

MINUTES OF REGULAR MEETING
March 5, 2020
RUBIDOUX COMMUNITY SERVICES DISTRICT

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

DIRECTORS ABSENT:

STAFF PRESENT: Jeffrey Sims, Asst. General Manager/District Engineer
Brian Laddusaw, Director of Finance
Brian Jennings, Manager Budgeting & Accounting
Miguel Valdez – Operations Manager

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by President Muniz, at 4:00 P.M., Thursday, March 5, 2020, at the District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for February 20, 2020, Special Board Meeting.

Director Trueba moved and Director Skerbelis seconded to approve February 20, 2020 Regular Meeting Minutes.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 5. Consideration to Approve the March 6, 2020 the Salaries, Expenses and Transfers.

Consideration to Approve the March 6, 2020 the Salaries, Expenses and Transfers.

Director Murphy moved and Director Trueba seconded to Approve the March 6, 2020 Salaries, Expenses and Transfers.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 6. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS

There was no one in the audience to address the board.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

There was a Fact Sheet on PFAS, PFOA and PFOS from Western Municipal Water District. There was also an article from Smart Water Magazine regarding PFAS in firefighting foam, and expansion of testing of water for all PFAS. Mr. Sims reported that he & Brian met in the morning with State Assembly woman Sabrina Cervantes' field reps. The purpose of the meeting was to inform them of the rules made at the State Water Resources Control Board regarding PFAS contaminants. The new rules are intended to promote the safety of drinking water but have a significant impact on Districts like RCSD due to its reliance on groundwater. The impacts will create significant costs to comply with the new lower Response Limits.

ITEM 8. MANAGER'S REPORT

Operations Report:

Construction of the Jurupa Lift Station is almost complete. The lift station should be up and running within the next month. We will have a brand-new lift station. Staff is concerned about the condition of the existing the force main from the lift station to the gravity main in Linares. The force main is old and made of ACP. It is also installed in a location where trees have not grown. That may be a problem in the future. The contractor is giving the District a proposal to replace the force main. The reservoirs inspections are all done except for the Watson Tank, which is the largest. While the reservoirs are down for inspections, staff has performed some preventative maintenance.

Emergency and Fire Report:

To be presented at the second board meeting of the month.

ITEM 9. PFAS Compound Treatment Actions. DM 2020-11.

BACKGROUND

On Thursday, February 6, 2020, the California Division of Drinking Water (DDW) issued new response levels (RLs) for perfluorooetanoie acid (PFOA) at ten parts per trillion and perflourooctane sulfonate (PFOS) at 40 parts per trillion.

PFAS, short for per-and polyfluoroalkyl substances, are a group of more than 4,700 synthetic chemicals created to repel water, oil, grease and stains. The chemicals, dating to

the 1940's and nearly indestructible over time, appear in a range of industrial and everyday consumer products, including makeup, food wrappers, nonstick cookware, carpets, stain repellents, and firefighting foams.

Because PFAS have been so widely used, most Americans have been exposed to them.

People ingest PFAS by eating, drinking or breathing the chemicals when they are present in food, water, fire retardants, and consumer and industrial products. Based on research cited by the California State Water Resources Control Board, most people are exposed to PFAS through food via food packaging, farming processes, or bioaccumulation (gradual chemical buildup).

Over time, PFAS also have accumulated in land near airports, industrial sites, military bases, and landfills. Once PFAS leach into the land, the chemicals can in some cases, seep into groundwater.

Regulators and stakeholders, including water agencies, have monitored PFAS for years. But only recently have technologies been developed to detect extremely low amounts of PFAS in food and water – down to the level of parts per trillion. One parts per trillion (ppt) is akin to one grain of sand in an Olympic-size swimming pool, or a pinch of salt in ten tons of potato chips.

These technologies are only available for PFOA, PFOS and more than a dozen other PFAS.

As research into PFAS continues, it is unclear if, or how, microscopic levels of the chemicals affect people's health. However, the chemicals can build up in the human body over time, and high concentrations of PFOA and PFOS have been linked to health concerns such as heightened cholesterol levels, decreased responses to vaccines and increased risks of liver damage, thyroid disease and low birth weights. Across the board, scientists still have much to learn about PFAS and human health. Many areas of PFAS testing and research remain in development.

While water is not the primary source of PFAS, new testing methods have raised awareness, and concerns, about trace levels of PFAS in drinking water.

In response, legislators and regulators in California have increased oversight of PFOA and PFOS. The state's Division of Drinking Water has set the following guidelines:

- In August 2019, California regulators set the Notification Levels of 5.1 ppt for PFOA and 6.5 ppt for PFOS, down from 14 ppt and 13ppt, respectively.

If PFOA or PFOS levels reach or exceed those levels – the equivalent of five to seven grains of sand in an Olympic-size swimming pool, water agencies must notify local governing bodies such as city councils or boards of supervisors. RCSD's Board was notified in July 2019 and then again in September 2019 when the notification limits were lowered.

- State regulators recently set new Response Levels (RLs) – the level at which water agencies are expected to remediate the PFOA and PFOS. The new lower RLs are set at 10 ppt for PFOA and 40 ppt for PFOS. Previously, the RL was 70 ppt for the total concentration of the two chemicals combined. Per DDW reporting on the new lower RLs for PFOA and PFOS will be based on a rolling four (4) quarter average of sampling results.

Due to the District's location of wells, which is within proximity of a closed landfill (northwest of the intersection of the Highway 60 and the Santa Ana River), DDW@ issued an Order for mandatory sampling of various District wells. Staff voluntarily expanded the sampling to all wells and has done so for two quarters. Sampling results reflect RCSD's wells supplying the potable system are just above the new lowered RL for PFOA (10 ppt). DDW staff has directed staff at RCSD to cease sampling under the prior Order as the State will be issuing a new Order that will start the new rolling four (4) quarter average of sampling.

How does this effect the District?

State DDW requires water agencies to remediate for PFOA and PFOS levels above the new lowered RL based on the average of four quarters of sampling. Remediation options are:

1. Remove wells out of the system in excess of the lowered RLs.
2. If wells need to stay in service, the District is to notify each customer in writing of the potential adverse health effects and publish a notice in the newspaper.
3. Implement treatment or obtain other sources of water to ensure all water delivered to customers is at or below the lowered RLs.

Currently the District is 100% reliant on groundwater supplies. Removing wells out of service is not a viable option. Notifying customers of potential adverse health risks in water is an undesirable option – this would impact public trust of a public service the District provides. This leaves implementing treatment solutions to remove the contaminant to below the RL.

Although the new Order initiating sampling requirements has not been issued, it is anticipated the new Order will be issued soon. Once the Order is issued, the District will essentially be on a one-year clock to implement treatment or other options to ensure all water delivered is below the RL. This will require expeditious action and involve significant expense.

Initial actions proposed

Action 1 – Purchase two pressure vessels

A proven treatment method for PFAS compound removals is use of ion exchange. This is accomplished by adding pressure vessels filled with appropriate material that removes the contaminant. The pressure vessels will be similar in type to the vessels the District

purchased and using at Well 2 to remove 1, 2, 3 TCP. Based on preliminary estimates, the District will likely need to purchase approximately 6 – 10 vessels to supplement vessels already in use by the District. Carbon Activated Corp. USA has quoted pricing for two refurbished vessels. The price with tax is \$174,000. Additional expenses for delivery, construction of pads, piping fabrication and resin is not included. The delivery schedule for the two vessels is 14 - 16 weeks. New vessels can cost approximately twice as much and have a 25 – 30-week delivery schedule. The delivery delays are due to heightened number of water utilities reacting to implement treatment to meet the lowered RLs.

Action 2 – Obtain consultant expertise

Preliminary estimates to implement treatment for PFAS Compounds for the District’s wells may range from \$2.0 to \$4.0 million. Given the complexity and need to make quick but prudent decisions to meet an approximate one-year timeline, staff has obtained a proposal from Hazen Sawyer (“HS”) for technical support. HS has recognized expertise in treatment processes. Their proposal is attached. The support is intended to provide technical analysis to aide in the District’s decision making on use of financial resources in the most effective manner. In addition to upfront capital expenses to implement the treatment, there will be ongoing operation and maintenance expenses that will need to be understood.

Action 3 – Evaluate other water supply alternatives

In addition to the new PFAS contaminant problem, the District has ongoing issues with water quality, mainly high total dissolved solids (salt) that creates issues with wastewater sent for treatment at the City of Riverside. The District has done a solid job meeting DDW Per requirements, for all other contaminants – 1, 2, 3 TCP, nitrate, perchlorate, and manganese with addition of treatment processes and blending. This has been a necessity due to the long-standing policy of self-reliance on local groundwater supplies. However, with this policy the District is subjected to mitigating whatever is in the pumped water. Staff is in discussions with Jurupa Community Services District (“JCSD”), who also is wholly dependent on groundwater, to evaluate potential cooperative alternatives for water supply. Potential alternatives include:

- a. Addition of reverse osmosis treatment for water pumped out of Riverside South Basin to remove TDS and other contaminants
- b. Access to Colorado River Aqueduct water through a Metropolitan Water District meter
- c. Access to Chino Desalter Water Authority water purchased from Wester Municipal Water District and conveyed through JCSD’s distribution system
- d. Access to State Water Project water through a Metropolitan Water District meter

Staff is in the process of drafting a Memorandum of Understanding between the District and JCSD to cooperatively work on water supply alternatives. Once in final draft form, staff will present this to the Board for consideration. It is anticipated this subject will be

presented at the March 19, 2020 Board Meeting. This will be a longer-term effort to help provide the Board foresight as to costs for various water supplies. These costs would then be included into District Master Planning and used as a basis for future connection fee and rate analyses.

In summary, the new lower RL for PFAS contaminants and short time frame to remediate, creates cost and timing pressures on the District. These are unavoidable as compliance is mandated by DDW. Since there is an opportunity to obtain two of the needed 6 – 10 pressure vessels at a lower cost since they are refurbished (rather than new), staff recommends the Board approve the expense. Obtaining expertise to help make informed decisions on meeting the RL in a short time frame is prudent. The proposal from HS is \$155,444 and will include project management, development of a basis of design report, procurement and installation report, and permitting assistance. Given the cost of actual implementation, having this expertise will help guide the District to a successful outcome – addition of treatment within a one-year time period so there is adequate supply to meet all customer demands.

These expenses were not anticipated in the current approved Fiscal Year Budget and will require an amendment to the Budget. It is proposed \$400,000 of reserves from the Water Fund Budget be allocated to the Water Capital Improvement Project (CIP) Budget.

Cindy Miller addressed the Board regarding cleaning up the water basin. She stated that they are seeing this all across southern California. Many agencies have shut off wells that have PFAS Compounds above the Notification Limit. Decision to either turn off wells or get wellhead treatment is an economic one, but it's also a timing one because there are regulatory stipulations of when you need to have a solution to this problem.

Anaheim is getting ready to issue bonds to spend \$50+ million to add treatment to their wells. Orange County is putting in over 150 pressure vessels to add treatment. The price of pressure vessels is expected to increase soon due to demand. It will be a smart investment for the District to purchase the two refurbished pressure vessels. Ms. Miller came directly from a board meeting at the Chino Basin Watermaster and ran into Ryan Shaw of WMWD. Ryan indicated had been talking to the General Manager about RCSD and how water could be transported or exchanged using the new system that was just installed to connect Western to the CDA's system. There is an opportunity to move water through the system to JCSD and then from JCSD to RCSD. Mr. Sims explained the District has an underlying water quality problem of high TDS. That goes back to the City of Riverside. The TDS is the root problem that we have to deal with. We should be looking for a consolidated treatment that will handle multiple contaminants and address the salt issue. It is important to buy the vessels ahead of time as quickly as possible.

Director Skerbelis moved and Director Trueba seconded the Board of Directors authorize the General Manager to take the following actions:

- 1. Amend the FY 2019-2020 to allocate \$400,000 of reserves from the Water Fund Budget to be allocated to the Water Capital Improvement Project (CIP) Budget.**

2. **Execute a purchase order in the amount of \$174,000 with Carbon Activated Corp. USA for the purchase of two pressure vessels per Carbon Activated Corp. USA Quotation No. 4133.**
3. **Execute a professional services contract with Hazen and Sawyer in the amount of \$155,444 per proposal dated February 21, 2020.**

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 10. Adjustments to RCSD Service Area Boundary. DM 2020-12.

BACKGROUND

The Rubidoux Community Services District (“District”) provides services to properties within its service area boundary. This designated service boundary was established at the formation of the District in 1952. Since then a few properties have been annexed into the District’s service area boundary. Annexations as they occur are processed through the Riverside Local Agency Formation Commission (Riverside LAFCO).

District staff has identified eleven (11) areas that should be annexed into the District’s service area boundary. The properties within these eleven areas are currently receiving District’s services. These annexations would clean up and properly adjust the District’s service area boundary. Once officially within the District’s boundary, the tax rate areas (including voting and property fire tax) of the properties will accurately be reflective of the District’s services being received.

Staff has met with representatives from TKE Engineering and Webb Associates to review the details of each of the eleven of the identified areas. The proposals are attached TKE and Webb have provided a cost proposal and summary of how they would accomplish the annexation work and coordinate with the Riverside LAFCO. Both firms are capable of successfully performing the work.

TKE proposes a cost of \$39,450.00 and Webb proposes a cost \$97,164.00 to complete the annexation work for the eleven identified areas. This work was not included in the approved FY 2019-2020 District Budget, and to proceed a budget amendment is necessary. Staff proposes the District’s Board of Directors consider amending the District’s FY 2019-2020 Budget by allocating \$32,000.00 from the Water Operating Reserve and \$8,000.00 from the Sewer Operating Reserve to “Property Taxes – General Secured”.

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

1) To enter into a professional services agreement with TKE in the amount of \$39,450.00 to do the annexation work including coordinating the work with Riverside LAFCO.

2) Amend the FY 2019-2020 Budget to allocate \$32,000.00 from the Water Operating Reserve and \$8,000.00 from the Sewer Operating Reserve to “Property Taxes – General Secured”.

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

Noes – 0

Abstain – 0

The motion was carried unanimously.

ITEM 11. PUBLIC HEARING – Consideration to Adopt Resolution 2020-861, a Resolution Increasing Board of Directors Meeting Stipend. DM 2020-13.

BACKGROUND

At the January 16, 2020 Board meeting, staff presented to the Board for their consideration an increase to the Rubidoux Community Services District’s (“RCSD”) Board of Director’s meeting stipend. The RCSD meeting stipend has remained unchanged since July 2014. Under current State of California law, the Board is allowed to increase their stipend not to exceed 5% per annum. Given that the Board had not increased their stipend since 2014, the Board is allowed to increase their meeting stipend to \$155.13 per meeting, currently at \$121.55, and committee meetings to \$63.81, currently at \$50.00. Based upon action taken at the January 16, 2020 meeting, staff was directed to prepare a draft Resolution modifying the current rates.

At the February 6, 2020 Board meeting, staff presented to the Board draft Resolution No. 2020-861, *A Resolution Increasing Board of Directors Meeting Stipend*. During review of the draft Resolution, staff presented additional information in the form of a memo, which was not included in the original board packet, to the Board regarding maximum monthly compensation amount, which was based upon State of California law limiting Board members to six (6) service days per month x \$100 per meeting. Over the years and up until 2014, when the Board considered raising the per meeting stipend, they never considered raising the maximum monthly compensation amount based upon the incremental increase in the per meeting amount and thus, the \$600 maximum remained. Considering this additional information, the Board directed staff to revise the draft Resolution to increase the maximum monthly service days from six (6) to ten (10).

This afternoon’s Public Hearing for Resolution No. 2020-861 was posted at our office, on our website, and noticed in the Press-Enterprise Newspaper.

Finally, as of the writing of this DM, the District has not received any oral or written comments as it pertains to Resolution No. 2020-861.

Director Muniz opened the Public Hearing. There being no one in the audience to comment at the hearing, Director Muniz closed the hearing.

Director Trowbridge moved and Director Muniz seconded the Rubidoux Community Services District:

- 1. Approve Resolution No. 2020-861, a Resolution Increasing Board of Directors Meeting Stipend; and**
- 2. Authorize the Board of Directors President to sign Resolution No. 2020-861.**

Roll Call:

Ayes – 3 (Muniz, Trowbridge, Trueba)

Noes – 2 (Murphy, Skerbelis)

Abstain – 0

The motion was carried with a 3-2 vote.

ITEM 12. CLOSED EXECUTIVE SESSION – Pursuant to Government Code Section 54956.9: Legal Counsel Status on Litigation Case No. CIVDS 1310520, City of Riverside vs. Rubidoux Community Services District.

There was no Closed Executive Session.

ITEM 13. Directors Comments.

Director Murphy thanked the fire department for responding to his medical call.

Director Muniz adjourned the meeting at 5:12 pm.