

**MINUTES OF REGULAR MEETING**  
**July 21, 2022**  
**RUBIDOUX COMMUNITY SERVICES DISTRICT**

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

**DIRECTORS ABSENT:**

**STAFF PRESENT:** Brian Laddusaw, Finance Director  
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 Trueba, at 4:00 P.M., Thursday, July 21, 2022, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

**ITEM 4. APPROVAL OF MINUTES**

Approval of Minutes for July 7, 2022, Board Meeting.

**Director Muniz moved, and Director Murphy seconded to approve the July 7, 2022, Regular Board Minutes as presented.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 5. Consideration to Approve the July 22, 2022, Salaries, Expenses and Transfers.**

Consideration to Approve the July 22, 2022, Salaries, Expenses and Transfers.

**Director Murphy moved, and Director Muniz seconded to Approve the July 22, 2022, Salaries, Expenses and Transfers.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**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**

Staff had no information to offer at this time.

**ITEM 8. MANAGER’S REPORT**

**Operations Report:**

Miguel Valdez reported on the water/wastewater report for the month of June, production was an average of 7.8 mgd per day and an average of 1.68 mg/day was the wastewater flow to Riverside. On average 2.71 mg/day of water to JCSD. Well No. 18 produced 23%, No. 1 produced 27% of the water, Well No. 4 produced 9.3% and Well No. 6 produced 16.6% and Well No. 8 produced 24.1 % of the water.

**Emergency and Fire Report:**

Chief Veik reported the Incidents Reported for the month of June 2022 and Special District Rubidoux CSD. Station 38 had a total of 211 calls. 157 calls, 74.4% were medical aides. Additionally, there was a report for the City of Jurupa Valley. There were 16 traffic collisions, 7.6%, 5 public service calls, 2.4%, and 6 wildland fires, 2.8%.

There was the Union fire that burned 100 acres in the river bottom with some minor injuries and some damage to the Jurupa Hills Golf Course. It was successfully contained.

There were 29 annual business inspections, 198 weed abatements and 3 special events. Jarod Adams is the new fire inspector. He took over for Joe Lewis for at least the next 2 years.

Director Murphy inquired about the plan that Chief Weiser is working on regarding the fuel modification for the river bottom. Response: Yes, it is being addressed and being worked on. It will be an ongoing project.

Ted Beckwith commented that he was in a drought task force meeting with MWD and numerous surrounding agencies. By the end of this year there will need to be some information together for action for the State Water Resources Control Board so they can start looking at how much water

we need to reduce in order to meet their requirements. We will be looking at a budget, if we go over the budget, there will be fines to the district. Within the next few months we'll be working on a plan to hopefully prevent the district from having these fines that the state's going to implement.

**ITEM 9. Receive and File Statement of Cash Asset Schedule Report Ending June 2022. DM 2022-66.**

**BACKGROUND**

Attached for the Board of Directors' consideration is the June 2022 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$47,164.88 for District controlled accounts. With respect to District "Funds in Trust", we show \$2,132.51 which has been earned and posted. The district has a combined YTD interest earned total of \$49,296.69 as of June 30, 2022.

The District's Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$9,010,186.25 ending June 30, 2022. That's **\$892,139.28 MORE** than July 1, 2021, beginning balance of \$8,118,046.97.

Further, the District's Field/Admin Fund current fund balance is \$730,719.68.

Submitted for the Board of Directors consideration is the *June 2022, Statement of Cash Asset Schedule Report* for your review and acceptance this afternoon.

**Director Muniz moved, and Director Murphy seconded to Receive and File the Statement of Cash for the Month of June 2022 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 10. Consideration to Approve and Authorize Retirement Payment for CalPERS Annual Unfunded Liability. DM 2022-67.**

**BACKGROUND**

The District has received the Annual Unfunded Liability contribution schedule as of June 30, 2020, from CalPERS for the District's employer's contribution portion (See Attached CalPERS Invoices dated July 1, 2022). This unfunded liability is CalPERS trueing up of the District's annual contributions with investment returns against Actuarial Valuations and Projections for the Districts three (3) specific plans; Miscellaneous, Safety and PEPR. For planning and budgeting

purposes, Staff has budgeted for this annual unfunded CalPERS cost and is included within the Health and Retirement Expenses among the General, Water and Sewer Fund Budget.

The District is presented with two options to pay CalPERS unfunded liability for FY 2022-2023:

- **Option 1:** Pay over time the \$493,206.00 (Total Amount of the three (3) plans) including interest @ 3.5% in twelve monthly payments of \$41,100.50 per month in addition to our normal CalPERS bi-weekly contributions.
- **Option 2:** Pay annually Lump Sum without interest. The amount would be \$476,800.00 (for all three (3) plans) and due on or before July 31, 2022. Interest savings of \$16,406.00 would be realized as compared to **Option 1**.

The District's average rate of return on its investments portfolio is approximately 0.22%. Returns are expected to increase gradually in FY 2022-2023 as the Federal government increases interest rates to mitigate the effects of economic inflation but rates are expected to remain well under the 3.5% charged by CalPERS on the installment payment option. Staff believes it prudent to pay the unfunded actuarial liability as an annual payment and save 3.50% in accrued interest for FY 2022-2023. This CalPERS expense was anticipated and budgeted as part of the approved District 2022-2023 Budget. Selecting Option 2, making the lump sum payment, is consistent with past District practice.

**Director Skerbelis moved, and Director Muniz seconded Option 2, to pay CalPERS annual unfunded actuarial liability as a lump sum payment of \$476,800.00 for 2022-2023.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 11. Public Hearing: Consideration to Adopt Resolution No. 822-891 a Resolution Approving Weed Abatement Charges on Certain Parcels. DM 2022-68.**

### **BACKGROUND**

Attached for the Board of Directors review and consideration is Resolution NO. 2022-891 if adopted this evening, will assess weed abatement charges upon appropriate parcels for property tax collections for weed abatement services provided on properties that create a public safety and fire hazard. However, before adoption of the Resolution, the Board must conduct a public hearing affording the general public, interested parties and/or affected parties the opportunity to comment and/or protest such charges.

Notices of this afternoon's public hearing along with parcel numbers of properties to be assessed were published in the public notice section of the Press-Enterprise and were made available on the District's web site.

As of the writing of this memorandum, staff has not received any written or verbal protests with respect to any of the specific parcels proposed to be assessed and contained within Resolution No. 2022-891.

**Director Trueba opened the Public Hearing.**

With no written or verbal protests or anyone in person,

**Director Trueba closed the Public Hearing.**

**Director Murphy moved, and Director Muniz seconded adoption of Resolution No. 2022-891.**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 12. Consider Sewer Pipeline Participation and Refund Agreement with Lennar Communities. DM 2022-69.**

**BACKGROUND**

Lennar Homes of California (“Developer”) is developing a project within Rubidoux Community Services District’s (“District”) service area commonly called Shadow Ridge (“Project”). The Project encompasses single-family residences in the area bounded approximately by Canal Street and 20<sup>th</sup> Street on both sides of Pacific Street. This is depicted on Exhibit A.

To accommodate the Project’s sewage flow to the District, the Developer was required to design and install an offsite 15 – inch diameter sewer main extension with manholes located in Pacific Avenue from the intersection of Humble Street where existing District sewer conveyance facilities terminate (Station 9+94.00) to a new sewer manhole located at Station 23+53.59 where onsite Project sewer improvements begin, hereinafter referred to as the “Sewer Main Extension.” This sewer pipeline is not included in the District’s Wastewater Master Plan but will benefit property owners, either existing or future, whose sewer flows are tributary to the Sewer Main Extension. As such the District has offered to enter into a reimbursement agreement benefiting the Developer whereby the Developer would be entitled to receive reimbursement for this Sewer Main Extension when these other benefiting property owners connect. An area of Benefit Map showing properties benefiting from the Sewer Main Extension is shown as Exhibit “B”.

The Developer spent \$767,839.50 for design and construction of the Sewer Main Extension. There are 1,627 EDU’s in the Area of Benefit. The other property owners in the Area of Benefit will pay a Participation Charge representing their fair share of the costs of the Sewer Main Extension of their EDU’s benefit from by connecting to the Sewer Main Extension. An

Equivalent Dwelling Units (EDU's) is equivalent to one single family resident with ¾" water meter and a sewer lateral connection. The Participation Charge will be \$471.93 per EDU based on the cost of the Sewer Main Extension incurred by the Developer divided by the number of benefiting EDU's within the Area of Benefit (\$767,839.50 / 1,627 EDU's). The Participation Charge will be collected by the District for each new connection benefiting from the Sewer Main Extension. The Developer is exempt from paying this charge since the Developer paid to Build the Sewer Main Extension and would merely be reimbursing themselves.

The District will collect the Participation Charge when new connections are made to the Sewer Main Extension and will reimburse the Developer within 60 days of receipt. Since this is a direct pass through of the Participation Charge no District Funds will be expended besides minor administrative burden. The term of the Reimbursement Agreement is ten (10) years, whereafter the District is no longer obligated to send collected Participation Charges to the Developer.

Staff and District Counsel have coordinated with Lennar Homes of California in the development of the attached agreement and recommend the Board of Directors consider its approval.

**Director Murphy moved, and Director Trowbridge seconded the Board of Directors authorize the General Manager to sign the agreement entitled – “SEWER MAIN EXTENSION PARTICIPATION AND REFUND AGREEMENT FOR TRACT NO. 31894 & 37470 (Lennar – Shadow Rock Development)”**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

**ITEM 13. Consider Participation Agreement for Offsite Water System Improvements for Lennar Homes: DM 2022-70.**

### **BACKGROUND**

Lennar Homes of California (“Developer”) is developing a project withing Rubidoux Community Services District’s (“District”) service area commonly called Shadow Ridge (“Project”). The Project encompasses single-family residences in the area bounded approximately by Canal Street and 20<sup>th</sup> Street on both sides of Pacific Street. This Project is shown on attached Exhibit A.

To accommodate the Development’s water supply requirements, the Developer was conditioned to install 2,241 lineal feet of offsite 24 – inch diameter water transmission pipeline located in Pacific Avenue as shown on Exhibit A, hereinafter referred to as the “Pacific Avenue Water Pipeline.” The Pacific Avenue Water Pipeline is included in the District’s 2015 Water Master Plan, which was used as the basis in the determination of the District’s current Water Capacity Fees.

The Developer spent \$1,438,817.38 for design and construction of the Pacific Avenue Water Pipeline. Since the Pacific Avenue Water Pipeline is included in the 2015 Water Master Plan and its cost used in the determination of the District's current Water Capacity Fees, it is the District's responsibility to fund the costs associated with the design and construction of the Pacific Avenue Water Pipeline. Based on costs in the recently approved 2022 Water Master Plan the Developer's cost to build the Pacific Avenue Water Pipeline is consistent with current construction costs. If the District were to build this District master planned pipeline, it would have to spend a like amount to construct it.

The District considers a ¾" water meter as one Equivalent Dwelling Unit ("EDU"). There are a total of 315 homes in the Project, or 315 EDU. The current District Water Capacity Fee is \$6,800 per EDU. Taking the cost of the construction of the Pacific Avenue Pipeline and dividing it by Water Capacity Fee per EDU, the value of the Pipeline is equivalent to 211.59 EDU's (\$1,438,817.38 divided by \$6,800/EDU). In lieu of collecting Water Capacity Fees for 211.59 EDUs, the District will in lieu of paid Water Capacity Fees, receive the Constructed Pacific Avenue Water Pipeline. The balance of the 315 Water Connections (103.41 EDU's) in the Project will pay the District the current Water Capacity Fee of \$6,800, which is \$703,188.00 (103.41 EDU times \$6,800/EDU).

Staff and District Counsel have coordinated with Lennar Homes of California in the development of the attached Agreement and recommend the Board of Directors consider its approval.

**Director Muniz moved, and Director Murphy seconded the Board of Directors authorize the General Manager to sign the agreement entitled – "PARTICIPATION AGREEMENT OFFSITE WATER SYSTEM IMPROVEMENTS FOR TRACT NO. 31894 & 37470 (Lennar – Shadow Rock Development)"**

**Roll call:**

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

**Noes – 0**

**Abstain – 0**

**Absent – 0**

**The motion was carried unanimously.**

#### **ITEM 14. Directors Comments**

Director Trueba adjourned the meeting at 4:36 PM.