

MINUTES OF REGULAR MEETING
December 3, 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 M & O

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

General Manager, Jeff Sims, requested the Board add an urgent Item 12 to the agenda. A recently received Union request to reopen negotiations to adjust healthcare coverage premium/benefits. It was discussed with the personnel committee earlier today. This will take a 4/5 vote to add the item to the agenda.

***Director Muniz made a motion and Director Trowbridge seconded the motion that the Board add agenda item Item 12, Union Request to Reopen Negotiations to Adjust Healthcare Coverage Premiums. DM 2020-89**

Roll call:

Ayes – 4 (Muniz, Skerbelis, Trowbridge, Trueba)

Noes – 1 (Murphy)

Abstain – 0

Absent – 0

The motion was carried 4-1.

ITEM 4. Consideration for the Annual Reorganization of the Rubidoux Community Services District Board of Directors.

Pursuant to the Uniform District Law Election Calendar, attached, provided by Riverside County Registrar Office it states – “Elective officers, elected or appointed, take office at noon on the first

Friday in December next following the general district election. Prior to taking office each elective officer shall take the official oath and execute any bond required by the principal act.” Although the 2020 Election results have not been certified by the County, Directors Muniz, Murphy, and Skerbelis received significantly more votes than the fourth candidate in their re-election effort to continue service as Board Members for the Rubidoux Community Services District (“District”).

Since 1991, the Rubidoux Community Services District Board of Directors have rotated the current vice-president into the president position for the upcoming calendar year. In December 2019, Armando Muniz was affirmed president for 2020 and John Skerbelis was voted vice-president. In keeping with Board practice, it is not time for John Skerbelis to become Board president for 2021. In keeping with past Board practice, John Skerbelis will rotate from Board Vice-President to Board President.

Procedurally Director Skerbelis now assumes the Board president position. Congratulations and thanks to Director Muniz for his leadership as Board President the past twelve months.

It is appropriate for President Skerbelis to conduct the balance of this meeting. The first item for the for the Board to consider is nominating and electing a Board Vice-President for calendar year 2021. The floor is now opened to accept nominations and vote.

Once the Board approves the Vice-President opposition, the General Manager/Board Secretary will conduct the oath of office for the re-elected Directors – Armando Muniz, Bernard Murphy, and John Skerbelis. Their new term starts December 4, 2020.

Director Murphy nominated Director Trowbridge and Director Trowbridge seconded the nomination for the vice-president position.

Ayes – 2 (Murphy, Trowbridge)

Noes – 3 (Muniz, Skerbelis, Trueba)

With a vote of 2-3 the Nomination Failed.

Director Skerbelis nominated Director Trueba and Director Murphy seconded the nomination for vice-president position.

Ayes – 4 (Muniz, Murphy, Skerbelis, Trueba)

Noes – 1 (Trowbridge)

The vote was 4-1 for Director Hank Trueba as the new vice-president.

ITEM 5. APPROVAL OF MINUTES

Approval of Minutes for November 19, 2020, Board Meeting.

Director Murphy had a comment on the Minutes regarding Item 13 regarding the motion: “All Persons Physically Attending Meetings of the Board of Directors Wear a Face Covering.” He stated the Minutes should also include: “by the most recently adopted/revised California Department of Public Health Face Covering guidelines” as indicated in Section 1 of the Resolution.

Director Skerbelis stated that this should be voted on at the following meeting, and it should be added to the agenda.

Director Murphy moved and Director Muniz seconded to defer the November 5, 2020 Regular Meeting Minutes until the December 17, 2020 Board Meeting.

Roll call:

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

Noes – 0

Abstain – 0

Away – 0

The motion was carried unanimously.

ITEM 6. Consideration to Approve the December 4, 2020 Salaries, Expenses and Transfers.

Consideration to Approve the December 4, 2020 Salaries, Expenses and Transfers.

Director Trowbridge moved, and Director Murphy seconded to Approve the December 4, 2020 Salaries, Expenses and Transfers.

Roll call:

Ayes – 4 (Murphy, Skerbelis, Trowbridge, Trueba)

Noes – 0

Abstain – 0

Absent – 1 (Muniz)

The motion was carried unanimously.

ITEM 7. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS

There were no members of the public at this time.

ITEM 8. CORRESPONDENCE AND RELATED INFORMATION

There was nothing to offer at this time.

ITEM 9. MANAGER'S REPORT

Operations Report:

Mr. Sims reported there was a fire adjacent the nitrate plant. A PowerPoint presentation was shown with pictures of the fire between the Anita B. Smith Plant and the mulch facility behind it. The outcome was no damage to the facility and all systems are a go.

Emergency and Fire Report:

Presented at the second Board meeting of the month.

ITEM 10. Consider Award of Well 18 Rehabilitation Contract. DM 2020-87.

BACKGROUND

As the Board may recall, Well 18 has been out of service for some time due to fouling of the well casing from Manganese and Calcium deposits. Over the last year, Rubidoux Community Services District (“District”) staff has been working with consultants on a plan to rehabilitate the well, which is relatively new having been drilled in October 2006. This well is located at the Leland Thompson Water Treatment Plant (“Plant”). At the Plant Well 17 had been drilled in March 2000. Both Well 17 and Well 18 began having production degradation with Well 17 having the most significant loss of production. Efforts to rehabilitate Well 17 were made, but through rehabilitation efforts the casing and gravel pack were damaged. Well 17 was taken out of service and the pump and motor were repurposed for new Well 1A. Recently Well 17 was destroyed and capped.

Using experience from Well 17, District staff took a cautious approach in developing a rehabilitation plan for Well 18. The Board has approved three efforts related to Well 18 rehabilitation. These are listed below:

DM 2019-49 (September 19, 2019): Approval of a \$24,800 effort with Krieger and Stewart (“K&S”) and their sub-consultant Water Systems Engineering (“WSE”) to review historical efforts on Well 17, water chemistry and biology of Well 17 and Well 18, and video imagery of the casing. WSE and K&S developed recommended rehabilitation methodology and an ongoing maintenance strategy for Well 18.

DM 2020-16 (March 19, 2020): Approval of a \$21,800 effort with K&S to prepare bidding documents and provide bid review for Well 18 rehabilitation.

DM 2020-67 (September 17, 2020): Approval of a \$59,316 effort with K&S to provide construction oversight and construction management during Well 18 rehabilitation.

It is necessary to complete the rehabilitation of Well 18 before the start of the upcoming Ion Exchange (“IX”) OPFAS Water Treatment Project. The IX Project is currently out to bid with an expected bid opening date of December 18, 2020. The goal is to have Well 18 rehabilitation work prior to the IX Project construction starting so there is no delays.

Part of the Well 18 rehabilitation work will necessitate discharge of process water. Staff has worked with the property owners of property directly north of the Plants location to have access and discharge rights of water on their property. An Agreement has been developed allowing process water during the rehabilitation to be released in a controlled manner. The plan is to lay temporary above ground piping and sprinkle the process water to avoid erosion. Water discharged will percolate back into the ground. The property owners have requested the District indemnify them from any damages, which is reasonable. As part of this Board Action, staff is requesting the Board to authorize the General Manager or designee to sign the attached Agreement entitled - “Well 18 Rehabilitation Project License to Access and Discharge.”

The District advertised for bids to do this work and received two bids on November 24, 2020. These bids were reviewed by Krieger and Stewart on behalf of the District. It has been determined the lowest qualified bid has been received by Best Drilling and Pump, Incorporated (“Best”) in the amount of \$117,969.00.

Combining prior funding approvals, the total authorizations to date for Well 18 Rehabilitation is \$105,916. With the construction low bid (\$117,969) plus a 20% contingency, an additional \$143,564 will need to be authorized and will require a budget amendment. The total project cost is estimated to be \$249,480.

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

- 1. Amend the FY 2020-2021 Budget to move \$143,564 from Water Fund Reserves to the Water Replacement Fund to bring total funding for Well 18 Rehabilitation to \$249,480.**
- 2. Approve a contract in the amount of \$117,969 to Best for the required refurbishment of Well 18 per the attached proposal and Recommendation of Award Letter from Krieger and Stewart.**
- 3. Sign the License Agreement entitled – “Well 18 Rehabilitation Project License to Access and Discharge”.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 11. Consider Approving and Executing Agreements with Union Pacific Railroad Company for Water and Sewer Pipelines Servicing the Agua Mansa Commerce Center. DM 2020-88.

BACKGROUND

The Developer of Agua Mansa Commerce Center (“Developer”) needs to connect to water and sewer pipelines owned by Rubidoux Community Services District (“District”) for service to its’ project. The Developer’s engineering team developed conceptual alignments and determined the most direct route is under the Union Pacific Railroad & UPRR) Rights of Way. These alignments have been reviewed by District staff for acceptability. The Developer is building these pipelines at its’ sole expense and after acceptance by the District, the facilities will become a part of the District’s system. Once owned by the District, the District accepts responsibility for ongoing operation, maintenance, repair, and if necessary, replacement. Given this ongoing responsibility the District requires certainty of access to the facilities.

For access to own, operate, maintain, repair, and replace facilities within UPRR right of way, the District needs a License Agreement from UPRR for those portions of the facilities within UPRR right of way. On behalf of the District, the Developer has worked with UPRR to secure the necessary Licenses in favor of the District from UPRR for the sewer and water facilities crossing UPRR right of way.

The Licenses have been prepared by UPRR and sent to the District for review by staff and District Counsel. Both staff and District Counsel find the two licenses acceptable.

All costs associated with obtaining this License Agreement and associated UPRR inspection and signaling costs will be borne by the Developer but as the Provider of the Public Utilities, the District needs to execute the License Agreement(s) and is required to obtain an Insurance Liability Policy Rider for the duration of this work.

Director Muniz moved, and Director Trueba seconded the Board of Directors:

- 1. Find in its sole discretion License Agreement is acceptable.**
- 2. Authorize the General Manager or designee to sign the License.**
- 3. Add UPRR as “Also Insured” to District Insurance Coverages for the duration of the work.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 12. Union Request to Reopen Negotiations to Adjust Healthcare Coverage Premiums. DM 2020-89.

On November 19, 2020, District management received an email from the RCSD employees Union Representative, Jennifer Grondahl, asking the District to reopen the MOU to negotiate an adjustment to the healthcare coverage benefit provided by the District. The current MOU authorizes a re-opener for this very purpose. A copy of the email is attached for your reference.

Currently, the District contributes a \$1,858/month benefit for each full-time equivalent (FTE) employee of the District for healthcare and dental coverage. The \$1,858/month benefit covers the cost of the Kaiser (health) and Delta Dental (dental) family plans with no “out-of-pocket” expense for the employee. Approximately 80% of District employees utilize Kaiser as their healthcare provider.

As in prior years there is an increase in insurance coverage. The cost increase is \$19/month per employee to cover the Kaiser and Delta Dental for family coverage. The Union requests the District

consider picking up this added \$19/month bringing the total monthly contribution for health and dental insurance coverage benefits to \$1,877/month. Without adjusting the District contribution, employees would absorb this increase.

There are currently 21 employees who have healthcare coverage under the District's plan. Should the Board vote to increase the amount, it would equate to approximately \$4,700 in additional healthcare costs to the District for calendar year 2021.

As you may recall at the regularly scheduled June 18, 2020 Board of Directors meeting, DM 2020-44 was presented to the Board which related to the annual Cost of Living Adjustment (COLA) made to all employees salaries consistent with language in the MOU. Current MOU language states the annual COLA adjustment is based on the CPI published by the U.S. Bureau of Labor Statistics using the month of April. Since CPI statistics are not published for April, the District has historically taken an average of the CPI's for March and May to arrive at the annual COLA to be made effective July 1 each year. For this year that average calculated to 1.9%.

Given the significant impact COVID-19 had on the CPI during the months of March and May, management staff did a calculation included the preceding January (non-COVID affected month) statistic into the calculated average. Using this approach, the COLA calculated to 2.4%, a difference of 0.5%. Staff presented both COLA calculations to the Board and the Board supported and approved using the three-month average giving staff a 2.4% COLA effective July 1, 2020. The annual additional base salary cost to the District from the 0.5% COLA increase for its union employees is approximately \$5,500.

The per employee salary increase from adjusting the 1.9% COLA to 2.4% COLA exceeds the increase amount noted for 2021 by roughly \$10/month. Also, by utilizing a COLA rate of 2.4% (rather than 1.9%), the employees get the benefit of a higher base pay that goes into determining their retirement benefits through CalPERS. CalPERS retirement benefits are based on the number of years of service times the formula factor of the employee. The formula factor is a function of whether the employee is for CalPERS purposes a "Classic Member" or PEPRA Member." Any increases in base pay such as COLA increases compound year-over-year with future merit and COLA adjustments, which benefit the employee while active or retired.

The current MOU expires June 30, 2021. Given the anticipated increases in healthcare coverages, it seems prudent for the District and Union to discuss healthcare contribution benefits in a comprehensive manner over the next six months.

The General Manager brought this before the Personnel Committee to consider supporting this request by the Union. Both members of the Personnel Committee supported the increase and to bring the item to the full Board for consideration.

Director Muniz moved, and Director Trueba seconded the Board of Directors approve the increase of the District's monthly contribution for all FTE employees for their health and dental coverage premiums will increase from \$1,858 to \$1,877 effective January 1, 2021.

Roll call:

Ayes – 4 (Muniz, Skerbelis, Trowbridge, Trueba)

Noes – 1 (Murphy)

Abstain – 0

Absent – 0

The motion was carried 4-1.

ITEM 12. Closed Session – NONE at this time

ITEM 13. Directors Comments

Director Murphy stated he attended the interagency council meeting on November 20, 2020. He noted that when the Fire Personnel was making their report, he was talking about going by businesses and making sure they were in compliance with the requirements businesses needed to meet fire prevention. He would like to know from the Fire Department what is being done by Fire Prevention to reduce the probability of damage to structures from wildfires in the influence area of the Rubidoux Community Services District. (primarily county owned property)

Director Skerbelis adjourned the meeting at 4:54 PM.