

MINUTES OF REGULAR MEETING
September 6, 2018
RUBIDOUX COMMUNITY SERVICES DISTRICT

DIRECTORS PRESENT: F. Forest Trowbridge
Bernard Murphy
Hank Trueba Jr.

DIRECTORS ABSENT: Armando Muniz
Christopher Barajas

STAFF PRESENT: Dave Lopez, General Manager
Steve Appel, Assistant General Manager
Krysta Krall, Manager Fiscal Services
Brian Jennings, Budgeting/Accounting 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, September 6, 2018, at the District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for Regular Board Meeting, August 16, 2018.

Director Trueba moved and Director Trowbridge seconded to approve the August 16, 2018 Minutes.

The motion was carried unanimously.

Ayes – 3 (Murphy, Trowbridge, Trueba)
Noes - 0

ITEM 5. Consider to Approve the Salaries, Expenses and Transfers.

Consideration to approve September 7, 2018, Salaries, Expenses and Transfers.

Director Trueba moved and Director Trowbridge seconded to Approve the September 7, 2018, Salaries, Expenses and Transfers.

The motion was carried unanimously.

Ayes – 3 (Trowbridge, Murphy, Trueba)
Noes - 0

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

At the June Board meeting the Cash Asset Schedule was provided. Krysta Krall, Manager Fiscal Services was not in attendance. Mr. Lopez looked at the percentage for the Wastewater Operating Reserve, which was 5.10%, which did not have an explanation at the time. The answer and explanation is easy. The function for that percentage is the YTD interest against the current balance. So, \$11,248.94 is the YTD Interest, which is a whole 12 months against the current balance. If you look at the starting balance of \$2,034,280.79 in the wastewater we had incurred a lot of legal fees. So, when you do the math that's how you get the 5.10%. It's not an interest rate from a financial institution, it's merely a function of the current balance against the year to date interest earned. The next item was from UCR Today, an article called "Toilet-to-tap: Gross to think about, but how does it taste?" There's nothing to prevent it from drinking water standards. The technology is there, it has been there for a long, long time. It's public perception. It's recycling and reusing treatment effluent. There's another article from the Press Enterprise, "Toilet to tap" Water Nearly Matches Bottled H2O in Taste Test, University Researchers Discover". University researchers say there is no taste difference.

ITEM 8. MANAGER'S REPORT

Operations Report:

Presented at the second board meeting of the month.

Emergency and Fire Report:

Presented at the second board meeting of the month.

ITEM 9. Receive and File Statement of Cash Asset Schedule Report Ending June 2018. DM 2018-56.

BACKGROUND

The year-to-date Interest ending June 30, 2018, Statement of Cash Asset Schedule of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$79,958.00 for District controlled accounts. With respect to District "Funds in Trust", we show \$3,479.00 which has been earned and posted. The District has a combined YTD total of \$83,437.91 as of July 31, 2018.

With respect to the District's Operating Funds (Excluding Operating Reserves), we show a balance of \$5,389,960.00 ending June 30, 2018. That is **\$568,867.00 LESS** than July 1, 2018, beginning balance of \$5,958,827.00.

The District's Field/admin Fund continues to grow and current fund balance nears \$381,000.00.

Submitted for the board of Directors consideration is the *July 2018, Statement of Cash Asset Schedule Report* for your review and acceptance this evening.

Director Trowbridge moved and Director Trueba seconded to Receive and File the Statement of Cash for the Month of July 2018 for the Rubidoux Community Services District.

Ayes – 3 (Trowbridge, Murphy, Trueba)

Noes – 0

Motion passes unanimously.

ITEM 10. Consideration to Award Contract to Develop and Install New Potable Well. DM 2018-57.

BACKGROUND

On August 28, 2018, the District received and opened four bids for the drilling of the New Well 1A to be located at the corner of Crestmore Road and 34th Street (co-located with the District's LaVerne Mahnke Water Treatment Facility). The bids were evaluated by consulting engineer's Krieger & Stewart, and the attached memorandum from Chuck Krieger is provided for your review (attachment "A").

The low bid was received from Southwest Pump & Drilling for a base bid of \$279,750.00. In addition to the base bid, the District included an additive bid item for an upgraded Well casing. Additive bid items give the District the option of awarding material upgrades should pricing be competitive. In this case, the upgrade to High-Strength Low Alloy steel for the casing is an additional \$6,954.00, which Staff believes to be a modest increase. With the additive bid item, Southwest's adjusted bid is \$286,704.00.

In order to better manage this project and evaluate the Well's ultimate production capacity, Staff requested an engineering services proposal from Krieger & Stewart to provide necessary Construction Management and Well evaluation services. Krieger & Stewart are our "go to" engineers for Well design and construction management and are well qualified to manage this project. Krieger & Stewart's \$65,219.00 proposal was reviewed and evaluated, and it is Staff's recommendation to authorize the work to Krieger & Stewart.

Finally, in order to complete the work necessary to bring this Well into production, additional piping, electrical, and pump and motor placement will be necessary. District forces intend to act as our own general contractor for this portion of the work. Our estimate for this additional work is \$100,000.00.

The following is a summary of the total projects to complete the work:

Well Drilling (Southwest Pump)	=	\$286,704.00
Contract Management (K&S)	=	65,219.00
Outfitting (RCSD)	=	<u>\$100,000.00</u>
Total Project	=	\$451,923.00(\$452,000/00 rounded)

This project is included in the current Water Capital Improvement Budget for \$350,000.00. The Water Capital Improvement Fund has a balance of \$2,701,144.00 as of July 31. Staff recommends the Well budget be increased to \$452,000.00 to cover the total cost.

RECOMMENDATION

Staff has reviewed the bids and proposals and recommends the following to the Rubidoux Community Services District Board of Directors:

1. Award the Well 1A well drilling project to Southwest Well & Drilling in the amount of \$286,704.00;
2. Approve the Construction Management & Engineering services proposal from Krieger & Stewart in the amount of \$65,219.00;
3. Approve \$100,000.00 for District managed outfitting (including piping, electrical, and pump placement); and,
4. Approve and encumber a total Well 1A project budget in the amount of \$452,000.00.

Director Trowbridge moved and Director Trueba seconded the Staff's recommendation for the above listed four (4) items.

**Ayes – 3 (Trowbridge, Murphy, Trueba)
Noes – 0**

Motion passes unanimously.

ITEM 11. Report on Annexation of Highland Ranch Project and Structural Property Tax Transfer for Subject Annexation. DM 2018-57.

BACKGROUND

The Rubidoux Community Services District Staff reported to the Board of Directors of the District's Plan of Services (POS) report which proposes the annexation of Parcel No. 3 into the Rubidoux Services Area for Potable Water, Wastewater, Solid Waste Disposal and Fire Protection Services (a total of 281 Homes). As required, LAFCO circulated the proposed annexation to local agencies and departments for review and comment.

Attached are the County of Riverside/Fire Strategic Planning comments and recommendation to keep the current fire service within the City of Jurupa Valley; having Station No. 18 as the primary emergency and the fire response to the Highland Park Project.

There is a significant flaw in the county's emergency response assessment to the project. The assessment does not take into account the project's future road improvements and consequently, has RCSD Station 38 responding via Valley Way.

RCSD Staff disputes the travel route and maintains RCSD Station 38 emergency response will be via Pacific Avenue.

At the coordination of Division Chief Veik, Rubidoux Community Services District hosted a meeting between Chief Newman, Division Chief Veil, Steve Appel and myself to review and discuss the emergency response to subject project. The meeting was fruitful leading to a September 5, 2018, (Wednesday) meeting with Chief Newman and County fire Strategic Planning Personnel.

As of the writing of this Directors Memorandum and since the meeting with County Fire is yet to take place, Staff will report at our Thursday, September 6, 2018, Board Meeting on the outcome of the above meeting.

There was a productive meeting on Wednesday, September 5, 2018. Chief Newman was not in attendance, but under his direction he wanted the meeting to still take place in Perris, with his staff. The annexation will go forward as reported. There will be 281 homes. A unanimous agreement came to light as to how this project will be served. They left the meeting with the understanding that there needs to be discussions and engagements of planning efforts by all the cooperative agreement agencies with the County Fire.

RECOMMENDATION

No Action

ITEM 12. Report on Rubidoux CSD Transition Back into CalPERS Health Plan Benefit Program. DM 2018-59.

BACKGROUND

As part of the MOU, the Labor Group and Rubidoux Community Services District (District) agreed to offer CalPERS Health Benefits Plan for all District employees (representative labor group and Management). The transition back to CalPERS Health plans is relatively seamless for the fact that District Firefighters (Resolution No. 560, dated 1985) and District Non-sworn (Resolution No. 614, dated 1994) remained as an "Active" CalPERS Health contract subject to the stipulations outlined within the subject Resolutions.

Staff has been engaged with CalPERS in Sacramento and San Bernardino, local regional office. Rollout of the health care selection has commenced with an open enrollment date of October 5, 2018.

RECOMMENDATION

No Action

ITEM 13. Directors Comments – Non action.

Director Murphy adjourned the September 6, 2018, Regular Board meeting at 4:35 pm.