

**MINUTES OF REGULAR MEETING**  
**October 15, 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 Operations/Facilities Manager

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, October 15, 2020, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

**Memorandum**

**Urgency Item – Add After Agenda was Posted**

General Manager Jeff Sims addressed the Board with the following:

Attached to this memorandum is **DM 2020-75** – Consider LAFCO Alternate Special District Member Ballot.

This memo was written a few weeks ago but was inadvertently left off of the Agenda posted for the October 15, 2020 Board Meeting. Given the ballot needs to be returned to LAFCO on or before 5:00 PM October 28, 2020, and the next regularly scheduled meeting is November 5, 2020 there is urgency for the Board to consider adding this item to the agenda for the October 15, 2020 Board Meeting.

To add this item, the Board will need to make a motion and second to add:

**Consider LAFCO Alternate Special District Member Ballot: DM 2020-75.**

Approval will need to be by 4/5's approval.

**Director Trueba moved and Director Skerbelis seconded to add Agenda Item 14, Consider LAFCO Alternate Special District Member Ballot.**

**Roll call:**

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

**Noes – 1 (Murphy)**

**Abstain – 0**

**Away – 0**

**The motion carried 4-1.**

#### **ITEM 4. APPROVAL OF MINUTES**

Approval of Minutes for October 1, 2020, Board Meeting.

**Director Muniz moved and Director Trueba seconded to approve the October 1, 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 A) Ratify October 2, 2020, Salary and Separation Pay and B) Approve the October 16, 2020 Salaries, Expenses and Transfers.**

Consideration to Ratify October 2, 2020, Salary and Separation Pay and to secondly Approve the October 2, 2020 Salaries, Expenses and Transfers.

**Director Muniz moved and Director Murphy seconded to A) Ratify the October 2, 2020, Salary and Separation Pay; and B) Approve the October 16, 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**

General Manager played/shared with the Board and those on the Zoom call the recent video about the District. This video was submitted to the City of Jurupa Valley and presented at a virtual state of the city event. Directors Trueba and Skerbelis helped with the video, as well as J.P.W. Communications who helped put it all together.

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

### **Operations Report:**

Miguel Valdez, Manager of Maintenance and Operations reported on the month of September for water and wastewater production. There was an average of 5.25 MG of potable water use, and 1.73 MG of wastewater sent to the Riverside Treatment Plant.

Staff and two RCSD Board Members on Wednesday, October 14, 2020 met with Rod Butler and George Wentz the City Manager and Assistant City Manager regarding the County Fleet Building.

Ted Beckwith, District Director of Engineering, discussed architectural services of Ruhnau Clarke to prepare a facility needs analysis that includes the options of the County Fleet Services Building, or whether we remodel/build new on the existing site of RCSD. The city has accelerated the time frame for decision-making on purchase of the County Fleet Building. They want to make an offer to the County to purchase the building by mid-December. To meet this accelerated timeline, staff issued a Purchase Order to Ruhnau Clarke and will seek Board ratification at the November 5, 2020 Board Meeting.

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

Incidents Reported for the month of September 2020 for Station 38 was a total of 240 calls. Of those 172 calls, 68.3% were medical aides. Additionally, there was a report for the City of Jurupa Valley. For the city, there was a total of 252 calls.

## **ITEM 9. Receive, File and Move to Issue Rubidoux Community Services District Draft Financial Statements for Fiscal Year Ending June 30, 2020. DM 2020-70.**

### **BACKGROUND**

On October 1, 2020, during the previously held Rubidoux Community Services District (District) Board of Directors meeting, the Board was presented with the District's draft financial statements for the fiscal year ending June 30, 2020. The financial statements were prepared by the CPA firm of Rogers, Anderson, Malody and Scot (RAMS). The financial statements include RAMS independent auditor's report and contains management's discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required

supplementary information, other information, and the independent auditor's report on internal control.

The purpose of providing the draft financial statements during the first meeting of the month was to allow ample time for all Director's to review and provide comments back to staff. All comments staff received from the Directors were considered and discussed with our auditors and implemented as allowed under U.S. generally accepted accounting principles (GAAP). Attached to DM 2020-70 is the final draft version of the District's financial statements for the Directors to receive, file and move to issuance.

Scott Manno, RAMS Partner in-Charge of overseeing the audit, joined the ZOOM call to go through the report and answer any questions from the Directors.

**Director Muniz made the motion and Director Trowbridge seconded the acceptance of the work by RAMS to receive, file and move to issue the Rubidoux Community Services District Board of Directors draft financial statements for FY ending June 30, 2020.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 10. Receive and File Statement of Cash Asset Report for all District Funds Ending September 2020. DM 2020-71.**

Attached for the Board of Directors' consideration is the September 2020 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$62,705.43 for District controlled accounts. With respect to District "Funds in Trust", we show \$2,668.78 which has been earned and posted. The District has a combined YTD interest earned total of \$65,374.21 as of September 30, 2020.

The District's Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$6,989,658.51 ending September 30, 2020. That's **\$118,931.56 MORE** than July 1, 2020, beginning balance of \$6,871,163.62.

Further, the District's Field/Admin Fund current fund balance is \$613,059.02.

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

**Director Trueba moved and Director Trowbridge seconded to Receive and File the Statement of Cash for the Month of September 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 11. Consider Award of Contract to JL Biber Construction for Removal and Replacement of the Field Office Roof and Other Minor Maintenance Items. DM 2020-72.**

**BACKGROUND**

As you may recall the roof of the District’s Field Office when it rains and is in need of replacement. Additionally, the leaks in the roof caused damage to a portion of the ceiling, loosening of two light fixtures, and damage to a portion of one of the walls. Several sections of fascia board have been damaged either by water or by placement of District materials on storage racks adjacent to the building. The paint on the balance of the fascia board is weathered and checked and in need of repainting. The proposal includes:

- A. Remove existing roofing material and install new; repair roof diaphragm as needed.
- B. Replace fascia boards as needed and all fascia board to be primed and painted to match the existing color.
- C. Removal of an unused HVAC platform on the roof.
- D. Repair of the ceiling damage and wall damage along with painting these items to match the existing color.
- E. Re-installing the light fixtures that became loose and needed to be removed for safety.

Four bids were received with only two meeting the prevailing wage requirements. The two bids not including prevailing wages were considered non-responsive after providing those contractors an opportunity to re-bid the work with increase for prevailing wage. The bid considered responsive, responsible and best qualified was submitted from JL Biber Construction in the amount of \$30,462.00, bid attached.

The amount of \$30,462.00 is considered a repair and maintenance cost for the Field Office and will be paid out of the Water Fund Budget as normal operating expense. These funds were appropriated for this use in the 2019-2020 Water Fund Budget and currently available. Modified staff work schedules in response to COVID mitigation and priority effort on addressing implications of lowered PFAS limits slowed progress on this project. However, given the calendar is moving towards the rainy season, getting the roof replaced is important to avoid future damage to the Operations Building.

**Director Murphy moved and Director Trueba seconded the Board of Directors authorize the General Manager to Approve a contract in the amount of \$30,462.00 to JL Biber Construction for the replacement of the Field Office roof and general repairs associated with water leaks in the roof in accordance with the Proposal dated September 28, 2020.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Away – 1 (Muniz)**

**The motion carried 4-1.**

**ITEM 12. Consider Change Order to Evoqua Water Technologies. DM 2020-73.**

**BACKGROUND**

Since late last calendar year Rubidoux Community Services District (“District”) staff have been working on adding treatment systems to its potable wells to be able to comply with lowered PFAS contaminant limits established by the State Water Resources Control Board Division of Drinking Water (“DDW”). All District potable water wells are impacted by the lowered limits for PFOA and PFOS and pursuant to an Order issued by DDW to the District, the District is mandated to take quarterly samples and report the annual average of the quarterly samples. Sampling starts 4<sup>th</sup> Quarter 2020. The annual average for PFOA and PFOS will be reported 4<sup>th</sup> Quarter 2021. Given the current levels of PFOA and PFOS in the wells without treatment, the District will need a minimum of one-quarter of non-detect sampling to have the annual average at or below the lowered DDW limits.

Staff hired Hazen and Sawyer Engineers (“Hazen”) to provide recommendations and design to remove PFAS contaminants in Wells 1A, 8 and 18. The recommended treatment system is an ion exchange (“IX”) system comprised of three trains of pressure vessels configured in series (lead-lag) filled with resin. Due to the District’s existing relationship with Evoqua Water Technologies (“Evoqua”) from first renting and then purchasing a treatment system for removal of 1,2,3-TCP at Well 2, staff engaged Evoqua on discussions regarding the needed IX system for Wells 1A, 8, and 18. Evoqua indicated they had a one year old system matching the Hazen recommended IX system requirements which could be refurbished to new condition, cost less than new, and be available for delivery sooner than a new system.

The Evoqua specifications for the refurbished system were reviewed by District staff and Hazen and based on that review staff finalized a purchase price with Evoqua for the refurbished system. The total price with tax, delivery from Red Bluff, CA, and three days of Evoqua staff for startup was \$826,629. This expenditure was approved by the Board of Directors on June 18, 2020. Delivery of the system was planned for early April 2021 after site work including pipe installation and foundation construction was complete.

Unfortunately, Hazen subsequently determined the 125 pounds per square inch (“psi”) pressure rating of the purchased system is too low. To accommodate the pressure needed to pump the water through the system and reach the high-water level of the 1066’ Pressure Zone the system needs to be rated at 175 psi. It was confirmed the purchased 125 psi system could not be retrofitted to be re-rated to 175 psi.

Staff contacted Evoqua to discuss options to address this situation. Evoqua has provided costing for the needed system rated at 175 psi, which will be new and delivered from its production factory

in Thomasville, GA. To provide the District with some assurance pricing for the new higher rated pressure vessels would be competitive, Evoqua provided results from a competitive bid they submitted to Santa Clarity Valley Water Agency in early September 2020 for the same 175 psi system the District needs. As a note Evoqua was the lowest competitive bid. The table below shows the comparison of unit costs per system without tax and delivery:

	<u>System</u>	<u>Cost/System</u>
RCSD Purchased	125 psi	\$249,717.00
RCSD Change Order	175 psi	<u>\$354,791.00</u>
Increase per system		<u>\$105,074.00</u>
Santa Clarity Valley	175 psi	\$385,660.00
RCSD C.O. to Santa Clarita Valley		\$ (30,869.00)

As can be seen in the above table, one new 175 psi system is \$105,074 more than one purchased refurbished 125 psi system. When compared to the Clarita pricing, Evoqua is providing the District a unit cost of \$30,869 less. It is likely the lower unit cost provide to the District reflects some discount due to the District needing three systems. Evoqua has agreed to credit 100% of the original costs agreed upon for the refurbished 125 psi system. This is \$826,629.

The total cost for three 175 psi systems with tax, delivery and 3 days of Evoqua staff is \$1,282,074, an additional \$455,445. Of this amount, approximately \$110,000 is attributed to increased delivery charges. Delivery costs are a function of added weight and distance. As noted earlier the 175 psi vessels are built with thicker steel resulting in trucking one vessel per truck rather than two vessels per truck with 125 psi vessels.

Although this added \$455,445 cost was unanticipated, the revised estimated project cost for the IX Treatment System Project of around \$4.5 million remains below the original project cost of \$5.1 million estimated by Hazen in their Basis of Design Memorandum.

With the help of Blais and Associates, the District submitted a grant application to the United States Bureau of Reclamation seeking a \$1 million grant to offset some of the costs for the PFAS Treatment System. This application was submitted a couple of months ago and results are anticipated in early 2021.

To fund this \$455,445 change order to Evoqua, a budget amendment is required. To proceed a budget amendment of the approved District FY 2020-2021 Budget is necessary by moving \$455,445 from District Reserves to the Water Capital Improvement Project (CIP) Budget.

**Director Murphy moved and Director Trueba seconded the Board of Directors authorize the General Manager:**

- 1. Amend the approved District FY 2020-2021 Budget by moving \$455,445 from District Reserves to the Water Capital Improvement Project (CIP) Budget.**
- 2. Execute Evoqua Project Change Order for Quotation #2004-230 / rev 3 dated October 6, 2020 bringing the total contract amount with Evoqua to \$1,282,074.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 13. Consider Task Order No. 3 with Blais and Associates. DM 2020-74.**

**BACKGROUND**

Blais and Associates is a consulting firm with expertise in helping agencies submit grant and loan applications made available through various local, state, and federal programs. Recently Blais prepared a grant application for Rubidoux Community Services District (“District”) seeking \$1 million through the United States Bureau of Reclamation. This grant if secured will be used to cover some of the expenses associated with addition of ion exchange treatment for Wells 1A, 8, and 18 to remove PFAS contaminants. Awards are expected to be announced first quarter 2021. The District expended approximately \$5,000 with Blais for that application.

As the Board may recall the four District potable water tanks were recently inspected by Harper and Associates. Due to the age of the tanks, the tanks do not meet current seismic standards. In addition, there are corrosion concerns due to poor condition of the interior and exterior coatings. Retrofitting to bring the District’s four tanks to current seismic standards and refurbishing efforts – recoating in and out and correcting corrosion damage, will cost significant funds.

California Office of Emergency Services (“Cal OES”) has funding through its Hazard Mitigation Grant Program (“HMGP”) to assist agencies with cost to mitigate potential hazards prior to an emergency occurring. Retrofitting tanks to meet seismic requirements appears to be an eligible activity under the Cal OES HMGP. Staff has discussed this with Blais, and Blais has provided a Grant Development Quote, attached, to prepare a Notice of Intent (“NOI”) for the District to submit to Cal OES. If Cal OES finds the NOI meets eligibility for the HMGP, the District will be notified to take the next step and prepare a full application for grant funding. Although priority may be given to northern California applicants to mitigate fire hazards, staff recommends submitting an NOI for the District’s tank retrofit and refurbishment costs. The cost for Blais to prepare the NOI is \$3,990 and will be charged on a time and material basis. Although being awarded a grant is an uncertainty, the expenditure to prepare an application is minimal as compared to the value if successful.

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

- 1. Amend the FY 2020-2021 District Budget to move \$3,990 from District Reserves to the Water Capital Improvement Project (CIP) Budget.**
- 2. Execute a Task Order with Blais and Associates in the amount of \$3,990 to prepare a Notice of Intent to apply for a grant under Cal OES HMGP.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

#### **ITEM 14. Consider LAFCO Alternate Special District Member Ballot. DM 2020-75.**

##### **BACKGROUND**

The Board of Directors of Rubidoux Community Services District (“District”) at its August 20, 2020 Board Meeting nominated Director John Skerbelis to be placed on the LAFCO ballot for Alternate Special District Member (Riverside County). A copy of the Nomination form sent to LAFCO on August 26, 2020 signed by Board President Muniz is included as Attachment 1.

Staff received on September 28, 2020 “2020 Ballot Instructions for an Alternate Special District Member (Riverside County) of the Riverside Local Formation Commission”, Attachment 2. The instructions include a ballot form reflecting 9 candidates for the Alternate Special District Member. Director Skerbelis is on the ballot as a candidate.

Per the instructions, the candidates are to be ranked from “1” to “9” in order of preference for the position, with “1” being the first preference and so on. There are 55 independent districts eligible to vote and to reach a quorum, 28 ballots need to be submitted no later than 5:00 PM on Wednesday, October 28, 2020. LAFCO uses an Instant Runoff Voting Election Process (included with the instructions) to determine the winning candidate if there is no first-choice candidate receiving a majority of the vote. Given the use of this process, it is important the Board submits its preferences of the 9 candidates.

Based on Director Skerbelis’ interest and past support from the Board, it’s suggested the Board select Director as its first preference. In prior balloting, our Board supported Steven Pastor and Debra Canero. Staff is seeking direction from the Board on the preference ranking. Once the ballot ranking preference is completed and signed by Director Muniz, staff will forward the District’s ballot to LAFCO.

**Director Trueba moved and Director Skerbelis seconded to add Agenda Item 14, Consider LAFCO Alternate Special District Member Ballot.**

**Roll call:**

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

**Noes – 1 (Murphy)**

**Abstain – 0**

**Away – 0**

**The motion carried 4-1.**

**ITEM 15. Closed Session - None**

**ITEM 16. Directors Comments**

Director Murphy commended staff on the superb IT technologies during the pandemic.

Mr. Sims informed the Board all field staff are back to an unmodified schedule, which began after Labor Day. Management has continued to work unmodified schedule. The front counter will be opened to customers starting November 2. The three (3) customer service representatives remain on a modified work schedule (5 – 8 hour days, with alternating weeks in-person). The District now has the ability with its new phone system to transfer customer calls directly to CSR home phones. Additionally, with the new phone system, it is observed many customers are choosing to pay their bill without speaking to a customer service representative. Management has developed work for the CSR's to do at home when working remotely.

Director Murphy adjourned the meeting at 5:17 PM.