

MINUTES OF REGULAR MEETING
May 21, 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/District Engineer
Brian Laddusaw, Director of Finance
Brian Jennings, Manager Budgeting & Accounting
Miguel Valdez, Maintenance & Operations

Members of the Public: Chris Barajas

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, May 21, 2020, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for May 7, 2020, Special Board Meeting.

Director Trueba moved and Director Skerbelis seconded to approve the May 7, 2020 Regular Meeting Minutes.

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 May 22, 2020 the Salaries, Expenses and Transfers.

Consideration to Approve the May 22, 2020 the Salaries, Expenses and Transfers.

Director Murphy moved and Director Skerbelis seconded to Approve the May 22, 2020 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

Councilman Barajas praised the District staff for a recent water issue in his neighborhood that was resolved rather quickly on a weekend. He thanked Director Trueba and Jeff Sims, as well as staff that responded to the call. Additionally, there was resident complaints about weed abatement. RCSD has already addressed it and the residents are very pleased. Finally, the county is having budget issues and they are working on transferring much of their properties in Jurupa Valley to various agencies within the city. On their agenda, they are working on transferring The Boxing Club and the Senior Center to the city. City Council will discuss tonight. He thanked the Board again for the work that they do.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

The first letter was from Steve Williams of the State Water Resources Control Board to the District regarding a Notice of Intent to issue a new general order for monitoring of Perfluoroalkyl and Polyfluoroalkyl substances (Health and Safety code section 116378) starting July 2020. The next article was from the Acorn regarding water costs rise in pandemic. Both Las Virgenes MWD and Triunfo Water and Sanitation District have plans to increase their water rates by the end of the year. The rate hikes would cover an increase in the cost of wholesale water from the MWD, which supplements local supplies. And lastly, there was an article from the Press Enterprise regarding Bob Stockton, who was a board member for Western Municipal Water District. He was jogging on Victoria Avenue in Riverside on May 13, 2020, when he was hit by a car and died at the scene. He was a respected member of the community and will be missed.

ITEM 8. MANAGER’S REPORT

Operations Report:

The water production for the month of April averaged 3.19 mg/day from two wells. Lennar is a developer working on the Shadow Rock development. Part of their improvements is putting in a new off-site sewer on Pacific Avenue. They are finishing up

a jack and bore under the freeway for the new sewer and that's moving along very well. They also will be putting in a new 24" diameter water pipeline on Pacific Avenue.

Emergency and Fire Report:

Station 38 had a total of 222 calls. The difference being calls outside the District service area. Of those 166 calls, 69.5% were medical aides. Additionally, there was a report for the City of Jurupa Valley. For the city, there was a total of 239 calls.

ITEM 9. Receive and File Statement of Cash Asset Report for all District Funds Ending April 2020. DM 2020-33.

BACKGROUND

Attached for the Board of Directors' consideration is the April 2020 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$406,989.17 for District controlled accounts. With respect to District "Funds in Trust", we show \$17,558.61 which has been earned and posted. The District has a combined YTD interest earned total of \$424,547.78 as of April 30, 2020.

With respect to the District's Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$6,742,949.16 ending April 30, 2020. That's **\$603,948.86 MORE** than July 1, 2019, beginning balance of \$6,139,000.30.

Further, the District's Field/Admin Fund current fund balance is \$570,122.14.

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

Director Murphy moved and Director Trueba seconded to Receive and File the Statement of Cash for the Month of April 2020 for the Rubidoux Community Services District.

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 10. First Reading – Ordinance No. 2020-125, an Ordinance of the Rubidoux Community Services District Increasing Monthly Wastewater Charges. DM 2020-34.

BACKGROUND

On May 7, 2020, at the regularly scheduled Rubidoux Community Services District (“District”) Board of Director’s (“Board”) meeting, the Director’s directed staff to prepare and conduct a First Reading of DRAFT Ordinance 2020-125. The proposed ordinance includes a 5% increase in the Riverside Sewage Treatment (“RST”) portion of the wastewater rates. This is a pass-through component of the wastewater bill the District pays to the City of Riverside for treatment and disposal. The 5% pass-through increase proposed in DRAFT Ordinance 2020-125 is consistent with year two of a five year fiscally sustainable water and wastewater rate plan (“Rate Plan”) that was adopted in May 2019 after notice to the public in accordance with Proposition 218 and compliance with AB 3030, and concluded with a public hearing.

The proposed sewer residential rate increase is \$1.04 per month. This increase brings the total wastewater cost to District residential customers to \$27.70 per month. Non-residential customers are assessed a rate increase based on their water meter size. The proposed increases are necessary to keep pace with treatment and infrastructure charges passed through from the City of Riverside.

Also, based on Board direction at the May 7, 2020 Board Meeting, the original anticipated effective date of Ordinance 2020-115 was July 1, 2020, after a Second Reading, Public Hearing and vote on adoption to be held at the regularly scheduled June 18, 2020 Board meeting. Per California Government Code Section 25123 “*All ordinances shall become effective 30 days from the date of final passage*”, thus, to maintain compliance with this California statute, staff recommends the effective date of Ordinance 2020-125 be changed from July 1, 2020 to August 1, 2020.

Attached is DRAFT Ordinance 2020-125 and submitted for the Board of Director’s consideration.

Director Muniz moved and Director Trueba seconded the Board of Directors authorize the following:

- 1. DRAFT Ordinance 2020-125 to have an effective date of August 1, 2020.**
- 2. Schedule a Final Reading and Public Hearing of Ordinance 2020-125 for the June 18, 2020 regular meeting of the Board of Directors of 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. First Reading – Ordinance No. 2020-126, an Ordinance of the Rubidoux Community Services District Increasing Monthly Potable Water Charges. DM 2020-35.

BACKGROUND

At the regularly scheduled Rubidoux Community Services District (“District”) Board of Director’s (“Board”) meeting on May 7, 2020, the Director’s directed staff to prepare and conduct a First Reading of DRAFT Ordinance 2020-126. The proposed ordinance includes a 6% increase of the water rate. The proposed rate increase is needed for increased costs associated with the production, treatment, and delivery of potable water to District customers.

The 6% increase proposed in DRAFT Ordinance 2020-126 is consistent with year Two of a five year fiscally sustainable water and wastewater rate plan (“Rate Plan”) approved by this Board in March 2019. The Rate Plan was approved after notice to the public in accordance with Proposition 218 and compliant with AB 3030 and concluded with a public hearing and adoption. The Board did not implement the Year One water rate increase of the Rate Plan resulting in no potable water rates for FY 2019-2020. Potable water rates have not been increased by the District Board since July 1, 2018.

To mitigate impacts of the proposed water rate increase DRAFT Ordinance 2020-126 has a proposed effective date of January 1, 2021. The delay in effective date provides time for the COVID-19 event to subside, and to start the increase in cooler months when customer water usage is lower.

The District’s residential and commercial potable water “stand-by” charge is based on the customers meter size. For example, the typical residential customer with ¾” meter would see an increase in their “stand-by” charge of \$1.52, to \$33.85 per month. A typical District customer with a family of four, using a ¾” meter and 18 units of water, would see an increase in their monthly bill of \$2.96, to \$63.99 per month.

The proposed increases are necessary to continue providing a high quality and reliable potable source of water for the health, welfare, and safety of the community and its residents. As the Board may recall, the State Water Resources Control Board – Division of Drinking Water (“DDW”) has lowered the Notification and Response Limits for PFAS Compounds. These new lower limits require the District to add approximately \$3 million of treatment facilities over the next twelve months which will increase operational expenses by approximately \$1 million annually for treatment media change out, sampling, and energy costs.

Attached is DRAFT Ordinance 2020-126 and submitted for the Board of Director’s consideration.

Director Murphy moved and Director Trueba seconded the following: Schedule a Final Reading and Public Hearing of Ordinance 2020-126 for the June 18, 2020 Board Meeting.

Roll Call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 12. Riverside LAFCO 2020 Special District Election. DM 2020-36.

BACKGROUND

The Riverside Local Agency Formation Commission (“LAFCO”) is conducting an election for two positions:

1. Regular Special District Member – Eastern Riverside County; and
2. Alternate Special District Member – (All Riverside County)

Both positions once filled are four (4) year terms.

Rubidoux Community Services District (“District”) is a voting agency and is asked to submit its selection for the two positions. LAFCO has provided the District with 2020 Ballot Instructions and a Ballot. There are three candidates for the Regular Special District Member position and seven candidates for the Alternate Special District Member. Once the District’s Board of Directors decides on candidates to support, the completed Ballot is to be signed by the Board President.

With the District as an agency within Western Municipal Water District, staff contacted Western leadership to find out who they supported. Western supported Robert Stockton for the Alternate Special District Member. As a Board Member of Western Municipal Water District and engaged on Riverside Area issues, he would be well suited to represent Special Districts as LAFCO. Debra Canero, a Board Member of Valley Sanitary District (Indio) is being supported by Western Municipal Water District for the Regular Special District Member. Sadly, Mr. Stockton was struck by a car and died on May 13, 2020.

The 2020 Ballot allows for the Board to rank its vote for candidates for both positions. The Board does not have to rank the candidates, and if preferred, select only one candidate for the Regular and Alternate positions.

Director Trueba moved and Director Skerbelis seconded the Rubidoux Community Services District Board of Directors select Debra Canero for the Regular Special District Member and Steve Pastor for the Alternate Special District Member. Additionally, authorizing the Board President to sign the Ballot on behalf of the District.

Roll Call:

Ayes – 3 (Muniz, Skerbelis, Trueba)

Noes – 0

Abstain – 2 (Murphy, Trowbridge)

Absent – 0

The motion was carried with 3 Ayes and 2 Abstentions.

ITEM 13. Blais and Associates Proposal for Grant Application Preparation Support. DM 2020-37.

BACKGROUND

At the April 2, 2020 Board Meeting staff presented DM 2020-20, and the Board authorized hiring Blais and Associates (“Blais”) to assist Rubidoux Community Services District (“District”) with researching and applying for grants to offset various project costs. The contract with Blais was approved for \$13,650, with authorization to proceed on initial work totaling 45,250. The initial work included performing a disadvantage community status analysis and review of possible grants opportunities. Blais completed the initial work and determined the District is well situated to apply for a Bureau of Reclamation WaterSMART Drought Response Program: Drought Resiliency Projects Grant (“Grant”). A Fact Sheet is attached outlining funding information and application requirements.

The Grant application would be for a project to rehabilitate Well No. 18 and fund a portion of the PFAS Treatment system the District is working on for Wells No. 1A, 8 and 18. Blais indicates the District should be competitive for a grant of approximately \$300,000. The cost to prepare the Grant Application is a not-to-exceed amount of \$9,765 and would be charged on a time and materials basis. Attached is the Blais Grant Development Quote. To proceed with this effort, the Board will need to consider augmenting its prior approval for Blais by \$1,365. The Grant submittal deadline is July 8, 2020.

The District is in design for the rehabilitation of Well No. 18 and the PFAS treatment system for Wells No. 1A, 8 and 18. The cost for Well No. 18 rehabilitation and the three well PFAS Treatment system will be approximately \$2.2 million. Assuming the cost for the three well PFAS Treatment system is allocated equally between the three wells, Well No 18’s share of the cost is around \$650,000. A \$300,000 grant approval would represent close to 50% of the District’s costs.

Director Trowbridge moved and Director Skerbelis seconded the following to move forward with an application for this Grant and authorize the General Manager to:

- 1. Amend the FY 2019-2020 Budget by allocating \$1,365 of Water Operating Fund Reserves to this Project.**

2. **Execute a Task Order with Blais in the amount of \$9,765 to prepare a Grant Application on behalf of the District for a Bureau of Reclamation WaterSMART Drought Response Program: Drought Resiliency Projects Grant.**

Roll Call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 14. Resolution 2020-868, a Resolution Transferring Certain Property Tax Revenue Between the County of Riverside and the Rubidoux Community Services District (LAFCO – Agua Mansa Commerce Center). DM 2020-38.

BACKGROUND

The Rubidoux Community Services District (“District”) was contacted by Crestmore Redevelopment, LLC, (“Developer”) desiring District services to a group of parcels of land for an industrial project known as the Agua Mansa Commerce Center (“Project”). The Project is comprised of 303 acres of which 290.2 acres will be annexed into the District for water, wastewater, fire mitigation, and trash services.

The proposed Project is located near the intersection of Rubidoux Blvd. and El Rivino Road as shown on Attachment “A”. The Project is currently outside of the District’s service boundary and will need to be annexed into the District’s service area. The Developer has initiated with the Local Area Formation Commission (“LAFCO”) two cases. Case 1 is – LAFCO 2020-18-2: Sphere of Influence Amendment to West Valley Water District (removal) and Amendment to Rubidoux Community Services District (addition) (Crestmore Redevelopment LLC). Case is – LAFCO 2020-19-2 – Reorganization to Include Detachment from West Valley Water District and Concurrent Annexation to Rubidoux Community Services District (Crestmore Redevelopment LLC). The District has provided the Developer a Plan of Service necessary for both LAFCO cases.

As part of the LAFCO process, the District is requesting from Riverside County, an exchange of certain property tax revenue to include, but not limited to 100% of the structural fire protection tax for the area to be annexed into the District. Approval of Resolution 2020-868, Attachment B, will exchange the appropriate tax revenue between the County and the District. The County will consider a similar Resolution at a future Board of Supervisors meeting. Once the tax transfer Resolutions have been approved, LAFCO will consider the Developer’s annexation request. This transfer is necessary as the District will provide fire mitigation services through a contract with Riverside County. The tax share revenue provides the District with funding to pay Riverside

County for the fire service through an existing contract between the District and Riverside County effective through June 20, 2021.

Director Trowbridge moved and Director Trueba seconded approval of Resolution 2020-868 a Resolution Transferring Certain Property Tax Revenue between the County of Riverside and 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 15. CLOSED SESSION.

The reportable action was direction by the Board to execute a Conflict of Interest letter with attorney, John Schatz in regard to Rubidoux Community Services District vs. City of Riverside Case #RIC 200077.

ITEM 16. Directors Comments.

Director Trueba would like to see a Feasibility Study for the cell phone tower.

There will be no budget workshops this year. Last year they were done for a two-year period.

Director Trowbridge made a comment that he would like to see a better quality of the map for the property, involved in ITEM 14 above.

Director Muniz adjourned the meeting at 5:20 pm.