

**MINUTES OF REGULAR MEETING
December 15, 2022
RUBIDOUX COMMUNITY SERVICES DISTRICT**

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

DIRECTORS ABSENT:

STAFF PRESENT: Jeff Sims, General Manager
Brian Laddusaw, Finance Director
Ted Beckwith, District Engineer
Brian Jennings, Customer Service Manager
Martha Perez, Accounts Payable Manager
Miguel Valdez, Director of Operations
Melissa Trujillo, Human Resources

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, December 15, 2022, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for December 1, 2022, Board Meeting.

Director Muniz moved, and Director Trueba seconded to approve the December 1, 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 December 16, 2022, Salaries, Expenses and Transfers.

Consideration to Approve the December 16, 2022, Salaries, Expenses and Transfers.

Director Skerbelis moved, and Director Muniz seconded to Approve the December 16, 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

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

There was an article on the Department of Water Resources State Water Project initial allocations set for 5% of requested supplies for 2023. The SWP provides water to 29 public water agencies that serve 27 million Californians.

Currently the California aqueduct watershed is above the average water year. It is hoped that the water has a good snowpack in both the watersheds. The district is still just groundwater.

ITEM 8. MANAGER'S REPORT

Operations Report:

Miguel Valdez reported on the water/wastewater report for the month of November, production was an average of just under 5.0 mgd per day and an average of 1.7 mg/day was the wastewater flow to Riverside. On average 1 mg/day of water to JCSD. The projected sales to JCSD are at about half the sales to them. Well No. 18 produced 2%, No. 1 produced 0% of the water, Well No. 2 produced 16%, Well No. 4 produced 14% and Well No. 6 produced 27%, Well No. 8 produced 41 % and Well No. 18 produced 2% of the water.

Emergency and Fire Report:

Chief Ottoman reported the Incidents Reported for the month of November 2022 and Special District Rubidoux CSD. Station 38 had a total of 271 calls. 171 calls, 63.1% were medical aides. Additionally, there was a report for the City of Jurupa Valley. There were 28 False Alarms, 10.3%, 3 Haz Mat, 1.1%, 3 Other Fire, 1.1%, 10 Public Service Assist, 3.7%, 3 Res Fire 1.1%, 2 Ringing Alarm 0.4%, 6 Standby, 2.2%, 29 Traffic Collisions, 10.7%, 3 Vehicle Fire, 1.1% and 3 Wildland Fires, 1.1%.

ITEM 9. PUBLIC PROTEST HEARING – Proposition 218 Protest Hearing on 5-Year Water Conservation, and Wastewater Rates. DM 2022-105.

BACKGROUND

In May 2019, the Rubidoux Community Services District (“District”) Board of Directors (“Board”) approved and adopted a 5-year water and wastewater rate plan pursuant to the conditions of Proposition No. 218 and compliant with the requirements of AB 3030. Since the adoption of this plan, the District has seen significant changes to the operating environment of its Water and Wastewater Enterprises.

Water Enterprise

In August 2019, the District was given approximately 2-years to respond and mitigate the emergence of the presence of PFAS contaminants in the groundwater pumped for potable supplies. Meeting this new state of California regulatory mandate was accomplished by implementing new treatment processes at the Anita B. Smith and Leland Thompson Water Treatment Facilities. The total project costs for mitigating these contaminants were approximately \$5 million, all of which was funded through various District reserve accounts. In September 2021, the District successfully achieved non-detect in its potable water for PFAS contaminants.

Along with these new capital improvements has come additional routine operating costs, most notable the periodic change-out media (GAC and resin) held in the pressure vessels of the new PFAS treatment process, and additional energy costs and sampling, among other costs. The District estimates these new costs will add approximately \$1,200,000 to the annual water enterprise operating expenses.

The District’s water enterprise assets are starting to show their age. The District’s four (4) potable water tanks (Hunter 1, Atkinson, Watson, Perone) are 20+ years old. In December 2019, the Board of Directors authorized a professional services contract with Harper & Associates to inspect the tanks with specific emphasis on – 1) corrosion evaluation, 2) structural/seismic, and 3) safety evaluation. The results of the Harper & Associates assessment confirmed given the age and usage of the tanks the tanks will require substantial structural and safety upgrades to meet AWWA and OSHA regulations. The cost of refurbishing these tanks is approximately \$4 to \$5 million.

Wastewater Enterprise

The District collects wastewater generated by residential and business customers of the District and conveys it through District owned facilities to the City of Riverside Wastewater Treatment Plant for treatment and disposal. Once treated and discharged back into the environment, the recycled water provides beneficial use as a water supply to the Santa Ana River. The level of treatment given to its wastewater is subject to both State and Federal regulations. The District is a Partner in the City of Riverside’s Regional Wastewater Treatment Plant.

The District is required by state law and District policy to collect revenues sufficient to cover the costs of operating its Wastewater Enterprise. Costs recovered through rate revenue include energy, mechanical equipment and supplies, infrastructure maintenance, and salaries and benefits for Wastewater Enterprise staff. Other Wastewater Enterprise costs include the City of Riverside’s Regional Wastewater Treatment Plant charges for wastewater treatment and disposal which have risen significantly over the years and are expected to continue to rise in the future.

Additionally, with respect to both the Water and Wastewater Enterprises, supply chain issues on various District parts/chemical/materials/etc., combined with the rising cost of inflation has put significant financial constraints on the District's operating budget.

District Wide

Until FY 2021-2022, there had not been an emphasis by the District to develop a preventative maintenance program. During the previous year, the District hired a consultant to develop a valve turning program, which is currently in-process. A valve turning program is an important preventative maintenance technique to ensure the District's water system continues to operate in a smooth and efficient manner. Ideally, when the District is presented with a leak in its water system, being able to isolate the leaky pipe through valve shutoffs is paramount to minimize customer inconvenience and complaints and maintain a level of trust and reliability. When valves are not exercised on a regular basis, over time the valves can become stuck or become harder to open, sometimes resulting in failure. This requires District employees to shut down more of the water system, making the overall operation inefficient and more costly. Once the program design is completed, the District will incur implementation costs. These will include staff training and a specialty valve turning truck and equipment. This is just one example of the more programmatic approaches the District is emphasizing moving forward. Other foreseeable items include a meter replacement program as meters tend to "run" slower over time resulting in inaccurate billings and less revenues for the District for the same amount of water usage. This "water loss" is reported by District staff on an annual basis during the preparation of the Water Loss Audit required by the State of California Department of Water Resources.

The above financial impacts in the water and wastewater system are new to the District and are not captured in the District's current 5-year rate plan adopted in May 2019. In January 2022, the District began a Comprehensive Cost of Services Study ("COSS") with its consultant to confirm the adequacy of revenues to operate, maintain, and replace system assets to meet current and long-term needs of the District.

The District's COSS is now complete and was determined the existing rates approved with the 2019 5-year rate plan are not adequate to meet the District's future financial obligations. In October 2022, staff distributed to the Board the draft Administrative Record Report ("Report") prepared by the District's rate consultant's IB Consulting. The Report is the nexus for establishing a new 5-year defensible rate plan to meet the District's future financial obligations to ensure safe and reliable water supplies and wastewater conveyance and treatment are available 24 hours a day – 365 days per year.

Staff and the District's consultant, Sanjay Gaur, reviewed the draft Report and provided comments and corrections to the rate consultants. The comments and corrections provided were non-substantive in nature and include clarifications/additions, formatting, and spelling correction. No changes were made to the underlying methodology and assumptions nor the proposed 5-year water, water conservation, and wastewater rates. Changes between the draft Report and the final Report include the following:

1. Expansion of 'Table 9: Assumptions for Forecasting Revenues' to include the current tiers by customer class.
2. New 'Table 16: Water – Undesignated Reserves Activity through FY 2028' which summarized the projected undesignated reserve activity for the District's various reserve accounts for each fiscal year beginning FY 2023 through FY 2028.

3. Expansion of 'Table 36: Wastewater Billable Units by Customer Class' to show meter number and additional dwelling unit count by meter size.
4. New 'Table 45: Wastewater – Undesignated Reserves Activity through FY 2028' which summarizes the projected undesignated reserve activity for the District's various reserve accounts for each fiscal year beginning FY 2023 through 2028.

Additionally, during distribution of the Report to the Board in October, staff suggested the Board read the Report and provide comments to staff or directly to IB Consulting. As of the writing of this Director's Memorandum, staff has received a comment from a Director requesting if the Report referenced the District's existing senior citizens discount rate, commonly referred to as the Lifeline Rate, which is addressed separately below. Due to the noted changes, the final draft Report is attached to this Director's Memorandum (Attachment A). The draft Report can also be viewed on the District's website or in person at the District's administrative office.

Proposed 5-Year Rate Adjustments

The proposed rate adjustments will have varying effects on the District's customers depending on customer class and meter size. Some customers may experience a reduction in monthly water and wastewater charges while others will see an increase. One of the District's largest customers, the Jurupa Area Recreation & Parks District, estimates they will save a few hundred dollars a month based on the new rate structure.

If the proposed rate adjustments are approved a typical District customer with a 5/8" meter using 18 units of water and with wastewater service would see a monthly increase of \$15.09, or approximately \$.50 per day. With the proposed adjustments for water and wastewater services going into effect on July 1, 2023, the District rates will continue to remain as some of the lowest rates in the region for similar services as shown in the following graph:

The purpose of adopting a 5-year rate plan allows the District flexibility to adjust rates as necessary to cover future operating costs, and major maintenance and asset replacement, while also maintaining its target reserve balances. If adopted, rates will not automatically be adjusted every July 1 to the noticed rate amounts. The noticed rates are the maximum allowable rates under Proposition 218 the District may charge its customers. On an annual basis, staff will perform the necessary financial analysis to determine if a rate adjustment is necessary. During this analysis, staff may determine whether the District can achieve its financial targets with a rate adjustment less than the maximum allowed rates or alternatively, delay the date of implementation.

Lifeline Rate

In October 2012, the Board approved Ordinance No. 2012-113, which allowed for qualified senior residents/customers to receive a 20% discount on the District's fixed monthly water rate and a 20% discount on the District's variable water rates for units consumed between 1-29 units. One unit is 748 gallons of water. Any water units consumed in exceedance of 29 would be billed at the District's then current rate schedule. As the discount represents a flat percentage of the District's rates, as the District's rates have increased, qualified lifeline customers have maintained their 20% discount.

The current qualifications of an eligible lifeline customer as established by Ordinance No. 2012-113 include the following:

1. Must be 62 or over of age.

2. Receive Social Security Benefits.
3. Must have no more than two individuals living per household.
4. Eligible seniors must not have supplemental income(s).
5. Must not receive supplemental retirement or benefits.
6. Multi-family complexes such as mobile home parks, condos, and apartment buildings shall be limited to a maximum of thirty (30) lifeline adjustments per complex.
7. Accounts must have a water measuring the household's water consumption.

Additionally, Ordinance No. 2012-113 limits the number of participants to two hundred (200). Customer participation in the Lifeline program varies year-to-year as eligibility changes, house ownership turns over, or there is new development. Historically, the District has active yearly participation in the Lifeline program from 10-30 customers.

The establishment of the District's Lifeline program was an administrative directive by the Board 10 years ago and was not included in IB Consultants' scope of work. Should the Board wish to expand or modify the District's current Lifeline program, the Board would need to provide direction to staff to do so. Without modifications to Ordinance No. 2012-113, staff will continue to administer the program as adopted. Any Lifeline customer currently receiving a discounted rate will continue to receive the same discount percentage (20%) should the Board adjust water rates in the future.

The requirements of Proposition 218 disallows the District from offering a program like its Lifeline rate without a proper funding mechanism as water customers cannot subsidize other water customers. Thus, any discounts realized by the District's current Lifeline rate participants must be covered by the District's property tax revenues. This could be calculated and estimated by staff should the Board choose to modify this program in the future.

PROPOSITION 218 AND PUBLIC PROTEST HEARING

As authorized by the Board of Directors at the October 20, 2022 regular meeting, staff prepared and mailed the proposed 5-year water, water conservation, and wastewater rate adjustments pursuant to the conditions of Proposition 218 and compliant with the requirements of AB 3030. Those conditions are as follows:

- All effected property owners as well as tenants received the Proposition 218 notification (Attachment B).
- Proposition 218 notifications were mailed on October 31, 2022, at least 45 days before the public protest hearing date. See attached US mail certification (Attachment C).
- The Proposition 218 notice was compliant with AB 3030 was not-to-exceed amounts for water, water conservation, and wastewater rates for a period of 5 years beginning July 1, 2023 and allowing for adjustment ever subsequent July 1 through July 1, 2027.
- Although not a requirement, the notice was published in English and Spanish and sent to property owners as well as tenants; and
- Identified the Public Protest Hearing location, time and date affording all parties the ability to file their protests up to this evening.

After the Proposition 218 notifications were mailed to effected property owners, staff noted an error on the water rate mailing as it relates to the multi-family residential ("MFR") tier thresholds. The original Proposition 218 mailing shows MFR Tier 1 as 1-7 units and Tier 2 as 8+ units. The appropriate MFR tier structure, which aligns with the District's draft Report, would

be Tier 1 as 1-8 units and Tier 2 as 9+ units. Staff notes this is more of a benefit to MFR customers as their 8th unit of water would now be charged at Tier 1 rates instead of the more expensive Tier rates. Due to the nature of the adjustment, and to align with proper Proposition 218 procedures, District staff consulted with the District's General Counsel who advised this adjustment is allowable and a new Proposition 218 mailing is not necessary nor required due to the beneficial outcome it provides to MFR customers. Thus, at the conclusion of the Public Protest Hearing, should the protest fail, staff will recommend the Board approve the draft final Report which includes the proper tier thresholds for MFR customers.

After the Proposition 218 notifications were mailed in October 2022, the District performed the following additional outreach to its constituents:

- November 10 and 20, 2022 – Provided bill stuffer in the November billing highlighting the need for water and wastewater rate adjustments. (Attachment D)
- November 30, 2022 Virtual Townhall
- December 1, 2022 – City of Jurupa Valley City Council Meeting presentation
- December 7, 2022 – Virtual Townhall

The purpose of the outreach events and mailings was to provide transparency to all effected property owners and tenants about the proposed rate adjustments and afford them various opportunities to contact staff for a better understanding of the adjustments.

Before the Board can consider and adopt a new 5-year rate plan, the District must conduct a Public Protest Hearing for all property owners and tenants of real property who are directly liable to pay water and wastewater bills. For the proposed rates to not be considered by the Board and therefore “not take effect” a majority (50% + 1) of the property owners and tenants of real property must submit a written protest to the Board by the end of the Public Hearing. A protest must contain a description of the property owned or being rented sufficient to identify the property. There may only be one protest per parcel owned or rented.

On October 31, 2022, the District mailed 14,830 notices. Of the 14,830 notices, 5,375 were considered duplicates. Additionally, the District received 779 non-deliverable notices from the post office. This results in net mailings of 8,676. For the Public Protest Hearing to be successful, the District must receive 4,339 written protests by the end of the Public Protest Hearing. As of the writing of this Director's Memorandum, the District has received four (4) written protests.

Legal Counsel, John Harper, explained the requirements of Proposition 218 prior to the public hearing. Martha Perez provided translation to the public.

Brian Laddusaw, District Finance Director and General Manager Jeff Sims gave a detailed slide presentation regarding the 5-Year Water Conservation, and Wastewater Rates.

Director Trueba opened the PUBLIC HEARING.

Two members of the public were in attendance for the PUBLIC HEARING and no members of the public were in attendance virtually. The first member of the public only wished to address the Board and staff to get clarification on what their new bill would be effective July 1, 2023 with the new rates in effect and did not submit a written protest. The second member of the public did not wish to address the Board or staff and only attended to see the process. The second member of the public did not submit a written protest. After

all members of the public were afforded time to address the Board, Director Trueba Closed the Public Hearing.

There was a total of 4 protests.

Director Murphy moved, and Director Muniz seconded to the Board of Directors:

- 1. Approve the 5-year water and wastewater rate schedule for FY 2024-2028.**
- 2. Receive and file the draft Administrative Record Report prepared by IB Consulting.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 10. Receive and File Statement of Cash Asset Schedule Report Ending November 2022. DM 2022-106.

BACKGROUND

Attached for the Board of Directors' consideration is the November 2022 Statement of Cash Asset Schedule Report for all District Fund Accounts. Our YTD interest is \$97,309.59 for District controlled accounts. With respect to District "Funds in Trust", we show \$4,388.48 which has been earned and posted. The district has a combined YTD interest earned total of \$101,698.07 as of November 30, 2022.

The District's Operating Funds (Excluding Restricted Funds and Operating Reserves), we show a balance of \$12,536,821.87 ending November 30, 2022. That's **\$3,526,635.62 MORE** than July 1, 2022, beginning balance of \$9,010,186.25.

Further, the District's Field/Admin Fund current fund balance is \$742,871.75.

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

Director Trowbridge moved, and Director Muniz seconded to Receive and File the Statement of Cash for the Month of November 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.

*Brian Laddusaw introduced Melissa Trujillo to the Board. She is the new Human Resources employee.

**ITEM 11. Consideration to Approve Amended Salary Schedule for 2022-2023.
DM 2022-107.**

BACKGROUND

On June 16, 2022, the Board of Directors (“Board”) of the Rubidoux Community Services District (“District”) unanimously approved the District’s FY 2022-2023 Operations and Capital Improvement Budgets and Salary Schedule. The FY 2022-2023 Salary Schedule included the following changes from the previous year:

1. 5% cost-of-living-adjustment (“COLA”) across all District employee classifications.
2. Transition of current part-time customer service Administrative Assistant to full-time Administrative Assistant with dedicated hours to customer service and engineering/operations.
3. Add one (1) full-time equivalent (“FTE”) to Systems Operator classification.
4. Add one (1) FTE for new HR Generalist/Safety and Facilities Coordinator position.
5. Reduction in Customer Service/Accounts Payable Manager salary range due to transition of certain job duties/responsibilities to new HR position.

Since June, when the FY 2022-2023 Salary Schedule was adopted, the District has completed the following personnel changes:

1. Director of Finance and Administration → General Manager (Effective December 30, 2022)
2. Accounting/Customer Service Clerk II → Customer Service/Accounts Payable Manager (Effective October 24, 2022)
3. Part-time Administrative Assistant → Accounting/Customer Service Clerk I (Effective November 28, 2022)
4. New HR Generalist/Safety and Facilities Coordinator (Effective December 12, 2022)

With the personnel changes above, modifications must be made to the FY 2022-2023 Salary Schedule to eliminate salary overlap with the Customer Service/Accounts Payable Manager position and to reflect the incoming General Manager’s new salary.

Additionally, with the promotion of the District’s part-time Administrative Assistant to a full-time Accounting/Customer Service Clerk position, the District must fill the vacant Administrative Assistant position. Prior to this promotion, the District intended to transition the Administrative Assistant from part-time to full-time with dedicated hours to customer services and engineering/operations. The vacancy allowed staff to rethink the Administrative Assistant position and instead of converting it from part-time to full-time for one individual, its best suited to have two part-time Administrative Assistants, one dedicated to customer service and the other to engineering/operations. Staff believes this new approach will for greater flexibility, better

continuity, and for the part-time individuals to focus on one designated department instead of “floating” between two departments.

Included as Attachment A is the original FY 2022-2023 Salary Schedule approved by the Board June 16, 2022 with an effective date of July 1, 2022. For the Board’s consideration tonight and included as Attachment B is the amended FY 2022-2023 Salary Schedule with a future effective date of December 30, 2022 and includes the following changes:

1. Administrative Assistant – Revert from one (1) full-time Administrative Assistant to two (2) part-time Administrative Assistants.
2. Removal of old Customer Service/Accounts Payable Manager salary range.
3. Update General Manager salary.

Director Trowbridge moved, and Director Muniz seconded the Board of Directors approve the amended FY 2022-2023 Salary Schedule of the Rubidoux Community Services District with an effective date of December 30, 2022.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 12. Consider Approval of Consulting Services with MV Engineering Service, Inc. DM 2022-108.

BACKGROUND

With leadership of Rubidoux Community Services District (“District”) changing at the end of this Calendar Year attention has been placed on efforts to make the transition smooth and ensure business continuity. District Leadership staff regularly meet and go over issues, including currently pressing issues and longer-term strategic issues desired to be accomplished/resolved. Projects and issues the District is currently working on include in part:

1. Project management of remodeling efforts related to the District’s new Administrative Facility at 5473 Mission Blvd., and the Operation Facility at 3590 Rubidoux Blvd.
2. Securing an imported water supply to provide the District with a redundant source of supply and improve water quality. Lowering Total Dissolved Solid (“TDS”) concentration of the District’s water supply is an important goal in meeting City of Riverside wastewater influent requirements. Currently the District’s wastewater sent to the City of Riverside for treatment and disposal exceeds to the TDS limit. Because of this, the City of Riverside has objected to the annexation of the Rio Vista Development into the District. Securing a low TDS imported supply will enable the District to lower the TDS concentration in wastewater delivered to the City of Riverside.

3. City of Riverside Lawsuit appeal and subsequent negotiations with the City of Riverside. Regardless of the outcome of the appeal decision, the District and the City of Riverside will need to negotiate the terms of the relationship going forward. This may include a payment plan, future capital contributions, and quality surcharges.
4. Preparation of various participation and reimbursement agreements between the District and area Developers. Ongoing efforts include:
 - a. Offsite sewer reimbursement agreements with Highpointe and Century Communities
 - b. Property acquisition and reimbursement agreements with The District at Jurupa Valley – well sites, and expansion of the Thompson Plant
 - c. Participation agreement for sewer improvements made for the Stockdale Court Project
5. Various District Capital Improvement Projects:
 - a. Golden West cell site disposition
 - b. Meter replacement strategy
 - c. Installation of emergency generators at three locations
 - d. Assistance with finalizing the District’s Development Services workflow

The retiring General Manager has institutional knowledge regarding these issues and can be available through MV Engineering Service, Inc. (“MV Engineering”) to assist the District as a consultant. The District with approval of the FY 2023 Budget included \$20,000 of funding in the General Fund Line 31 – Consulting Fee: Administrative Oversight. In addition, work performed related to development projects would be paid using developer paid deposits, and work performed on District capital improvement projects would be charged against District funded budgets for those specific projects. It is anticipated MV Engineering utilization by staff would average approximately ten hours per week of effort, or a total of 240 hours for the balance of FY 2023.

Over the next 10-12 months the Director of Engineering will be highly engaged in the Project Management of the remodel effort of 5473 Mission Blvd. in addition to regular ongoing work associated with the District Engineering function and assistance on District Operation functions. Having assistance from MV Engineering will add a resource to staff to assist with the District’s leadership transition and maintain smooth continuity of District functions.

Director Murphy moved, and Director Skerbelis seconded the Board of Directors approve a master consulting agreement with MV Engineering to assist the District as an extension of staff to work on various issues for a not-to-exceed amount of \$48,000 funded from:

1. \$20,000 of District Funding – General Fund Line – Consulting Fee: Administrative Oversight
2. \$28,000 from Developer paid deposits and District funding for CIP Projects

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 13. Consider Approval of Increased Billing Rate for District Attorney Services. DM 2022-109.

BACKGROUND

John Harper of Harper & Burns LLP is Rubidoux Community Services District (“District”) District. Mr. Harper has filled this role since 1980 and continues to provide valuable legal support to the district, the Board, and District leadership staff. Example of services provided include:

- Review of Board Agendas and Packets
- Procedural advice for compliance with the Brown Act and other legislative requirements
- Review of agreements and contracts
- Advice on potential impacts new legislation and/or administrative requirements from state and federal agencies has on the District

Harper & Burns LLP currently bills Mr. Harper at \$145.00 per hour, which has remained the same for over 20 years. Attachment A is a letter dated December 8, 2022, requesting an increase of the hourly billing rate to \$200.00 per hour effective starting January 1, 2023. Staff finds the proposed rate to be modest and a good value. To provide some perspective, Varner & Brandt bills at \$550.00 per hour mainly for legal issues related to labor/personnel issues, and Ring Bender bills at \$365.00 per hour for efforts related to the City of Riverside lawsuit.

Hours charged by Harper & Burns LLP usually range between 5-10 hours per month so this increase in billing rate is anticipated to add approximately \$3,500 of costs to the legal services budget for the balance of Fiscal Year 2023. Staff recommends the Board consider approving a budget amendment by adding \$3,500 to Line 27 of the General Fund Budget (Expenses) from General Fund Reserves and authorize the increase in billing rate for Harper & Burns LLP to \$200.00 per hour.

Director Skerbelis moved, and Director Muniz seconded the Board of Directors authorize the General Manager to:

- 1. Amend the approved District Fiscal year 2023 Budget by adding \$3,500 to Line 27 of the General Fund Budget (Expenses) from General Fund Reserves.**
- 2. Issue a letter to Harper & Burns LLP notifying approval of the increased billing rate for Harper & Burns LLP of \$200.00 per hour.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 14. Consider Annual Board of Directors Reorganization for Calendar Year 2023. DM 2022-110.

BACKGROUND

Since 1991, the Rubidoux Community Services District (“District”) Board of Directors have practiced the custom of the yearly rotation of the Vice-President position into the President position. Last December, Vice-President Trueba was affirmed president for Calendar Year 2022 and Director Murphy was elected Vice-President. Should the Board continue to maintain this legacy practice of Board leadership rotation, Director Murphy will serve as Board President for Calendar Year 2023 and the Board will need to elect a Vice-President.

Directors Trueba and Trowbridge were not challenged for their District Board Seats during the last election held on November 8, 2022. The November 8, 2022 election results have been certified and the County Registrar of Voters has provided the District with their “Certificate of Appointment in Lieu of Election” forms. To complete the process, Director Trueba and Director Trowbridge need to be sworn in for their new term as Directors of the District for the period of December 2, 2022 and ending December 4, 2026. General Manager Sims as Board Secretary will administer the swearing of office oath and will retain the “Certificate of Appointment in Lieu of Election” forms in the District vault.

For the December 15, 2022, Board Meeting, the Board should consider the following order of events:

1. Administering the oath of office by General Manager Sims for Director Trueba and Director Trowbridge.
2. Recognize Director Murphy as Board President for Calendar Year 2023.
3. President Murphy assumes the President role and conducts the balance of the Board Meeting.
4. Board considers nominations and vote on who will be Vice-President for Calendar Year 2023 with eventual rotation to Board President in 2024.
5. President Murphy begins the process of filling the District Committee assignments for Calendar Year 2023. This should be finalized by the regularly scheduled Board Meeting of January 5, 2023.

President Murphy opened the floor for nominations for Vice-President.

Director Trueba nominated Director Skerbelis for Vice-President and Director Skerbelis seconded the nomination.

Director Murphy nominated Director Trowbridge for Vice-President. There being no second, the nomination fails.

Roll call for Director Skerbelis for Vice President:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

Director Trueba moved, and Director Skerbelis seconded the Board of Directors:

- 1. Affirming Director Murphy as Board President for Calendar Year 2023**
- 2. Director John Skerbelis elected the Vice President for Calendar Year 2023**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 15. CLOSED EXECUTIVE SESSION – Conference with Labor Negotiators Pursuant to Government Code Section 54957.6: Article XXIV of MOU

The following reportable action:

The Personnel Committee will consider and work with Staff on possible changes to the existing MOU regarding COLA language and calculation.

ITEM 16. CLOSED EXECUTIVE SESSION – Conference with Labor Negotiators Pursuant to Government Code Section 54957.6: Article XV of MOU

The following reportable action:

There was an approval of \$2,000 per month for employee health care.

ITEM 17. Directors Comments

Jeff Sims thanked the Board for allowing him to be the General Manager for the District and extended his availability as requested.

Director Skerbelis asked John Harper if he would be interested in sitting in on some meetings as needed.

Director Murphy adjourned the meeting at 5:35 PM.