

MINUTES OF REGULAR MEETING
September 2, 2021
RUBIDOUX COMMUNITY SERVICES DISTRICT

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

DIRECTORS ABSENT: None

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, September 19, 2021, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for August 19, 2021, Board Meeting.

Director Trueba moved, and Director Muniz seconded to approve the August 19, 2021, Regular Board 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 September 3, 2021, Salaries, Expenses and Transfers.

Consideration to Approve the September 3, 2021, Salaries, Expenses and Transfers.

Director Murphy moved, and Director Trueba seconded to Approve the September 3, 2021, 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

The first article was regarding the Riverside County Board of Supervisors appointing a director to the Western Municipal Water District for Division 4. Laura Roughton was appointed to the board. The second piece of information was regarding a notice to customers to include in upcoming billings discussing payment reminders for customers who have accounts in arrears. Information was provided about RCSD's payment arrangements and United Lift Programs that can help pay down Outstanding Balances. The Governor's Order effecting a shut off moratorium is scheduled to be lifted September 30, 2021. An example of the notice of what will be going out to customers in the next two billing cycles was provided to the Board for review and comment.

General Manager Sims stated it would be fair to start reminding customers shut offs are coming up. In late 2019 Senate Bill 998 went into effect. We created either an ordinance or a resolution to implement SB 998 requirements. It's a policy where it modified the shut off procedure for the District. It also requires the provide payment options up to twelve months for delinquent customers. I think what we need to do since the shut off moratorium appears to be ending is provide customers a heads up by including this document in the next two billing cycles.

At one of the upcoming Board Meetings staff will go through a presentation and remind the Board of what was approved by this Board to comply with Senate Bill 998. There is potentially an appeal process. I want to refamiliarize you with what that is and how we plan to administratively handle it at the staff level. That's something we may do with a workshop. Around the first meeting in October, we will invite Maureen Erbeznek. She is a water conservation/water rate consultant. There is additional legislation already in place with implementation requirements for January 1, 2024 having real impact on the District's overall use of water. Essentially the state is moving towards mandating allocations on water use by agencies and putting the responsibility of compliance in meeting the allocation by the District customers on the District.

There will be a function of variables determining the allocation of water each water provider will receive and if a District does not comply with the budget or allocation the state can fine the District. This is without regard of the source of your water. It doesn't matter if you're an importer, 100% reliant on groundwater, or a recycler. Everybody will be required to meet the set allocation as determined by the state. The District needs to get smart on this. Maureen is very

smart on this. There's a variety of efforts related to the District Water Shortage Contingency Plan Autumn DeWoody discussed in her presentation a couple of Board Meetings ago on the District Urban Water Management Plan. Based on the water allocation, efforts to do a comprehensive cost of service to evaluate rates and fees and setting policy to handle water shortages all are related and need to work together.

Director Murphy: There's the water that the state says is the district's maximum to pump, right? That's what they're talking about?

Jeff Sims: They're going to give us a budget of water for each agency.

Director Murphy: You're supposed to pump out of the ground?

Jeff Sims: No, it's not a budget just on groundwater pumped. It doesn't matter where you get the water.

Director Murphy: It's delivered to customers?

Jeff Sims: It's a demand metric. It doesn't matter where the supply comes from, they're just saying we're telling you this is how much water your agency can use.

Director Murphy: So how is it measured? Do they go, ok, this is how many units you bill at the meter? Or this is how many units you pumped out of the ground?

Jeff Sims: I don't have that detail yet. We're evaluating impacts of this.

Director Murphy: Total district use? Ok.

Jeff Sims: Yes.

Director Murphy: So, there may be some customers that use more than their ratio and some that use less than the survey.

Jeff Sims: Statistically you hope at the end of the day it all works out.

Director Murphy: That's not what I'm hoping for.

Jeff Sims: What I'm hoping is we're going to have to set ourselves up to have equity. You can't have the person that's super conservative in their water use; for example, instead of using 55 gallons of water per person per day, they use 30. There are the other people that won't. The state is looking at the District as a whole and the District makes its' budget, or it doesn't. The concern is how do you equitably deal with a potential fine by the state for going over budget, when some of the customers comply, and others don't?

Director Murphy: I would be interested in knowing how they plan on measuring that.

Jeff Sims: There will be more to come. The first step is Maureen is going to come in. We are trying to evaluate different softwares to help us. There is a lot of detail analysis that goes with this. She's going to start helping us. We don't have to pay her anything right now. She's coming on Western's dime.

Director Murphy: There's this red line here on the notice indicating Late Fee collections on outstanding balances resumes October 1, 2021. What does that mean?

Jeff Sims: That means Late Fee collections on outstanding balances.

Director Murphy: What are the late fees?

Brian Jennings: It's 7%. In the past when we've had very large outstanding balances, we would charge 7% on any outstanding balance greater than 30-60 days. We're changing that. We're reinstating charging late fees. We haven't done late fees for the past year and a half; we haven't shut anyone off in the past year and a half. What this is saying is we are going to start doing a calculation in October if a bill is not paid on time in November, they will get a 7% late fee charge of only their current balance. We're not going to hit them for the past balance.

Director Murphy: So, we're talking about people that didn't pay for the last year, they would just be paying the amount that was due, or they would be paying the amount plus interest? 7% late fee?

Jeff Sims: That's correct. It's the former.

Director Murphy: They would just be paying what they have been billed?

Brian Jennings: For the most recent bill. So, those people that have \$1,000 or \$2,000 bill, we say we need to have a payment arrangement and if the customer does not follow that payment arrangement then there's implications down the road.

Director Murphy: So, I have an outstanding balance well in excess of \$1,000. I haven't paid in like a year and a half.

Brian Jennings: Ok good.

Director Murphy: I also haven't cashed paychecks. I want to talk about this. Currently, I have about \$2,000 in uncashed paychecks and I owe the District about \$1,800 in my bill. I owe quite a bit.

Brian Jennings: Yes, you do.

Director Murphy: So, this is of interest to me.

Brian Jennings: Ok.

Director Murphy: So, what I want to know is let's say a person that has an outstanding balance from a year ago.

Brian Jennings: Alright.

Director Murphy: Are they getting charged the 7%?

Brian Jennings: No.

Director Murphy: So, it's just the amount that's on the bill?

Jeff Sims: If you owe \$1,000 as of September 30, you owe \$1,000. You get \$100 bill for November 1st, for your October usage and you fail to pay (not say you)

Director Murphy: That's ok, I'm not paying. It's not a problem. It's not like I haven't had my water shut off before.

Jeff Sims: If somebody fails to pay their November bill, they will start the interest.

Brian Jennings: If their November bill is \$100, they're going to get \$100 plus 7% (\$107), plus the late charge.

Director Murphy: Then there's this thing that says United Lift 2021 Rental Assistance Program where people can get assistance for their utility bills. Then it says go to their website to find out more info. Alright. What is the process people go through for that?

Brian Jennings: First, one backstep. Instead of sending out late fee notices from the last year and a half, I converted the late fee notices to something called a payment reminder. So instead of putting a late fee notice that says, "Hey you owe us money, plus 7%", I sent reminder notices. Did you get anything green?

Director Murphy: I haven't been opening them.

Brian Jennings: Well, that's helpful.

Director Murphy: I don't open the envelope with the paycheck, and I don't open the envelope with the bill. I just come here and complain.

Brian Jennings: Ok, well that's not very helpful to this situation.

Director Murphy: So please describe to me what's going on.

Brian Jennings: I'm doing that. So, I send those out and in those green bills there was this information for the full sixteen months – actually it started in March. It said, if you go to this organization, you can call in. I do understand it's a lengthy application process however, at this organization they have both Spanish and English speakers that provide assistance. I'll tell you this also Mr. Murphy, of all this time we've sent these notices out, we've had five people come through on this and that's it.

Director Murphy: So, you've had five people that got money from this United Lift? Do you know how many people apply to it?

Brian Jennings: I have no idea.

Director Murphy: So, my understanding on a nationwide scale is that there's money available for rental assistance for COVID relief and it's like 10 cents on a dollar to actually have gotten through the bureaucratic process.

Brian Jennings: Correct.

Director Murphy: So, what I'm interested to know is if there are people that are our customers that have applied for this assistance but didn't have any luck, I'd like to know if we'd hear about that here? So, if somebody calls here and says, "I tried to get help with this United Lift and they didn't come through", right. I'd like to know the number of people that you hear from. Is it one, is it ten, is it a hundred? It may be what we can do is contact these people at United Lift that are filling out this paperwork and get a workshop over at the library, so people with their problems can show up there and get in person assistance. So, if it's a small number – like one or five, that wouldn't make sense. If it's a large number – like ten, twenty or a hundred, then that might make sense. So, I'm interested to know if people call here saying that they've tried to get help from United Lift, but they didn't. They applied, they tried to get through the process, but it didn't happen. If we could get that information that would be

Brian Jennings: For that information I will convey to my customer service representative what you just asked for if anybody calls. When I did speak with somebody from United Lift, the issue they are saying is they are not getting the applications. People aren't applying.

Director Murphy: Ok.

Brian Jennings: I'm still going to follow up as you requested.

Director Murphy: Alright. Is this through that community action partnership or the United Way?

Brian Jennings: There's a multitude of these organizations out there and that's part of the battle or confusion, I think. But some people don't even open their mail, so they don't even know about it.

Director Murphy: That could very well be the case. I tell you that happens.

Jeff Sims: So just to go a little further on this, there was federal funding that got allocated to the state of California, specifically one billion got allocated, and allegedly the state is allocating it specifically to help utility services with arrearages, is it just for water?

Brian Laddusaw: The first cut will be water and if there's any leftover from the one billion, then wastewater.

Jeff Sims: So, the SWRCB sent out a survey. We're supposed to provide it with all the information. We do not know what the allocation plan is. If we are lucky enough to get some money, we don't know what strings comes or if they're going to come up with a manifesto of how you must apply it. Hopefully we will get cash from this and then we will have to come up with an equitable way to apply to the arrearages that we have.

Director Murphy: The impression I get from this United Lift Rental Assistance Program is that individual people apply for funds that then get sent to the District.

Jeff Sims: Yes. That's a different sponsorship. My understanding is through the SWRCB they are going to be the allocator of the money for the federal funding, COVID relief money. You can't shut anyone off for lack of payment. So, if you recall, there were some letters we signed

with a coalition of utilities within Eastern MWD and Western MWD and these letters were sent to the governor, senators, Pelosi, everybody. Like Brian said, one billion dollars is going to the utilities, of which water is first. If there's any leftover, then it goes farther down. If we get that money we will come back with a equitable allocation plan to apply to our customers with arrearages. I personally don't believe you reward the guilty and punish the innocent and apply the funding based on the customers with the biggest arrearages get the most assistance. I think you could take the total number of arrearages, divide that into the funding amount received. Then we allocate that amount against all the accounts in arrears. After this first cut any remaining amounts left over due to some accounts having balances less than the funding allocation will be then reapplied again in an equitable manner to the remaining accounts in arrears. We'll come with an equitable way, so no one comes in here and beats on the table stating the District was not fair with distribution of the funding.

ITEM 8. MANAGER'S REPORT

Operations Report:

General Manager Sims provided an update on 5473 Mission Blvd. which is a county owned building that had housed the Jurupa Family Resource Center. The building has been vacated. Staff went and looked at it a few weeks ago. The building is a little over 3,500 sq/ft. It is not large enough to house both the field and administrative. It may work well for District administrative functions. Mr. Sims spoke with Vincent Yzaguirre, a real estate person for the county. Mr. Aguirre stated the District could lease it for \$1/yr. An appraisal is currently being done on the building. Mr. Yzaguirre suggested that he could do a simple Right of Entry for three months to provide the District with access to perform some due diligence on it. Mr. Beckwith and Mr. Sims met with Roger Clarke of Ruhnau Clarke Architects to get a proposal for assistance with evaluating 5472 Mission Blvd. Of specific concern about 5473 Mission is security both on the property perimeter and customer interface. The building will need work with security. There is a high homeless population in the vicinity. Mr. Sims will with GM authorization start Ruhnau Clarke to work moving with a formal request for authorization at the next Board Meeting..

Mr. Beckwith reported that the first load of resin gets delivered September 3 at the Leland Thompson plant. There will be two more loads brought in next week. The plant will go through start-up procedures and will be running by the middle of September. Water testing will start in ten calendar days.

Emergency and Fire Report:

Presented at the second meeting of the month.

ITEM 9. Consider Adopting District Financial Payment Strategy for Remaining PFAS Treatment Project Costs. DM 2021-58.

BACKGROUND

Since August 2019, the District has focused significant attention addressing the District's PFOA and PFOS contaminant issues in the groundwater produced at District's drinking wells. As of the writing of this Director Memorandum, the Board of Directors (Board) has appropriated approximately \$5 million to hire consultants, electricians, purchase vessels and treatment media, and award construction contracts to fund the District's overall PFAS response/mitigation plan.

The District's response/mitigation plan consisted of a two-pronged approach of various treatments strategies at different water treatment facilities, which is summarized below:

Leland Thompson Water Treatment Facility (Wells 1A, 8, 18):

1. Hired Hazen & Sawyer to provide engineering expertise to design an ion exchange PFAS treatment process along with appropriate bidding documents. The District must meet sampling requirements established by the Division of Drinking Water of the State Water Resources Control Board due on or before September 30, 2021. Failure to comply will result in either removing the wells from production or notifying the District's customers of the contaminated water.
2. Purchased 6 pressure vessels from Evoqua Water Tech LLC to be assembled in a three-train, lead-lag configuration. Delivery of the vessels was May 2021.
3. Awarded a construction contract to Pacific Hydrotech to install the vessels and piping with an estimated completion date of August 31, 2021.
4. Hired Krieger & Stewart to provide construction management to oversee the work of Pacific Hydrotech.
5. Hired Center Electric to install and calibrate all electrical related components for the new treatment system.

As of August 31, 2021, the total estimated cost of upgrading the Leland Thompson Water Treatment Facility to eliminate PFOS and PFOA is approximately \$4.3 million, of which the District has already paid \$1.9 million from District reserves. This leaves approximately \$2.5 million (rounded up) in additional project costs yet to be paid.

Anita B. Smith/Nitrate Plant (Wells 4 and 6):

1. Purchased 3 refurbished pressure vessels from Carbon Activated Corp. Delivered April 2021.
2. Awarded a construction contract to Atom Engineering Construction to construct the concrete foundation slab and install the vessels for Well 4 which have been permitted and put into operation this summer.
3. Hired TKE Engineering to provide construction management to oversee the work of Atom Engineering.
4. Installed 2 refurbished pressure vessels for Well 4 which have been permitted and put into operation this summer.

Substantially all the work performed on PFOS/PFOA mitigation at the Nitrate Plant was completed in June 2021 and the asset was subsequently placed into service. Also, the Board considered and authorized the District to file a Notice of Completion (NOC) with DM 2021-42 in June 2021 accepting the contractor's work. Minor work including the bolting and welding of the tanks to the concrete pad is still being completed. In total, of the estimated \$532,000 authorized by the Board for this work, the District paid approximately \$407,000, with an estimated \$10,000-\$15,000 to be paid in the current fiscal year for the bolting/welding.

The District funds Water Capital Improvement Projects through various funding sources. Examples include:

Capacity Fees: Capacity fees collected for water and sewer connections are one-time fees collected at the time a new connection is made to the District's system. The capacity fees are established in part based on the estimated costs for master planned improvements identified in District Water and Sewer Master Plans required to meet ultimate demands, divided by the estimated number of future new connections. Currently the District's Water Capacity Fee is \$6,800/EDU and the Sewer Capacity Fee is \$5,200/EDU. Funds collected are typically held in designated accounts to be used to fund master planned improvements.

Replacement Reserves: Replacement reserves are generated from fixed and variable charges in the monthly bills paid by existing customers to make emergency improvements to meet regulatory compliance and perform routine maintenance to meet normal operation.

Grants/Loans: The District routinely seeks grants and low-cost loans to fund various capital improvement projects. Examples of loans are the Certificates of Participation (\$12 M) the District issued to fund a variety of water improvements in the 1990's to stabilize the functionality of the District's water system. Funded projects from the COP funds included construction of water treatment facilities and pipelines.

As noted earlier the Board has authorized \$5 million in expenses PFAS treatment improvements and of that amount, the District has already paid \$1.9 million and expects to pay approximately \$2.5 million as the Leland Thompson IX Exchange work (Pacific Hydrotech) in the next 6 to 10 weeks.

In anticipation of these expenses, the Board adopted Rubidoux Community Services District Resolution No. 2021-875 allowing the District to solicit bids for financing the project costs. Unfortunately, around that same time in May 2021, Judge Alvarez submitted his decision on the Phase 2 portion of the City of Riverside Lawsuit, which established a significant monetary judgment in favor of the City of Riverside against the District. Given this potential liability it was determined a private placement with a bank could not be made given the uncertainty and magnitude of the judgment.

Additionally, the District investigated other financing opportunities, including the District's current primary bank (Pacific Premier Bank) and the California Special District's Association (CSDA) Finance Corporation for potential financing solutions. After reviewing potential term sheets with varying interest rates, collateral requirements and amortization schedules and given the constraints on the District's water fund budgets as highlighted during budget workshops, adding additional debt service in the near term didn't seem fiscally responsible.

As an alternative to financing the project, the District investigated using existing District reserves from different funds and accounts to determine an appropriate financial payment strategy while being mindful of the reserve balance and potential uses of the reserve balance for other budget overages. Management's suggested financial payment strategy consists of the following:

1. Pay Down of Existing Receivable from General Fund to Water Fund

Consistent with governmental accounting, activity that takes place between and among governmental and proprietary funds in the fund financial statements is called interfund activity. Currently, the District has authorized interfund exchanges between the General Fund, Water Fund and Sewer Fund. The balances in these accounts fluctuate over time depending on the availability and need of monies from other funds. As of August 31, 2021, the General Fund owes the Water Fund \$2,432,260. Any pay down of this amount by the General Fund would be made from the District's unrestricted LAIF Property Tax Operating account, which has a balance of \$4,342,746 as of August 31, 2021. Reviewing the Board approved Fiscal Year 2021-2022 Operating Budget, the General Fund is expected to have a budget shortfall of only \$7,000, which ultimately would be covered by this LAIF account. Thus, District staff anticipates sufficient reserves in the LAIF account to not only cover any potential General Fund operating expenses shortfall (currently estimated at \$7,000) but also pay down some of the owed funds due to the Water Fund. Staff recommends an interfund transfer of \$1,000,000 from the General Fund to the Water Fund, leaving a balance of approx. \$3.3 million in the District's LAIF Property Tax operating account.

2. Unrestrict and Transfer to Water Fund Currently Restricted Excess Monies from the District's Certificates of Participation (COP) Water Fund Budget

As of June 30, 2021, the District has remaining debt service (principal and interest) on its 1998 Refunding COP's of \$2,829,535. Debt service consists of annual principal and semi-annual interest payments, totaling approximately \$705,000-\$710,000 per year. The District's COP's are scheduled to mature December 2024. As of July 1, 2021, the District has restricted COP's monies of \$4,272,742. Absent new revenues, the District already has sufficient restricted cash to pay the remaining debt service. Given this excess, and consistent with prior fiscal years, the District budgeted a one time \$1,000,000 transfer from the COP Water Fund budget to the Water Operating Fund to cover current year budgetary shortfalls. These shortfalls were well documented and communicated to the Board during the various budget workshops. Factoring in the already approved one time transfer of \$1,000,000 and considering current year debt service and expected revenues, District staff anticipates sufficient cash within the COP account to unrestrict and transfer an additional amount to the Water Operating Fund. As mentioned prior, the District anticipates approximately \$2.5 million in additional project costs yet to be paid. If the Board approves Part 1 of the payment strategy, the remaining difference to be made up by the excess COP's monies is \$1.5 million. Staff recommends an interfund transfer of \$1,500,000 from the Water COP Fund to the Water Operating Fund.

If approved by the Board, the project running COP balance is as follows:

Insert chart here

3. Assign New Water Fund Monies to the Water CIP Fund

After the approval of Part 1 and 2 transfer of funds, the Board could then assign the \$2.5 million from the Water Operating Fund to the Water CIP Fund to satisfy the remaining PFAS project costs. Staff recommends the Board assign these funds accordingly.

Director Murphy moved, and Director Trueba seconded the Board of Directors approve the General Manager to:

1. Amend the District’s FY 2022 Budget by transferring \$1,000,000 from the General Operating Fund Budget.
2. Amend the District’s FY 2022 Budget by transferring \$1,500,000 from the COP Water Fund Budget to the Water Operating Fund Budget.
3. Assign the \$2.5 million from the Water Operating Fund Budget to the Water CIP Fund Budget.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 10. Consideration to Adopt Resolution No. 2021-882, a Resolution Authorizing the Reapportionment of Certificates of Participation (COP’s) Surplus Revenues for Fiscal Year 2021-2022. DM 2021-59.

BACKGROUND

Attached Resolution No. 2021-882 is a follow-up administrative action item pursuant to the approved 2021-2022 Rubidoux Community Services District (“District”) Budget. The adoption of Resolution No. 2021-882 approves and memorializes the transfer of \$1,000,000.00 from surplus COP funds to the Water Fund Budget as a transfer obligation for FY 2021-2022. As outlined in DM 2021-58 related to a payment strategy for PFAS Treatment Facilities, the resulting balance remaining in the COP Water Fund Budget after a proposed \$1million is sufficient for the District’s remaining COP debt service obligations.

COP Estimated Balances Year-Over-Year				
Balance – 7/1/21	\$	4,272,742.58	Remaining Debt Service	Excess (Deficit)
<i>COP to WF Xfer (Budget)</i>	\$	<i>(1,000,000.00)</i>		
Debt Service	\$	(705,515.00)		
Revenues	\$	1,161,000.00		
COP to WF Xfer (Project)	\$	<u>(1,500,000.00)</u>		
Estimated Balance – 6/30/22	\$	<u>2,228,227.58</u>	\$ 2,124,020.00	\$ 104,207.58

This transfer was part of the approved 2021-2022 District budget (See attached Water Fund Budget Line No. 13).

Attached Resolution No. 2021-882 presented for your review and consideration of approval to memorialize the transfer of COP funds to the Water Fund for use in paying for PFAS Treatment facilities.

Director Murphy moved, and Director Trueba seconded the Board of Directors adopt Resolution No. 2021-882.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 11. Award Contract for Vehicle Tracking. DM 2021-60.

BACKGROUND

The District maintains a fleet of 18 vehicles and 4 tractors in addition to trailered equipment. As the Board may recall, the current, and recently adopted, Memorandum of Understanding eliminates the requirement field staff to “Clock-In” which allows for on call employees to not have to report to the Administration Office to “Clock-In” when responding to emergencies allowing a quicker response by staff going directly to the location of the emergency. Also, the Standby staffing model was changed to have three on-call staff instead of just one with each on-call staff taking a District service truck home with them during the week they are on-call. With vehicle tracking we will have the confidence in always knowing where our fleet is, even in the event of theft. Additionally, the District will have accurate estimated response times in the case of an emergency because dispatch will be able to determine how far the closest service truck is from the customer’s service location. Management will be able to actively monitor the vehicles when they are out of the District. While not a priority to the District tracking device can allow the District to monitor activities that are contributing towards a higher fuel bill, such as taking longer routes, speeding and leaving the engine idle when stopped. If queried, the tracking system will provide information on any unsafe driving to the manager and can also be utilized to demonstrate to claimants for things such as windshield damage caused by a District vehicle that our vehicle was not located in the area it may have been claimed to be in causing the damage.

The District received quotes from three vendors including Carmine, Geotab and Samsara.

Carmine provided a proposal to provide service at \$20.99/vehicle per month. Samsara provided a proposal to provide service at \$35/vehicle per month. Geotab provided a proposal to provide service at \$19.75/vehicle per month.

Geotab provides vehicle tracking and fleet management services. By installing Geotab on District vehicles and equipment we will be able to run a more efficient fleet. Geotab provides active tracking, viewing of daily vehicle routes, tracking diagnostics, fuel status data and usage, and vehicle maintenance reminders. Geotab also integrates into the GIS software approved by the Board at the August 19, 2021, board meeting furthermore providing real-time graphical knowledge of each vehicle’s location.

As a Special District, the District can “piggyback” off the State’s contract with Geotab and get a better price. Geotab has a one-time cost to purchase hardware - \$763.95 and a monthly subscription of \$415.00 which is \$4,980 for 12 months. The cost for fleet tracking implementation is included in the current District Water Fund Budget under Line Item #46 for \$4,000 and in the Sewer Fund Budget under Line Item #30 for \$2,000. The current annual subscription rate is \$4,980 per month which will need to be included in subsequent budget years. Based on cost and functionality, Staff considers Geotab the best option for District Vehicle Tracking.

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

- 1. Authorize the General sign an agreement with RMJ Technologies for the Geotab Core Hardware and Monthly Subscription Plan.**
- 2. Utilize \$5,743.95 of the approved Fleet Tracking as provided in the Water Fund Budget Line Item #46 and in the Sewer Budget Line Item #30 to pay RMJ Technologies for the Geotab Core Hardware and Monthly Subscription Plan.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 12. Directors Comments

Director Murphy comments:

1. Stated that when all directors are present it is not necessary to take the roll call. That would save us some time.
2. I would like to point out that it is offensive to me to have the board served water from the bottled water and not the tap water.

Brian Jennings stated that the water that came out of the tap was hot even after running for a while. He stated that in the future he will check the tap water earlier in the day and get it into the refrigerator if necessary.

Director Skerbelis comments:

1. Stated that he feels it’s good to acknowledge all the board members when they are there.

Director Skerbelis adjourned the meeting at 5:15 PM.