

MINUTES OF REGULAR MEETING
March 4, 2021
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
Ted Beckwith, Director of Engineering
Brian Laddusaw, Director of Finance
Brian Jennings, Customer Service Manager
Miguel Valdez, Operations Manager
Jeff Veik, Division Chief – Riverside Unit

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by President Skerbelis, at 4:15 P.M., Thursday, March 4, 2020, by teleconferencing at District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Staff asked making an addition to the February 18, 2021 Minutes right before on page 7, Item 12 Closed Executive Session. The addition proposed the following - **“Board went into Closed Executive Session absent staff.”**

Approval of Minutes for February 18, 2021, Board Meeting.

Director Skerbelis moved, and Director Trowbridge seconded to approve the February 18, 2021 Regular Board Minutes with the addition of “Board went into Closed Executive Session, absent staff.” To be added on page 7, prior to Item 12 – Closed Executive Session.

Roll call:

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

Noes – 0

Abstain – 0

Away – 0

The motion was carried unanimously.

ITEM 5. Consideration to Approve the March 5, 2021 Salaries, Expenses and Transfers.

Consideration to Approve the March 5, 2021 Salaries, Expenses and Transfers.

Director Muniz moved, and Director Murphy seconded to Approve the March 5, 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 at this time.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

No correspondence or related information to report at this time.

ITEM 8. MANAGER’S REPORT

Operations Report:

Brian Laddusaw reported he will be sending the Directors the annual Form 700 for their completion. The Form 700 needs to be submitted by April 1, 2021. He will provide the Directors their Calendar Year 2019 Form 700 as a reference to fill out the current year form. This will be done via email or, if needed, he will drop it off in person at Director preference. There will be approximately a two week turn-around time to meet filing deadlines. Secondly, Director Muniz, needs to complete the ethics course.

Manager of Operations, Miguel Valdez gave a brief background on the Super Bowl Sunday sanitary sewer overflow by the Lion’s Club. The District’s Contractor Houston Harris was called to unclog the blockage and our staff cleaned up and recovered all the sewer in Limonite Avenue and disinfected the area. Approximately a total of 600 gallons spilled. It is estimated approximately 400 gallons of this amount went into a catch basin connected to the Sunnyslope Channel. The spilled liquid went approximately 150 feet downstream in the dry channel. The location of the spill is a spot that will be checked often. The pipe in the area had been cleaned on January 27, 2021 by Houston Harris. It was cleaned again on March 3rd. There are a few other hotspots in the District we keep an eye on. We will be videoing the line under Limonite Avenue, looking to see if there is a sag in the line, which would hold up the debris and cause plugging. When we cleared the blockage, it was found that it was mostly debris, toilet paper, wipes, paper towels, etc. Jeff Sims reported the District will investigate why this line needs to be cleaned out so

frequently. There may be a line item in the upcoming fiscal year Budget to fix this. Director Skerbelis stated that it needs to be a priority.

Emergency and Fire Report:

Fire Chief Veik expressed that he is working with Jeff Sims and Brian Laddusaw on the 3 or maybe even a 5-year agreement with Cal Fire, Riverside County Fire Department and the RCSD.

ITEM 9. Receive and File the Budget to Actual Report for the Six Months Ended December 31, 2020 and Consideration to Set and Schedule Public Budget Review Workshop Meetings. DM 2021-11.

BACKGROUND

At the June 20, 2019 Board Meeting, the Board of Directors adopted a two (2) year budget for FY 2019-2020 and FY 2020-2021. Prior to this, it had been District practice to adopt single year budgets. A two (2) year budget was adopted for FY 2019-2020 and F& 2020-2021 to minimize the amount of staff time used year-over-year on the budget setting process. This decision was to improve efficiency of the overall budgeting process, as many times repetitive decisions are made during an annual budgeting process, thus freeing up staff for other activities. Although staff does its best during the budgeting process to ensure the budget is as accurate as possible, certain unforeseen items, regulations, etc. affect the District during the course of a fiscal year. For example, DDW's lowering of PFAS contaminant levels created the need for significant unanticipated expenses. As the Directors are aware, when District funds need to be encumbered and spent outside of our approved budgeted amounts, staff seeks Board approval of budget amendments through Board letters.

Year one (1) of the biennial budget ended June 30, 2020. At the September 3, 2020 Board Meeting, staff presented the unaudited actual revenue and expense information compared to budgeted amounts for the year ended. This information, as presented to the Board, did not include the usual adjustments made by the District auditors, RAMS, for items like CalPERS pension liability and other post-employment benefit liability adjustments. A month later, at the October 15, 2020 Board Meeting, staff presented the final draft version of the District's Financial Statements. The Financial Statements were approved by the Board unanimously and issued October 16, 2020. Subsequent to the Board's approval, District staff recorded all proposed adjustments into our accounting software and closed the year accordingly.

Currently, the District is in the second year of the biennial budget. Attached for the Board of Directors' consideration is the Budget vs Actual Report for the Six Months Ended December 31, 2020.

In March, staff will begin working on the upcoming fiscal year 2021-2022 budget. Due to the ongoing uncertainty of the water/wastewater industry as seen these last two years, staff plans to revert to an annual budgeting cycle as opposed to a biennial budgeting cycle. Staff believes the switch will provide more reliable and current information to the Board and reduce budget amendments.

It has been the practice of the Rubidoux Community Services District to call and schedule public workshop meetings for the development of the draft Operations and Capital Improvement Project budgets. The proposed meetings would be conducted prior to the regular District Board meetings in April and May at 3:00 PM to minimize impact to your weekly schedules.

The following tentative schedule is for your review and consideration. Final budget modifications will be adopted at the June 17, 2021 Board meeting.

PROPOSED BUDGET REVIEW WORKSHOP SCHEDULE

March 5 – April 15, 2021	Staff Prepares Draft Budget
April 15, 2021 @ 3:00 PM	First Budget Review Workshop
May 4, 2021 @ 3:00 PM	Second Budget Review Workshop
May 4, 2021 @ 4:00 PM	Call and Set Public Hearing
June 17, 2021 @ 4:00 PM	Public Hearing and Adoption of the Budget Modifications

Director Trowbridge moved, and Director Muniz seconded the Board of Directors approve the following actions:

- 1. “Receive and File” the Budget vs. Actual Report for the Six Months Ended December 31, 2020.**
- 2. Adopt the proposed budget review workshop timeline and direct staff to schedule Budget Review Workshops for April 15 and May 4, 2021 at 3:00 PM.**
- 3. Revert to single year budget preparation for fiscal year 2021-2022.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

**ITEM 10. Consideration to Approve Access Agreement with Pacific Tank Lines.
DM 2021-12.**

BACKGROUND

As the Board of Directors may recall, Rubidoux Community Services District (“District”) awarded a contract per Director’s Memorandum 2021-10 to Atom Engineering Construction, Inc. (“Contractor”) to construct the foundation for and installation of 3 GAC Pressure Vessels for removal of PFAS compounds for Well 6 as part of the District’s overall PFAS removal effort. Well 6 is located at the Anita B. Smith Water Treatment Facility. This site has a very limited access due to the fact that it is only 50 feet wide but 400 feet deep. These vessels will be located in the back third of the lot and in order to place them in this location the Contractor will need access from the adjacent parcel which is owned by Pacific Tank Lines.

The District, with the advice of counsel John Harper, has come to an agreement with the owners of Pacific Tank Lines to obtain this access by negotiating a Temporary Access Easement Agreement with Pacific Tank Lines. As part of this agreement, Pacific Tank Lines requires consideration of \$1500 for legal fees and \$2,000 for each day the Contractor and District needs access through the Easement. The District anticipates the time required to utilize Pacific Tank Lines property for access to the Anita B. Smith Water Treatment Facility site. The District estimates the time required to complete the work requiring this access to not exceed five (5) days. This results in a maximum cost of \$11,500.

Director Murphy moved, and Director Trowbridge seconded the approval for the General Manager to:

- 1. Amend the FY 2020-2021 Budget by moving the GAC Pressure Vessel Installation Project funding of \$11,500 from Water Fund Reserves to the Water Capital Improvement Projects (CIP) Fund.**
- 2. Approve the Temporary Access Easement Agreement with Pacific Tank lines.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 11. Consider Award of Professional Services Task Order to Krieger and Stewart Engineering Consultants to Prepare RCSD’s Annual Consumer Confidence Report. DM 2021-13.

BACKGROUND

The State of California State Water Resources Control Board Division of Drinking Water (“DDW”) require public water agencies to prepare and distribute an annual Consumer Confidence Report (“CCR”). Rubidoux Community Services District (“District”) is a public water service provider and is subject to this requirement. The CCR will be for Calendar Year 2020 and describe the District’s compliance with meeting DDW Drinking water standards. July 1, 2021 is the date the annual CCR is due to be distributed to District customers.

Krieger and Stewart Engineering Consultants (“K&S”) has historically prepared the District’s annual CCR and has provided a proposal for the 2020 CCR. The cost is \$8,000.

In the approved Fiscal Year 2020-2021 Water Fund Budget under Operating Expenses \$45,000 was budgeted to cover this annual expense. To proceed staff proposes issuing K&S Task Order No. 6 under current Master Agreement RCSD 2021-1.

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

- 1. Utilize \$8,000 of the \$45,000 in the approved Fiscal Year 2020-2021 Water Fund Budget under Operating Expenses for preparation of the District’s 2020 CCR.**
- 2. Issue Task Order No. 6 in a not-to-exceed amount of \$8,000 to Krieger and Stewart under Master Agreement RCSD 2021-1 to prepare the District’s 2020 CCR.**
- 3. Approve a contract with Atom Engineering Construction in the amount of \$96,398 to perform work per attached bid using the Water Capital Improvement (CIP) Fund.**

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 12. Consider Nomination of RCSD Board of Director for CSDA Board of Directors Seat A, Southern Network. DM 2021-14.

BACKGROUND

At the regularly scheduled February 18, 2021 meeting of the Rubidoux Community Services District (RCSD) Board of Directors, staff presented the Board Director’s Memorandum (DM) 2021-08 which included some brief background information on the California Special Districts Association (CSDA) along with the original call for nominations correspondence received from the CSDA. The original DM and related attachments are included for reference.

At the time of writing of this DM, staff has not received any written or verbal interest from any of the RCSD Board Members to be considered for the nomination.

Director Muniz nominated President John Skerbelis, and Director Trueba seconded the nomination by the Board of Directors for the CSDA Board of Directors Seat A, Southern Network.

Roll call:

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

Noes – 0

Abstain – 0

Absent – 0

The motion was carried unanimously.

ITEM 13. CLOSED EXECUTIVE SESSION: Pursuant to Government Code Section 54956.9.(d) (2): One Matter

Direction was received for hiring a consultant for evaluation of the District.

ITEM 14. Directors Comments

Director Trueba stated that he cannot wait to come back to the office for meetings.

Director Murphy stated that things will be getting back to normal, and we should start making a decision now before they get back to normal. One option is that we keep things the way they are. If we are going to make a change, we need to make sure we do that prior to coming out of this COVID thing. If there's some change we're going to make, we need to start turning the paperwork on that.

Mr. Sims stated that he agrees with Director Murphy. Additionally, he stated that once the governor lifts the moratorium order on the water and utility shutoffs we will have to see if there will be a transition period. We have coalesced with the other agencies within Western MWD on a letter sent to the Board of Supervisors at the county and also to Xavier Becerra. The letter indicates the state of California, specifically our region, has a significant issue with the large sum of accounts receivable for utility services (water and sewer) greater than 60 days. The hope is that if there is any money given to the county, that the county will allocate out some of the money to the utilities. Once we know if that is going to work out, we will have to see how that affects us. If you recall back in February 2020, we adopted SB 998, which extended the time for customers to pay their water and sewer bills. The time was extended from about 42 days to 75 days before the District could initiate customer shutoff. At a minimum after the COVID moratorium is lifted, the District will implement SB 998. We will have to deal with the customers who have the larger accounts receivable and per the SB 998, we will offer them a one (1) year payment plan on their past due amounts. I would imagine that once we get back to some normalcy on billings and receivables, Mr. Laddusaw and Mr. Jennings will be extremely busy working with Harper generating a boilerplate agreement and a system to track in our billing system for customers on needing a payment arrangement. My understanding is that once they are on a payment plan, the customers cannot be shut off except if they fall delinquent on their current bills going forward, or if they miss a payment on their payment plan. Then they will fall into shut off mode.

Director Murphy: My expectation is that COVID's going to end and there are some people that aren't going to be able to pay and if we need to get this boilerplate in the works, then we need to get it in the works. I'm not counting on a bailout from Washington or Sacramento. I'm counting on people getting back to work and the economy getting going.

Mr. Sims: I hear you. I agree with you, we need to be prepared to power through this. We will have that in place.

Director Skerbelis adjourned the meeting at 5:22 PM.