

MINUTES OF REGULAR MEETING
August 5, 2021
RUBIDOUX COMMUNITY SERVICES DISTRICT

DIRECTORS PRESENT: John Skerbelis
Armando Muniz
Bernard Murphy
F.Forest Trowbridge

DIRECTORS ABSENT: Hank Trueba, Jr.

STAFF PRESENT: Jeffrey Sims, General Manager
Brian Laddusaw, Director of Finance
Ted Beckwith, District Engineer
Brian Jennings, Customer Service Manager
Miguel Valdez, Operations Manager

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by President Skerbelis, at 4:00 P.M., Thursday, August 5, 2021, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for July 15, 2021, Board Meeting.

Director Murphy moved, and Director Skerbelis seconded to approve the July 15, 2021, Regular Board Minutes.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 1 (Trueba)

The motion was carried unanimously.

ITEM 5. Consideration to Approve the August 6, 2021, Salaries, Expenses and Transfers.

Consideration to Approve the August 6, 2021, Salaries, Expenses and Transfers.

Director Murphy moved, and Director Skerbelis seconded to Approve the August 6, 2021, Salaries, Expenses and Transfers.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 1 (Trueba)

The motion was carried unanimously.

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

There was no correspondence or related information to offer.

ITEM 8. MANAGER’S REPORT

Operations Report:

Presented at the second Board meeting of the month.

Emergency and Fire Report:

ITEM 9. Consider Resolution No. 2021-880, a Resolution Rescinding Resolution No. 2018-840. DM 2021-50.

BACKGROUND

At the regularly Rubidoux Community Services District (“District”) Board Meeting on July 15, 2021, the Board discussed Resolution No. 2018-840, which formalized the twenty-five years plus District practice of canceling the first regular Board Meeting of the months of January and July each year. After discussion the Board directed staff to take appropriate steps to rescind Resolution No. 2018-840 so the first regular Board Meetings of January and July each year are scheduled and held.

The Board made this decision based on the successful year-long plus experience conducting various Board and Committee Meetings via Zoom. Technology has enabled more flexibility for staff, Board Members, and the Public to attend meetings remotely thereby reducing meetings being canceled due to lack of quorum.

Attached for the Board’s consideration is Resolution No. 2021-880 which rescinds Resolution No. 2018-840.

If Resolution No. 2021-880 is adopted the regular Board Meetings on the first Thursday of the months of January and July each year will be scheduled except for those years where the regular

Board Meeting falls directly on the date a District recognized Holiday as outlined in the then current Memorandum of Understanding between Rubidoux Community Services District and Laborers' International Union of North America, Local 777.

Director Skerbelis moved, and Director Murphy seconded the Board of Directors Adopt Resolution No. 2021-880.

Roll call:

Ayes – 3 (Muniz, Murphy, Skerbelis)

Noes – 1 (Trowbridge)

Abstain – 0

Absent – 1 (Trueba)

The motion was carried to approve with a majority of the Board Members voting in favor (3), one no vote, and one Director absent.

ITEM 10. Consider Professional Services Task Order with Blais & Associates for Preparation of Notice of Interest – CalOES Hazard Mitigation Plan. DM 2021-51.

BACKGROUND

The Disaster Mitigation and Cost Reduction Act of 2000 signed into law October 30, 2000 by President Clinton placed a requirement all public jurisdictions to be covered by a Local Hazard Mitigation Plan (“LHMP”). The Rubidoux Community Services District (“District”) complied with this requirement in 2010 by submitting a Letter of Commitment to join the Riverside County Multi-Jurisdictional Local Hazard Mitigation Plan to the California Office of Emergency Services. Based on the Letter of Commitment, the District on September 17, 2015 adopted Resolution No. 2015-823 recognizing the District’s LHMP Annex Document dated May 2012. The District LHMP Annex Document has not been updated since.

California Office of Emergency Services (“CalOES”) administers a Hazard Mitigation Grant Program. A minimum requirement to be competitive for funding under this program is to have an appropriate and current LHMP. The District submitted a grant application to CalOES in calendar year 2020 seeking funding (\$3.5 million) for refurbishment/upgrade of the District’s water reservoirs to meet current seismic codes. That application was denied in part due to status of the District’s current LHMP.

To assist entities that do not have a LHMP or have one that needs to be updated, CalOES offers funding for LHMP development. Maximum grant potential is \$150,000, with a local match of 25%. Development of a LHMP for the District will likely cost approximately \$150,000 to \$200,000.

Staff has contacted with Blais & Associates, a professional grant writing consultant, to provide the District with a proposal to prepare a Notice of Interest (“NOI”) in seeking CalOES funding under its Hazard Mitigation Grant Program. The proposal total is \$1,260.00. If the NOI is successful, the District will be asked to submit a full application if the NOI is successful.

Blais & Associates has assisted the District on several funding applications over the past year, and successfully landed a \$300,000 grant from the state for power generators. With past preparation of the applications, Blais already has significant background on the District enabling them to have a modest fee proposal to assist the District with this application.

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

1. Execute Task Order No. 4 with Blais & Associates in the amount of \$1,260 to prepare a NOI for CalOES funding under the Hazard Mitigation Grant Program using budgeted funds in the approved SY 2021-2022 Water Fund Budget – Operating Expenses, Line 41.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 1 (Trueba)

The motion was carried unanimously.

ITEM 11. Consideration Resolution 2021-881 and Joint Community Facilities Agreement with Jurupa Unified School District for Community Services District No. 20. DM 2021-52.

BACKGROUND

A tool used by developers to finance various project costs are Community Facility Districts (“CFD”). This tool became available with passage of the Mello-Roos Facilities Act of 1982. The Mello-Roos Facilities Act enables a Public Agency to issue bonds to finance costs a development project will incur benefiting the public. The Public Agency taking the lead can through Joint Community Facilities Agreements (“JCFA”) include eligible costs of other public entities into the overall bond financing provided the Public Agency taking the lead on issuance bonds receives the largest share of net bond proceeds.

Jurupa Unified School District (“JUSD”) was approached by the Developers of Tract 36947 and Tract 32721 with a request for JUSD to act as the Lead Agency in the formation of a CFD to finance various development costs associated with Tract (36974?) and Tract 32721. Tract 36974 proposes 184 dwelling units and Tract 32721 proposes 20 dwelling units. Together these two tracts will have 204 dwelling units (“Project”). JUSD has agreed to act as Lease Agency in the formation of JUSD CFD No. 20 and will receive the largest share of net bond proceeds to pay for eligible school district costs associated with the Project.

The developers of the Project desire Rubidoux Community Services District (“District”) to enter into a Joint Community Facilities Agreement with JUSD to include costs associated with District Facilities with JUSD CFD No. 20. Using current District water and sewer capacity fees, the Project will be required to pay \$1,387,200 in water capacity fees, and \$1,060,800 in sewer capacity fees for 204 dwelling units. This totals \$2,448,000. The CFD may also pay for the District Fire Mitigation Fee currently \$815 per dwelling unit, meter install charges currently \$500 per dwelling unit, and water and sewer improvements totaling \$2,957,053. Attached is

“Joint Community Facilities Agreement by and Among Jurupa Unified School District, Rubidoux Community Services District, Highpointe Emerald Ridge, LLC and HP-SA ER, LLC with Respect to Community Services District No. 20” (“JCFA”). The JCFA provides in part the following:

1. JUSD CFD No. 20 maximum bonded indebtedness will be in an amount not to exceed \$15,000,000.

2. District Fees eligible to be financed include:

a.	Water Capacity Fees (3/4” Meters) for 204 dwelling units	\$1,387,200
b.	Sewer Capacity Fees for 204 dwelling units	\$1,060,260
c.	Fire Mitigation Fee for 204 dwelling units	\$ 166,260
d.	Water Meter Charges for 204 dwelling units	\$ 102,000
e.	Water and sewer improvements	\$ 240,793
	Total	\$2,957,053

3. Developer can elect to advance the value of eligible District Facilities in lieu of payment of District Fees and seek reimbursement from JUSD CFD No. 20 bond proceeds are available. As a note, the District and the developer have discussed the District requirement for construction of an offsite sewer pipeline in Avalon Street from Raye Street to just north of S. R. 60 (“Avalon Sewer”). This proposed pipeline was designed by the District and will be included within the District’s Sewer Master Plan update. The current District Sewer Master Plan prepared in 2015 does not include the Avalon sewer. However, the District is in process of updating its Sewer Master Plan with the Avalon Sewer included and anticipate its approval during Fall 2021. Once the updated Sewer Master Plan is approved by the District Board of Directors it will be used as the Fee Nexus Study to support updated Sewer Capacity Fees. Once updated Sewer Capacity Fees are approved by the Board of Directors after public notice and protest hearings are held compliant with Prop. 218, then the Avalon Sewer will be an eligible District Facility where the developer can elect to advance its value as contained in the updated Sewer Master Plan in lieu of payment of Sewer Capacity Fees up to that value. Based on the bond sizing analysis, attached, after deducting water and sewer capacity fees, fire mitigation fees and water meter charges for 204 dwelling units, there will be \$240,793 of remaining bond proceeds available to use to 1) fund the Avalon Sewer, or 2) pay incremental increases associated with updated sewer/water capacity fees if adjusted upward and approved as discussed above.

Staff and District Counsel have reviewed the proposed JCFA and find it consistent with other JCFA’s the District has participated. Resolution No. 2021-881 has been prepared indicating the District’s Board of Directors finds proposed JUSD CFD No. 20 will be beneficial to the District, authorizes the District General Manager to sign the JCFA subject to non-substantive modifications to the draft JCFA attached, and deliver a fully executed copy of the JCFA to JUSD.

Director Murphy moved, and Director Skerbelis seconded the Rubidoux Community Services District Board of Directors:

1. Adopt Resolution NO. 2021-881.

2. Authorize the General Manager to sign the attached agreement subject to non-substantive minor changes – Joint Community Facilities Agreement by and Among Jurupa Unified School District, Rubidoux Community Services District, Highpointe Emerald Ridge, LLC and HP-SA ER,LLC with Respect to Community Services District No. 20.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 1 (Trueba)

The motion was carried unanimously.

ITEM 12. Consider Generator Rentals for Well 1A and Well #2. DM 2021-53.

BACKGROUND

Rubidoux Community Services District (“District”) has two wells that do not have a backup power supply. These are Well 1A and Well #2 (Troyer). As the Board may recall, in May 2021 the District was informed by the State of California Water Quality Resources Control Board Division of Drinking Water (“DDW”) the District is required to be below the Response Limit of 10 parts per trillion for PFOA and water produced from Wells 1A, and 8 would be over the limit unless remedial action was taken before June 30, 2021. Staff hired Trussell Technology to develop a blending plan and DDW approved the plan enabling the District to achieve laboratory results to be below the response limit for PFOA while also meeting requirements for Perchlorate, 1,2,3 TCP and Manganese. This blending plan required Well 8 be shut down and Well 1A be run at a reduced flow rate with Well 2 so the blend of Well 1A and Well 2 (Troyer) accounted for 59% of the District’s potable water production. Not having backup power supply to these two wells puts the District in a vulnerable position in upcoming months while the District’s Ion Exchange Treatment Facility. Once that project is completed, the District will have in addition to Well 1A, Wells 8, and 18 to use for blending with Well 2.

During the upcoming three months the District is susceptible to SCE power outages caused by rolling blackouts, planned power outages due to high winds, fires, and accidents. Also, in the event of a fire, system water demand greatly increases due to the water being used to put the fire out. The District needs to ensure it can continue to supply customers with reliable potable water in the event of a power outage and/or fire.

Staff has received rental quotes from three companies for portable, backup generators. Quinn Cat quoted the District \$10,268.48/month. United Rentals quoted the District \$10,073.10/month. Valley Power Systems quoted the District \$8,923.13/month.

An automatic transfer switch is needed at Well #2 (Troyer) for the generator connection to the permanent electrical panel so in the event of a power outage the power will automatically transfer to backup generator power without intervention of the District’s on-call staff, thereby providing continuous water delivery without interruption.

Valley Power Systems has also quoted \$4,726 for an automatic transfer switch. The District retains Center Electric who serves as the District's electrician. Center Electric will install all cables necessary to install the automatic transfer switch at Well 2 (Troyer) and perform other work associated with connecting the temporary generators for a not to exceed price of \$15,000. When adding in the generator rental cost for three months, cost of the automatic transfer switch, and installation expense (with 20% contingency), the total cost for this effort will be approximately \$54,000.00.

This \$54,000 expense was not anticipated during approvals for the IX Treatment Process Project however, the approval for that project included a 25% contingency totaling \$468,225 (per DM 2021-04). Since the necessity of this expense is directly attributable to implementing the IX Treatment Process Project and only about \$45,000 of the contingency has been utilized to date, staff recommends the Board approve using \$54,000 of approved contingency for the IX Treatment Process Project to fund the rental and installation of temporary generators at Wells 1A and 2.

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

- 1. Utilize \$54,000 of approved contingency for the Thompson IX Treatment Process Project to fund the rental and installation of temporary generators at Wells 1A and 2.**
- 2. Rent two temporary generators from Valley Power Systems for three months.**
- 3. Buy the automatic transfer switch from Valley Power Systems.**
- 4. Hire Center Electric to connect cables, install automatic transfer switch, and other work associated with connecting the temporary generators.**

Roll call:

Ayes – 4 (Murphy, Skerbelis, Trowbridge)

Noes – 0

Abstain – 0

Absent – 1 (Trueba)

The motion was carried unanimously.

ITEM 13. CLOSED EXECUTIVE SESSION – pursuant to Government Code Section 54956.9(d)(2). Potential litigation Case No. RIC2003649.

ITEM 14. Directors Comments

Director Murphy expressed his concern regarding the last meeting and some public members being put into a Zoom waiting room. Members of the public should be allowed to enter the meeting at 4:00, the published time of the board meetings. If the board members need to meet before the start time of the meeting, he is willing to do so. The people need to be treated with respect and not rudely. Director Skerbelis stated how awful he felt that they could not convey any empathy.

Director Skerbelis adjourned the meeting at 5:09 PM.