and File Statement of Cash Asset Report for all District Funds Ending January 2020. DM 2020-07.

BACKGROUND

Attached for the Board of Directors' consideration is the January 2020 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$313,480.84 for District controlled accounts. With respect to District "Funds in Trust", we show \$13,794.44 which has been earned and posted. The District has a combined YTD interest earned total of \$327,275.28 as of January 31, 2020.

With respect to the District's Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$7,393,054.24 ending January 31, 2020. That's **\$1,254,053.94 MORE** than July 1, 2019, beginning balance of \$6,139,000.30.

Further, the District's Field/Admin Fund current fund balance is \$542,657.92.

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

Director Murphy moved and Director Trowbridge seconded to Receive and File the Statement of Cash for the Month of January 2020 for the Rubidoux Community Services District.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 10. Reactivation Resolution No. 2020-860. DM 2020-08.

BACKGROUND

At the February 6, 2020 Board Meeting, staff presented a proposed Service Reactivation Policy. The proposed policy as explained in DM 2020-04 is summarized below:

1. Purpose of Service Reactivation Policy

- a. Establishes a consistent policy for reactivation of accounts inactive for more than one month
- b. Maintains equitable cost sharing of costs between District ratepayers
- c. maintains District revenues to cover ongoing fixed expenses

2. Elements of the Proposed Service Reactivation Policy

- a. The service reactivation policy applies to accounts inactive for more than one month
- b. Standby charges are to be paid for the duration the account was inactive up to thirty-six (36) months
- c. Standby charges shall be charged at the standby rates in place during the period the account was inactive

To codify the proposed Service Reactivation Policy a draft of Resolution No. 2020-860 was included with DM 2020-04. The Board was asked to review and provide staff with comments/edits to Resolution No. 2020-860 so a final draft could be considered for approval at February 20, 2020 Board Meeting.

Director Skerbelis moved and Director Murphy seconded to:

1) Approve Resolution No. 2020-860 – a Resolution of the Board of Directors of Rubidoux Community Services District Adopting a Policy on the Reactivation of Services;

2) Authorize the Board of Directors President to sign Resolution No. 2020-860.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 11. Hunter Zone Improvements Engineering Support. DM 2020-09.

BACKGROUND

The District has two main pressure zones serving its customers. The largest pressure zone is the Atkinson Pressure Zone with two storage tanks at the 1066' high water level ("HWL") elevation. Two pump stations move water out of the Atkinson Pressure Zone to the Hunter Pressure Zone with two storage tanks at 1238' HWL elevation. The Ridgeline Pressure Zone is a small hydro pneumatic pressure zone off the Hunter Pressure Zone.

Recently the Board of Directors approved hiring Harper and Associates to proceed with inspections of the District's four storage tanks. This effort will provide the District with a condition assessment for each tank identifying specific recommendations regarding coatings, structural integrity based on corrosion observations, and conformance with current seismic and safety regulations. The recommendations will identify costs for future tank rehabilitation/refurbishment projects.

It is anticipated some amount of work will be necessary for each tank. Of specific concern is the Hunter One Tank. Due to its age and known corrosion issues, a significant amount of work will likely be necessary. In addition, the current District Water System Master Plan calls for additional storage in the Hunter Pressure Zone to meet ultimate storage needs. Based on Harper & Associates recommendations for the Hunter One Tank, a decision will need to either refurbish the tank or tear it down and build a new larger replacement tank to accommodate ultimate storage requirements. In either case, refurbishment or replacement of the existing Hunter One Tank, the Hunter Pressure Zone will be reliant on one storage tank for several months.

As noted above, the Hunter Pressure Zone has two storage tanks – 1) 0.4 MG Hunter One Tank, and 2) 1.0 MG Perrone Tank. These two tanks are hydraulically connected by a distribution system. While the Hunter One tank is out of service, the entire Hunter Pressure Zone will rely on the Perrone Tank. Due to relatively small diameters of the existing distribution piping connecting the two tanks, staff is concerned inadequate pressures and flows will be experienced while supply is one directional from the Perrone Tank. To verify the existing hydraulic capability of the existing Hunter Pressure Zone and potential improvements that may be needed for adequate pressures and flows, staff has requested a proposal from Webb Associates to perform a hydraulic analysis. Once this work is completed, information will be used to make decisions on what, if any, pipelines are needed prior to the Hunter One Tank being taken out of service for refurbishment or replacement.

Webb's proposal for this work is \$17,020 with a schedule of 8-10 weeks. Since this effort may result in pipeline replacements, it is suggested funding be tracked under the District's Water Replacement Project Budget. The Approved District Budget for FY 2019-2020 and FY 2020-2021 does not include this project. To proceed the Board of Directors will need to consider approving a Budget Amendment moving reserves from the Water Fund to the Water Replacement Project Budget.

Director Murphy moved and Director Skerbelis seconded the Rubidoux Community Services District:

- 1) Amend the approved District Budget for FY 2019-2020 and FY 2020-2021 by allocating \$20,000 from Water Fund reserves to the Water Replacement Project Budget; and**
- 2) Enter a contract with Webb Associates in the amount of \$17,020 to perform hydraulic analyses for the Hunter Pressure Zone pursuant to the Webb Proposal dated January 21, 2020.**

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 12. Adjustments to FY 2019-2020 Salary Plan and Job Descriptions. DM 2020-10.

BACKGROUND

The District's Salary Plan identifies the various job classifications and number of authorized positions needed to carry out District functions. Salaries and employee benefit costs, based on the Salary Plan, are then included in the District Annual Budget.

Due to planned retirements there is an opportunity to modify the Salary Plan without impact (increase) to the approved District Budget. The changes proposed in the updated District Salary Plan are explained below:

1. **Change in General Manager Salary.** The current General Manager is retiring as of May 17, 2020. The Board has approved a three-year contract for the new General Manager position with a starting effective date of May 18, 2020. The new Salary Plan will reflect an annual flat rate salary of \$250,000, which is a \$17,280 reduction.
2. **Assistant General Manager (“AGM”) Position.** Currently, the Salary Plan carries one authorized position for the AGM position. The staff person currently in the AGM position will become the new General Manager on May 18, 2020. It is proposed the AGM position be left unfilled. In the new Salary Plan the AGM position is unfunded but remain as a job classification available for future funding and hiring when required. The current funding for the AGM position will be repurposed to hire a new Director of Engineering position.

3. **New Director of Engineering Position.** A new job description has been prepared. In the new Salary Plan, this position would have one authorized position using the unfilled AGM position. The maximum salary for the Director of Engineering is 16.7% lower than the AGM position. With the recent turnover in the General Manager position and potential that the new General Manager will not work beyond late 2023, early 2024, there is a need for succession planning. With addition of a Director of Engineering, the District would have multiple in-house leadership positions. These would be: Manager of Operations, Director of Finance, and Director of Engineering. These three positions involve work across all aspects of District activities, which may enable them to become viable candidates to move into the AGM position or General Manager position.

4. **Revised Engineering Assistant Job Description.** The current job description for the Engineering Assistant is focused on providing support for new development activity, managing various District CIP, and responding to technical customer service issues. The staff person currently filling this position has indicated their intention of retiring in July 2020. This retirement provides an opportunity to revise the Job Description and modify job duties. Modifications to this position include addition of Regulatory and Permitting Activities Associated with District Operations This modification is proposed to enable some of the regulatory support currently done by Operation Staff to be shifted allowing the Operation Staff more time to focus on operations and training of staff Some of the routine engineering duties currently being handled by the position would be shifted to consultants to allow time for regulatory and operational support functions. The Engineering Assistant would continue to be responsible for oversight of consultant work.

From a timing standpoint, staff would like to have both the Director of Engineering and Engineering Assistant hired in May, no later than beginning of June 2020. With this schedule there would be a month or so of overlap for the Engineering Assistant position allowing for some training to occur for a smooth transition. There would be no overlap for the Director of Engineering as that position would be filled at or just after the current General Manager (Appel) retires on May 17, 2020.

From a budget standpoint, these changes, combined with having the Backflow/Cross Connection Inspector unfilled since October 2019, result in net reduction in overall salary expense to the District of approximately \$50,000 through June 30, 2020.

In summary, these changes are intended to accomplish:

1. More succession planning for future leadership positions.
2. Shift duty responsibilities to create more training time availability in the Operation function.

Director Skerbelis moved and Director Murphy seconded to:

- 1) Approve retaining the Assistant General Manager job classification but changing the Salary Plan to reflect authorized positions from one to zero effective May 18, 2020;**
- 2) Addition of the Director of Engineering Job Description and changing the Salary Plan to reflect one authorized position effective May 18, 2020;**

3) Modification of the Engineering Assistant Job Description and approve an overlap for the position for up to two months to allow for training of essential job functions.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

Assistant General Manager, Jeff Sims added a note that he has a meeting with Chris Berch, General Manager of JCSD. He has been talking to him regarding the evaluation of water supply alternatives. Due to the total dissolved solids (“salt”) situation, they have been discussing a RO plant in the area treating the water to remove the salt and other contaminants. JCSD may be interested in potentially partnering if JCSD could get additional water supply on a consistent basis. He and Mr. Berch have drafted an MOU for a co-operative effort to look at water supply alternatives. JCSD is petitioning WMWD for support of potentially getting a connection from the lower feeder – which is Colorado River water. There is also a pipeline called the Etiwanda feeder, which is a state water project water. It is low salt, higher quality water, but would need to be treated as well. These are very large projects and would require work with both WMWD and JCSD.

Additionally, we found out the State Department of Drinking Water lowered the Response Limit for PFOA/PFOS compounds. There is a Notification Limit and a Response Limit. The former Response Limit was a combined 70 PPT (PFOA + PFOS), which we were well below. Now DDW has created separate Response Limits for PFOS/PFOA. The PFOS is 40 PPT, and the District is well below this. However, they have lowered the PFOA Response Limit to 10 PPT. All of the District’s wells are just above 10 PPT, which is a problem. The District will be getting a new Order from the Department of Drinking Water that will establish the sampling for PFOA/PFOS on a rolling four (4) quarter average. The Order has not yet been given, which means the District has approximately one year to implement a solution to have water delivered to customers below the new lowered Response Limits. This will cost the District millions of dollars this year to address with treatment. Treatment would include adding pressure vessels with resin or GAC similar to those that we have purchased in the past. We’ll probably have to use a combination of GAC and ion exchange treatment.

CLOSED EXECUTIVE SESSION – Pursuant to Government Code Section 54956.9: Legal Counsel Status on Litigation Case No. CIVDS 1310520, City of Riverside vs. Rubidoux Community Services District.

ITEM 14. Directors Comments.

Director Muniz adjourned the meeting at 5:18 pm.