

Rubidoux Community Services District

Board of Directors

John Skerbelis, President
Hank Trueba Jr., Vice-President
Bernard Murphy
Armando Muniz
F. Forest Trowbridge

General Manager

Brian R. Laddusaw



Water Resource Management Refuse Collection Street Lights Fire / Emergency Services Weed Abatement

NOTICE AND AGENDA FOR THE RUBIDOUX COMMUNITY SERVICES DISTRICT BOARD MEETING

Thursday, May 2, 2024, at 4:00 PM

During this regular meeting of the Rubidoux Community Services District Board of Directors, members of the public will have the choice to attend and address the Board in person or attend and address the Board via Zoom.

Members of the public wanting to attend and/or address the Board virtually may do so by using the Zoom App or website for free at: <https://zoom.us/>

- Meeting ID is **994 957 9980**
- Passcode is: rcsd
- Call into the meeting number 1-669-444-9171

Only one person at a time may speak by telephone or Zoom and only after being recognized by the President of the Board.

Closed Session: At any time during the regular session, the Board may adjourn to a closed executive session to consider matter of litigation, personnel, negotiations, or to deliberate on decisions as allowed and pursuant with the open meetings laws. Discussion of litigation is within the Attorney/Client privilege and may be held in closed session.

Authority: Government code 11126-(a) (d) (q).

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require a two-thirds vote of the entire Board, or, if fewer than two-thirds of the members are present, a unanimous vote of those members present, making findings that there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the posting of the agenda.

1. **CALL TO ORDER** – John Skerbelis, President
2. **PLEDGE OF ALLEGIANCE** – General Manager
3. **ROLL CALL** – General Manager
4. **PUBLIC COMMENTS**

Members of the public are encouraged to address the Board of Directors. Anyone who wishes to speak on an item not on the published agenda must submit a comment request card to the General Manager or designee. Each speaker should begin by identifying themselves for the record and is allowed up to five minutes.

No one may give their time to a speaker during the public comment period of the meeting. It is requested that all present refrain from any action that might disrupt the orderly course of the meeting. Coarse, crude, profane, or vulgar language, or unsolicited comments from the audience, which disrupts or disturbs the Board meeting, may result in exclusion from the meeting.

The Ralph M. Brown Act, Government Code 54950, et. seq. prohibits members of the Board of Directors from taking formal action or discuss items not on the published agenda. As a result, immediate response to public comment may be limited.

5. **CONSENT CALENDAR**

Consent Calendar items are expected to be routine and non-controversial and are to be acted upon by the Board by one motion, without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar for further discussion, it will be moved to the first item on the Action Agenda.

- A. Approval of Minutes for April 18, 2024, Regular Meeting
- B. Consideration to Approve May 3, 2024, Salaries, Expenses and Transfers

6. **CORRESPONDENCE AND RELATED INFORMATION**

7. **REPORTS**

- A. Operations Report (Second Meeting Each Month)
- B. Emergency and Incident Report (Second Meeting Each Month)
- C. General Manager and Staff Reports / Updates
- D. Committee Reports

8. ACTION / DISCUSSION ITEMS

- A. **DM 2024-33:** Approve LS-1 Option E Agreement with Southern California Edison to Replace High Pressure Sodium Vapor Street Lights with Light-Emitting Diode Street Lights District-Wide
- B. **DM 2024-34:** Consideration to Direct Staff to Prepare Draft Ordinance for Water and Wastewater Rate Adjustments

9. DIRECTORS COMMENTS AND REQUESTS

10. NEXT MEETING

Thursday, May 16, 2024, at 4:00 p.m.

11. ADJOURNMENT

Any person with a disability who requires a modification or accommodation in order to participate in this meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the Rubidoux Community Services District Board of Directors during the meeting, should contact the Rubidoux Community Services District Administrative Department, at (951) 684-7580 or admin@rcsd.org, no fewer than two (2) business days prior to this meeting to enable the Rubidoux Community Services District to make reasonable arrangements to assure accessibility or language assistance for this meeting.

DECLARATION OF POSTING

I, Brian Laddusaw, General Manager and Board Secretary to the Rubidoux Community Services District, certify that a copy of this has been posted in the District's main office, 3590 Rubidoux Blvd., Jurupa Valley, and on its website no less than seventy-two (72) hours before the start of the meeting.



Brian Laddusaw
General Manager-Secretary

4. PUBLIC COMMENTS

5. CONSENT CALENDAR

A. Approval of Minutes for April 18, 2024, Regular Meeting

**RUBIDOUX COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

**MINUTES OF REGULAR MEETING
Thursday, April 18, 2024**

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

DIRECTORS VIA ZOOM: Armando Muniz

STAFF PRESENT: Brian Laddusaw, General Manager
Ted Beckwith, Director of Engineering
Miguel Valdez, Director of Operations
Martha Perez, Customer Service/Accounts Payable
Manager
Melissa Trujillo, HR Generalist/Safety and Facilities
Coordinator
Kirk Hamblin, Director of Finance and Administration

VISITORS (SIGNED IN): William Otterman, Chief, Fire Station 38

ITEM 1. 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, April 18, 2024, in-person and by teleconferencing at the District's Administrative Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 2. PLEDGE OF ALLEGIANCE – General Manager

ITEM 3. ROLL CALL – General Manager

ITEM 4. PUBLIC COMMENTS

No public comments were provided during the meeting.

ITEM 5. CONSENT CALENDAR

A. Approval of Minutes for April 4, 2024, Regular Meeting

- B. Consideration to Approve April 19, 2024, Salaries, Expenses and Transfers
- C. **DM 2024-31:** Receive and File Statement of Cash Asset Schedule Report Ending February 2024

ACTION:

Director Murphy moved, and Director Trueba seconded to approve the Consent Calendar:

Roll call:

Ayes – 5

Noes – 0

Abstain – 0

Absent – 0

The motion was carried 5-0-0-0.

ITEM 6. CORRESPONDENCE AND RELATED INFORMATION

GM Laddusaw included an article from the Riverside Press Enterprise titled, “Sierra Nevada Vital State Snowpack about Average.” The article is about the strong El Nino helping head off snow drought; Mountain’s supply 30% of California’s water. California has entered spring with an above average mountain snowpack and major reservoirs in good shape for a second consecutive year, staving off immediate water supply concerns but not allaying drought worries in a warming world. The California Department of Water Resources measured the water content of the Sierra Nevada snowpack Tuesday at 110% of the April 1 average, a benchmark date because that is when historically been at its peak and helps inform forecasts.

ITEM 7. REPORTS

A. Operations Report (Second Meeting Each Month)

Director of Operations Miguel Valdez reported on the water/wastewater report for the month of March, production was an average of 2.75 mg per day and an average of 1.71 mg/day was the wastewater flow to the City of Riverside. The consumption of JCSD was an average of 0.00. Well No. 18 produced 20.3% of water, Well No. 8 produced 21.6%, Well No. 6 produced 13.2%, Well No. 4 produced 7.2%, Well No. 2 produced 0.0%, and Well No. 1 produced 37.7%. Director Trueba commented on the relationship between the District and the City of Riverside after the litigation. Director Skerbelis asked GM Laddusaw to follow up on the next scheduled Regional Advisory Committee meeting with the City of Riverside.

B. Emergency and Incident Report (Second Meeting Each Month)

Fire Station 38 Chief Otterman presented the month activity report for March 2024. Station 38 received a total of 241 calls. 16 were false alarm calls, 1 Haz Mat, 180 were medical, 4 were other fires, 1 was other miscellaneous, 9 were public service assistant, 1 were rescue fires, 8 were standby, 20 were traffic collision, and 1 vehicle fire. Director Truba commented that members of

the Lions Club found a needle syringe outside their facility and asked Chief Otterman what they should do when individuals find these items. Chief Otterman said they can contact the Riverside County Department of Waste Resources and they can assist with household hazardous waste. Director Murphy also commented the change of the City of Jurupa Valley Council members. Director Skerbelis requested to move that discussion to Directors comments.

C. General Manager and Staff Reports / Updates

GM Laddusaw informed the Board of the Meet the Machines that was scheduled for Saturday, April 13th from 9 am- 1 pm. Staff attended the event. He reminded the Board of the City of Jurupa Valley Public Works Department Open House scheduled for Saturday, May 18, 2024, had a change of date to Saturday, June 1, 2024, from 8 am – 12 pm at the Jurupa Valley Operations Center. He also commented on the 12th Annual Mayor’s Breakfast on May 2nd from 7:30 am – 9:30 am. Director Trueba and GM Laddusaw will be attending the event.

D. Committee Reports

The Solid Waste Committee met on April 11, 2024, at 10am. The committee included Director Skerbelis and Director Trueba. They met to discuss the FINAL FY 2024|2025 Cost Allocation for Solid Waste (Trash) Collection and Disposal as Submitted by Burrtec. The Personnel Committee met on Thursday, April 18, 2024, at 3pm. The Committee includes Director Skerbelis and Director Trowbridge. They met to discuss the labor negotiations with Labors International Union of North America, Local 777 status updates GM Laddusaw had for the Committee. Director Murphy commented on the negotiation’s timeline. He would like the draft Memorandum of Understanding (“MOU”) to be presented to the Board during the first meeting of June. This will give him enough time to review the presented MOU prior to the second meeting in June. The current MOU is in effect until June 30, 2024.

ITEM 8. ACTION/DISCUSSION ITEMS.

- A. DM 2024-32:** Consideration to Approve Solid Waste Rate Increases for FY 2024|2025 and Authorize Staff to Prepare and Set Solid Waste Public Protest Hearing Pursuant to Proposition 218

BACKGROUND:

On March 19, 2024, the Solid Waste (“Trash”) Committee and staff met with Richard Nino and Michael Heftman of Burrtec Waste Industries, Inc. (“Burrtec”), the District’s exclusive waste hauler, to discuss Burrtec’s draft proposed rate increases to the trash rates for FY 2024|2025. The County of Riverside’s pass-through rates (“tipping fees”) were finalized on March 28, 2024. On April 11, 2024, a second Trash Committee was scheduled to review the final FY 2024|2025 rate tables. At the conclusion of the second Trash Committee, both Committee members concurred on the following motion: 1) Approve the FY 2024|2025 rate tables (Attachment 1) and initiate the Proposition 218 rate increase implementation schedule; and 2) Agendize for full Board of Directors (“Board”) consideration at the April 18, 2024, regular meeting.

More than 90% of the District's trash customers are classified as residential customers. Residential trash rates, most notably those with the 90-gallon can, have been utilized by the Board as the baseline for discussing rate adjustments each year. Burrtec is proposing rate increases across all service areas and customer classifications. Table 1 details the proposed rate increase (itemized) for a residential customer with a 90-gallon can:

For residential customers with a 90-gallon can, Burrtec is proposing a rate of \$40.14/month, a \$2.79/month increase, or 7.47%.

A description of the various cost components of the trash rate is as follows:

TABLE 1				
Cost Component	Current	Proposed		
	FY 23 24	FY 24 25		
	(\$)	(\$)	(\$)	(%)
CPI (4.65%)	\$ 18.92	\$ 19.80	\$ 0.88	4.65%
Landfill tipping fee	\$ 8.69	\$ 9.08	\$ 0.39	4.49%
Recycling	\$ 2.05	\$ 2.37	\$ 0.32	15.61%
Mixed Organics	\$ 5.54	\$ 5.99	\$ 0.45	8.12%
SB 1383 Admin Fee	\$ 0.90	\$ 0.90	\$ -	0.00%
RCSD Admin Fee	\$ 1.25	\$ 2.00	\$ 0.75	60.00%
Total	\$ 37.35	\$ 40.14	\$ 2.79	7.47%

- CPI – This cost is the service component of Burrtec which is adjusted via the consumer price index (“CPI”) on an annual basis. Last year, the CPI was 8.70% but Burrtec capped the service cost increase at 6.0%. In the current year, although inflation is appearing to subside, the increase was calculated at 4.65%. The CPI values for purposes of calculating the percentage are included as the last page of Attachment 1. This amount is kept by Burrtec.
- Landfill, Recycling, Mixed Organics – These costs are pass-through costs from the County of Riverside for each component's respective “tipping fee” and are not controlled by Burrtec. The recyclables commodity market declined during 2023 resulting in a recycling processing cost increase for the 2024 rate year. Further, mixed organics includes food waste recycling.
- SB 1383 Administrative Fee – This fee covers the ongoing costs of implementation including tracking and recordkeeping, annual reporting, contamination monitoring, education and outreach, procurement, container labeling and other required items. The fee remains unchanged from the previous year.
- RCSD Administrative Fee – This is the District administrative monthly charge per residential customer.

The service cost (CPI) is contractually allowed for in the Agreement. Further, the “tipping fees” are pass-through costs from the County of Riverside. The service costs and “tipping fees” are effectively “non-negotiable” by the District.

The District's has at its discretion the ability to adjust the 'RCSD Admin Fee'. For the District's commercial customers, this would be considered the 'Franchise Fee'. From 2008-2022, the District's Admin. Fee and Franchise Fee were \$0.25/month per customer and 10%/month per customer, respectively. The Board is conscious of rate adjustments every year and since other cost components have increased over the years, an effort was made to keep the District's fees low to lessen the overall impact to the District's customers.

In 2022, the District had approximately 6,300 residential trash customers and 400 commercial trash customers. A \$0.25/month per customer fee would have generated approximately \$19,000 in revenue from residential customers and a 10%/month per customer fee would have generated approximately \$120,000 in revenue from commercial customers over the course of a year. In total, the District would have generated approximately \$139,000 in revenue in 2022 from its District charged fees. Further, the District receives other miscellaneous revenues in the form of container "roll-off" revenue and a District billing fee, which has been \$3,000/month since the inception of the Agreement.

These four revenue components: 1) residential admin. fee, 2) commercial franchise fee, 3)"roll-off" revenue, and 4) billing fee are combined to offset the administrative costs incurred by the District to manage the trash enterprise. Administrative costs include but are not limited to a pro-rata allocation of salaries, benefits, and overhead costs of the District's customer service staff and management staff who have an active role in the trash enterprise. Historically, administrative costs not covered by this revenue must be subsidized from discretionary property tax revenues. For FY 2022|2023, this subsidy was estimated to be \$273,800. In other words, the District's trash enterprise was not generating enough revenue to cover its costs and required funds from other sources which is not a sustainable business model as discretionary property tax revenues fluctuate from year-to-year. Further, offsetting solid waste administrative costs with discretionary property tax revenues reduces the District's ability to use those monies for more pressing operational challenges or reserving those monies for future unforeseen costs.

Understanding this, beginning in FY 2022|2023 the Board adopted a five-year rate plan to increase the District's residential Admin. Fee and commercial Franchise Fee with the purpose of reducing and eventually eliminating the trash enterprises need for a discretionary property tax revenue subsidy. The five-year rate plan is summarized in Table 2 below:

TABLE 2						
District Fee's	2008-2022	FY 22 23	FY 23 24	FY 24 25	FY 25 26	FY 26 27
Residential Administrative Fee	\$ 0.25	\$ 1.00	\$ 1.25	\$ 1.50	\$ 1.75	\$ 2.00
Commercial Franchise Fee	10%	13%	14%	15%	16%	17%


Trash Committee Recommendation

Keeping with the five-year rate plan above, staff proposed a \$0.25 increase to the monthly residential Admin. Fee and 1.0% increase to the commercial Franchise Fee. Combined, these increases were anticipated to generate an additional \$35,000 in revenues for FY 2024|2025. This was projected to leave a discretionary property tax offset of approximately \$78,000.

On April 11, 2024, the Trash Committee unanimously moved to adjust the Admin. Fee from \$1.25 to \$2.00 and commercial Franchise Fee from 14% to 17% (Year 5) beginning FY 2024|2025 as opposed to the original proposal of \$0.25 and 1.00%, respectively. The purpose

being to eliminate the discretionary property tax offset in FY 2024|2025 and not wait until FY 2026|2027.

For reference, the City of Jurupa Valley currently charges its residential customers a franchise fee of \$4.88/month.

In December 2022, the Board adopted a five-year rate plan for its water and wastewater enterprises effective July 1, 2023, and allowing for rate increases every July 1 until July 1, 2027. Historically, due to the volatility of the solid waste enterprise, the District has authorized single year adjustments. The same is proposed this year. Rate adjustments are subject to the requirements of Proposition 218. The most notable requirements of Proposition 218 include:

1. Hold noticed public hearing.
2. Notice of public hearing must be mailed to property owners of record and tenants directly responsible for the fee at least 45 days prior to the public hearing.
3. The notice must contain the following information:
 - a. The amount of the fee or charge proposed to be imposed.
 - b. The basis upon which it was calculated.
 - c. The reason for the fee or charge.
 - d. The date, time, and location of the public hearing.

With a goal of having the rates in effect by July 1, 2024, and understanding the requirements above, staff proposes the following FY 2024|2025 rate increase implementation schedule:

- April 18, 2024 (Board Meeting) – Board consideration to authorize staff to initiate Proposition 218 process for increase in solid waste rates.
- April 25, 2024 – Draft Resolution available at the District office and on the District website.
- No later than May 6, 2024 – Mail Proposition 218 notices to property owners and renters.
- June 20, 2024 – Protest Hearing for the proposed solid waste rates. Adopt the rate adjustment Resolution.
- July 1, 2024 – New solid waste rates in effect.

ACTION:

Director Murphy moved, and Director Trowbridge seconded to authorize the General Manager to the following items:

1. Prepare and set the Solid Waste Protest Hearing pursuant to Proposition 218 for consideration of increased Solid Waste customer rates.

2. Prepare a draft resolution for the solid waste rate increases for the Board to consider and adopt subsequent to the Protest Hearing.
3. Director Murphy requested District personnel on or about May 2026 to provide a before and after graph of the mixed organic waste density numbers. He would like a comparison of the numbers once the SB1383 pails are distributed to customers.

Roll call:

Ayes – 5

Noes – 0

Abstain – 0

Absent – 0

The motion was carried 5-0-0-0.

ITEM 9. DIRECTOR'S COMMENTS AND REQUESTS

Director Muphy commented on the City of Jurupa Valley City Council change. The new City Council announced they would be reviewing the employee contracts in place. Director Skerbelis asked GM Laddusaw to provide the article from the Press Enterprise. Director Murphy also commented on the elections that took place in Canada. Director Muniz apologized for not attending the meeting in person but via Zoom. No other Directors had comments or any other item to report on.

ITEM 10. NEXT MEETING

Thursday, May 2, 2024, at 4:00 P.M.

ITEM 11. ADJOURNMENT

President Skerbelis adjourned the meeting at 4:35 P.M.

5. CONSENT CALENDAR (continued)

B. Consideration to Approve May 3, 2024, Salaries, Expenses and Transfers

RUBIDOUX COMMUNITY SERVICES DISTRICT
MAY 2, 2024 (BOARD MEETING)
FUND TRANSFER AUTHORIZATION

NET PAYROLL 5/10/24	84,600.00
WIRE TRANSFER: FEDERAL PAYROLL TAXES 5/13/24	30,000.00
WIRE TRANSFER: STATE PAYROLL TAXES 5/13/24	6,300.00
WIRE TRANSFER: TO CREDIT UNION	5,400.00
WIRE TRANSFER: PERS RETIREMENT	23,000.00
WIRE TRANSFER: PERS HEALTH PREMIUMS	47,866.15
WIRE TRANSFER: PERS RETIRED HEALTH PREMIUMS AND FEES	1,947.67
WIRE TRANSFER: SECTION 125	299.99
WIRE TRANSFER: SECTION 457 AND 401(A)	2,100.00

CHECKING ACCOUNT TRANSFERS FOR ACCOUNTS PAYABLE:

5/3/2024 WATER FUND TO GENERAL FUND-Payables	153,196.26
WATER FUND TO GENERAL FUND-Trash	231,261.02
WATER FUND TO SEWER FUND	148,324.01
 SEWER FUND TO GENERAL FUND-Payables	 174,831.64
 BUDGET ADMIN WATER FUND TO GENERAL FUND FY23-24 Q3	 241,750.00
BUDGET ADMIN SEWER FUND TO GENERAL FUND FY23-24 Q3	144,000.00
BUDGET ADMIN TRASH FUND FY23-24 Q3	127,000.00
BUDGET ADMIN FIRE FUND FY23-24 Q3	22,250.00
 BUDGET PROP TAX TO SF FY23-24 Q3	 12,500.00
BUDGET PROP TAX TO WF FY23-24 Q3	195,500.00
BUDGET PROP TAX TRASH TO GF FY23-24 Q3	29,750.00
BUDGET PROP TAX GENERAL TO GF FY23-24 Q3	36,500.00

INTERFUND TRANSFERS:

5/3/2024 LAIF SEWER OP TO SEWER FUND CHECKING	158,000.00
GENERAL FUND CHECKING TO LAIF PROP TAX	548,000.00
GENERAL FUND PROP TAX TO GENERAL FUND CHECKING	243,000.00
WATER FUND CHECKING TO GENERAL FUND CHECKING	595.00
WATER FUND CHECKING TO LAIF WATER OP	127,000.00
LAIF COP TO GENERAL FUND CHECKING	17,000.00

NOTES PAYABLE

<u>DESCRIPTION</u>	<u>BALANCE</u>		<u>PAYMENT</u>	<u>DUE DATE</u>
U.S. Bank Trust (1998 COP's Refunding)	690,000	Prin.	690,000	Dec-24
U.S. Bank Trust (1998 COP's Refunding)	35,190	Intr.	17,595	Jun-24
MN Plant-State Revolving Loan	3,193,541	Prin.	141,050	Jul-24
MN Plant-State Revolving Loan	448,418	Intr.	41,048	Jul-24
2022 Obligations	3,261,158	Prin.	320,355	Jul-24
2022 Obligations	467,492	Intr.	49,733	Jul-24

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Tr. #	Vendor	Inv Date	Paid Out	Immediate	Credit Card Vendor	Due Date	Discount Date	Invoice #
PO Number					Check #			Discount
GL Date	Immediate GL Account				Credit Card	CC Reference #	Payment Date	Total Invoice
1	ACTION PLUMBING SUPPLY, LLC / Action Plumbing Su							016005
COPPER		04/10/2024	N	N			05/10/2024 04/10/2024	\$0.00
05/02/2024					N			\$1,498.07
2	AIRESPRING / AIRESPRING							184005642
PHN CHGRS		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$500.86
3	AT&T / AT&T							INT SVC
Not Defined		04/06/2024	N	N			05/06/2024 04/06/2024	\$0.00
05/02/2024					N			\$240.04
4	AQUA METRIC SALES / AQUA METRIC SALES CO							INV0100936
MTR ADAPTER		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$619.57
5	AQUA METRIC SALES / AQUA METRIC SALES CO							INV0100937
RADIO RECEIVER		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$4,771.17
6	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40712-0267
WTR ANALYSES		04/11/2024	N	N			05/11/2024 04/11/2024	\$0.00
05/02/2024					N			\$40.00
7	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40950-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$336.00
8	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40952-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$420.00
9	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40999-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$76.00
10	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41000-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$168.00
11	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41002-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$90.00
12	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41004-0267
WTR ANALYSES		04/16/2024	N	N			05/16/2024 04/16/2024	\$0.00
05/02/2024					N			\$145.00
13	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41102-0267
WTR ANALYSES		04/17/2024	N	N			05/17/2024 04/17/2024	\$0.00
05/02/2024					N			\$700.00
14	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41225-0267
WTR ANALYSES		04/18/2024	N	N			05/18/2024 04/18/2024	\$0.00
05/02/2024					N			\$606.16
15	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41226-0267
WTR ANALYSES		04/18/2024	N	N			05/18/2024 04/18/2024	\$0.00
05/02/2024					N			\$144.00
16	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41250-0267
WTR ANALYSES		04/19/2024	N	N			05/19/2024 04/19/2024	\$0.00
05/02/2024					N			\$63.00

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Rubidoux Community Services District (RCSACT)
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Tr. #	Vendor	Inv Date	Paid Out	Immediate	Credit Card Vendor	Due Date	Discount Date	Invoice #
PO Number					Check #			Discount
GL Date		Immediate GL Account			Credit Card	CC Reference #	Payment Date	Total Invoice
17	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41276-0267
WTR ANALYSES		04/19/2024	N	N		05/19/2024	04/19/2024	\$0.00
05/02/2024					N			\$200.00
18	BPS B'S POOL SUPPLIES / B.P.S. B's POOL SUPPLIES							125337
SODIUM HYPO		04/10/2024	N	N		05/10/2024	04/10/2024	\$0.00
05/02/2024					N			\$1,224.48
19	CALIFORNIA WATER EFF / CALIFORNIA WATER EFFI							MD-2024-192
AWE DUES		01/01/2024	N	N		01/31/2024	01/01/2024	\$0.00
05/02/2024					N			\$816.06
20	CARQUEST AUTO PARTS / CARQUEST AUTO PARTS							7456-542378
PARTS		04/11/2024	N	N		05/11/2024	04/11/2024	\$0.00
05/02/2024					N			\$29.23
21	CARQUEST AUTO PARTS / CARQUEST AUTO PARTS							7456-542664
SUPPLIES		04/17/2024	N	N		05/17/2024	04/17/2024	\$0.00
05/02/2024					N			\$32.68
22	CORE & MAIN / CORE & MAIN							U555523
PARTS		04/03/2024	N	N		05/03/2024	04/03/2024	\$0.00
05/02/2024					N			\$2,902.54
23	CUBURN EQUIPMENT INC / CUBURN EQUIPMENT INC							15130013003
HYDNT MTR RFND		04/17/2024	N	N		05/17/2024	04/17/2024	\$0.00
05/02/2024					N			\$2,734.13
24	C WELLS / C. WELLS PIPELINE MATLS, INC							SINV24-1911
PARTS		04/10/2024	N	N		05/10/2024	04/10/2024	\$0.00
05/02/2024					N			\$4,497.90
25	FERGUSON / FERGUSON ENTERPRISE INC #1350							0851169
HARD HATS		04/05/2024	N	N		05/05/2024	04/05/2024	\$0.00
05/02/2024					N			\$307.29
26	FERGUSON / FERGUSON ENTERPRISE INC #1350							0851170
TOOLS		04/09/2024	N	N		05/09/2024	04/09/2024	\$0.00
05/02/2024					N			\$207.58
27	FERGUSON / FERGUSON ENTERPRISE INC #1350							0851621
PARTS		04/10/2024	N	N		05/10/2024	04/10/2024	\$0.00
05/02/2024					N			\$217.49
28	GRAINGER / GRAINGER							9086329936
SUPPLIES		04/15/2024	N	N		05/15/2024	04/15/2024	\$0.00
05/02/2024					N			\$840.98
29	HARRINGTON INDUSTRIAL / HARRINGTON INDUSTRI							012N0379
PARTS		04/11/2024	N	N		05/11/2024	04/11/2024	\$0.00
05/02/2024					N			\$219.70
30	HOME DEPOT / HOME DEPOT CREDIT SERVICES							012344/4021416
SUPPLIES		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$60.37
31	KH METALS / KH METALS & SUPPLY							0666852-IN
HOSE CLAMP		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$17.71
32	MASTER'S / MASTER'S SERVICES (GLACIER)							0000000989924
BTL WTR		04/09/2024	N	N		05/09/2024	04/09/2024	\$0.00
05/02/2024					N			\$66.00

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33	MASTER'S / MASTER'S SERVICES (GLACIER)							0000000997083
BTL WTR		04/18/2024	N	N			05/18/2024 04/18/2024	\$0.00
05/02/2024					N			\$64.00
34	MCMaster-CARR / McMASTER-CARR SUPPLY CO							24952215
SUPPLIES		04/05/2024	N	N			05/05/2024 04/05/2024	\$0.00
05/02/2024					N			\$270.39
35	MERIT OIL / MERIT OIL COMPANY							837158
GASOLINE		04/10/2024	N	N			05/10/2024 04/10/2024	\$0.00
05/02/2024					N			\$1,138.52
36	MV AVALON LLC / MV AVALON LLC							13900016-00
OVR PYMT RFND		04/11/2024	N	N			05/11/2024 04/11/2024	\$0.00
05/02/2024					N			\$30.13
37	PIPE TEC, INC. / PIPE TEC, INC							12405
HYDROWASH		03/26/2024	N	N			04/26/2024 03/26/2024	\$0.00
05/02/2024					N			\$2,725.00
38	PIPE TEC, INC. / PIPE TEC, INC							12469
HYDROWASH		03/26/2024	N	N			04/25/2024 03/26/2024	\$0.00
05/02/2024					N			\$2,280.00
39	PIPE TEC, INC. / PIPE TEC, INC							12478
HYDROWASH		04/03/2024	N	N			05/03/2024 04/03/2024	\$0.00
05/02/2024					N			\$3,250.00
40	RELIABLE / RELIABLE WORKPLACE SOLUTIONS							RWS24040005
COPIER USG		04/15/2024	N	N			05/15/2024 04/15/2024	\$0.00
05/02/2024					N			\$64.98
41	RELIABLE / RELIABLE WORKPLACE SOLUTIONS							RWS24040027
COPIER USG		04/15/2024	N	N			05/15/2024 04/15/2024	\$0.00
05/02/2024					N			\$272.76
42	RELIABLE / RELIABLE WORKPLACE SOLUTIONS							RWS24040028
COPIER USG		04/15/2024	N	N			05/15/2024 04/15/2024	\$0.00
05/02/2024					N			\$155.31
43	RIVERSIDE CITY / RIVERSIDE CITY							00276126.A
MAR.24" TRTMNT		04/10/2024	N	N			05/10/2024 04/10/2024	\$0.00
05/02/2024					N			\$128,211.60
44	RIVERSIDE CITY / RIVERSIDE CITY							00276126.B
MAR.24"SURCHARGE		04/10/2024	N	N			05/10/2024 04/10/2024	\$0.00
05/02/2024					N			\$22,751.02
45	ROYAL INDUSTRIAL / ROYAL INDUSTRIAL SOLUTION:							6441-1118735
SUPPLIES		04/10/2024	N	N			05/10/2024 04/10/2024	\$0.00
05/02/2024					N			\$171.02
46	SHRED-IT / SHRED-IT USA							8006685311
SHREDDING		03/31/2024	N	N			04/30/2024 03/31/2024	\$0.00
05/02/2024					N			\$74.50
47	SCE / SCE							24A700609292713
WTR PMP ENRGY		04/17/2024	N	N			05/17/2024 04/17/2024	\$0.00
05/02/2024					N			\$147.24
48	SCE / SCE							24A700767086653
5473 UTILITY		04/17/2024	N	N			05/17/2024 04/17/2024	\$0.00
05/02/2024					N			\$151.39

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49	SCE / SCE							24A700044576190
SWR PMP ENRGY		04/17/2024	N	N		05/17/2024	04/17/2024	\$0.00
05/02/2024					N			\$763.29
50	SCE / SCE							24A700158802582
WTR PMP ENRGY		04/17/2024	N	N		05/17/2024	04/17/2024	\$0.00
05/02/2024					N			\$11,849.86
51	SCE / SCE							24A700179651118
SWR PMP ENRGY		04/18/2024	N	N		05/18/2024	04/18/2024	\$0.00
05/02/2024					N			\$319.66
52	SCE / SCE							24A700136714571
WTR PMP ENRGY		04/18/2024	N	N		05/18/2024	04/18/2024	\$0.00
05/02/2024					N			\$3,322.95
53	SOCAL JCB / SOCAL JCB							W06984
R&M TRUCK		04/09/2024	N	N		05/09/2024	04/09/2024	\$0.00
05/02/2024					N			\$3,182.29
54	SOCAL TRUCK / SOCAL TRUCKWORKS							13887
R&M TRUCK		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$136.54
55	VARNER / VARNER & BRANDT LLP							20240331
MAR.24"LGL CNSLT		03/31/2024	N	N		04/30/2024	03/31/2024	\$0.00
05/02/2024					N			\$566.40
56	WESTERN MUNICIPAL WATER / WESTERN MUNICIPA							IN15527
FEB.24" BRINE		04/15/2024	N	N		05/15/2024	04/15/2024	\$0.00
05/02/2024					N			\$158.68
57	YO FIRE / YO FIRE							2028985
AIR VALVE		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$853.38
58	720 CARPET CLEANING / 720 CARPET CLEANING							5037
APRIL.24" CLNG SVC		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$1,150.00
59	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41156-0267
WTR ANALYSES		04/18/2024	N	N		05/18/2024	04/18/2024	\$0.00
05/02/2024					N			\$40.00
60	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41392-0267
WTR ANALYSES		04/22/2024	N	N		05/22/2024	04/22/2024	\$0.00
05/02/2024					N			\$48.00
61	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41395-0267
WTR ANALYSES		04/22/2024	N	N		05/22/2024	04/22/2024	\$0.00
05/02/2024					N			\$42.00
62	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40773-0267
WTR ANALYSES		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$20.00
63	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD40774-0267
WTR ANALYSES		04/12/2024	N	N		05/12/2024	04/12/2024	\$0.00
05/02/2024					N			\$200.00
64	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.A
GENERAL EXPENSES		05/17/2024	N	N		05/10/2024	05/17/2024	\$0.00
05/02/2024					N			\$299.54

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65	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.B
OFFICE SUPPLIES GEN.	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$520.96
66	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.C
DUES& SUBSCRIPTION	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$302.87
67	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.D
R&M VEHICLE	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$277.49
68	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.E
R&M WATER SYSTEM	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$1,585.41
69	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.F
OPERATING EXPENSES	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$22.02
70	CHASE CARD SERVICES / CHASE CARD SERVICES							24A7704975.G
CLOTHING/SHOES EXPEN	04/17/2024	N	N			05/10/2024	04/17/2024	\$0.00
05/02/2024				N				\$156.12
71	EDGEWOOD PARTNERS INS / EDGEWOOD PARTNER							540247
CYBER LIABILITY	04/15/2024	N	N			05/15/2024	04/15/2024	\$0.00
05/02/2024				N				\$9,089.13
72	EDGEWOOD PARTNERS INS / EDGEWOOD PARTNER							540273
COMM INS.	04/15/2024	N	N			05/15/2024	04/15/2024	\$0.00
05/02/2024				N				\$49,969.00
73	EDGEWOOD PARTNERS INS / EDGEWOOD PARTNER							540280
AUTO INS.	04/15/2024	N	N			05/15/2024	04/15/2024	\$0.00
05/02/2024				N				\$7,209.00
74	EDGEWOOD PARTNERS INS / EDGEWOOD PARTNER							EXCESS LIAB.INS
Not Defined	04/15/2024	N	N			05/15/2024	04/15/2024	\$0.00
05/02/2024				N				\$8,798.00
75	GRAINGER / GRAINGER							9090279630
SUPPLIES	04/18/2024	N	N			05/18/2024	04/18/2024	\$0.00
05/02/2024				N				\$97.49
76	HACH CO. / HACH COMPANY							14002268
REAGENT SET	04/17/2024	N	N			05/17/2024	04/17/2024	\$0.00
05/02/2024				N				\$1,068.88
77	HACH CO. / HACH COMPANY							14006840
CHEMICALS	04/22/2024	N	N			05/22/2024	04/22/2024	\$0.00
05/02/2024				N				\$770.55
78	KH METALS / KH METALS & SUPPLY							0667597-IN
PARTS	04/19/2024	N	N			05/19/2024	04/19/2024	\$0.00
05/02/2024				N				\$278.99
79	LILLESTRAND / LILLESTRAND LEADERSHIP CONSUL							7988
CNSLT BECK/VALDEZ	04/15/2024	N	N			05/15/2024	04/15/2024	\$0.00
05/02/2024				N				\$1,000.00
80	MERIT OIL / MERIT OIL COMPANY							838369
GASOLINE	04/17/2024	N	N			05/17/2024	04/17/2024	\$0.00
05/02/2024				N				\$2,193.61

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81	PROFUZION / PROFUZION CERTIFIED WELDING							2857
WELDING REPAIRS		04/15/2024	N	N			05/15/2024 04/15/2024	\$0.00
05/02/2024					N			\$8,880.00
82	QUINN CAT / QUINN CAT / MACHINERY							WOA00054804
R&M TRUCK		04/17/2024	N	N			05/17/2024 04/17/2024	\$0.00
05/02/2024					N			\$6,754.16
83	RDO EQUIPMENT / RDO EQUIPMENT CO.							P6219435
R&M EQUIP		04/23/2024	N	N			05/23/2024 04/23/2024	\$0.00
05/02/2024					N			\$25.07
84	ZELDAS / GRISELDA RODRIGUEZ							INVOICE11434
FIELD CAPS		04/19/2024	N	N			05/19/2024 04/19/2024	\$0.00
05/02/2024					N			\$826.66
85	SCE / SCE							24A700456862263.A
NO.03 PLT PMP ENRGY		04/22/2024	N	N			05/13/2024 04/22/2024	\$0.00
05/02/2024					N			\$11,875.83
86	SCE / SCE							24A700456862263.B
WTR PMP ENERGY		04/22/2024	N	N			05/13/2024 04/22/2024	\$0.00
05/02/2024					N			\$25,166.11
87	SCE / SCE							24A700456862263.C
FIELD OFC UTILITY		04/22/2024	N	N			05/13/2024 04/22/2024	\$0.00
05/02/2024					N			\$92.66
88	SOCAL TRUCK / SOCAL TRUCKWORKS							13912
R&M TRUCK		04/19/2024	N	N			05/19/2024 04/19/2024	\$0.00
05/02/2024					N			\$714.92
89	SCAQMD / SCAQMD							4320173
REG FEE STATE		03/01/2024	N	N			03/31/2024 03/01/2024	\$0.00
05/02/2024					N			\$251.11
90	SCAQMD / SCAQMD							4330833
NO.03 PLANT		04/02/2024	N	N			05/02/2024 04/02/2024	\$0.00
05/02/2024					N			\$2,313.38
91	SCAQMD / SCAQMD							4333142
NO.03 PLANT		04/02/2024	N	N			05/02/2024 04/02/2024	\$0.00
05/02/2024					N			\$160.35
92	UPS / UNITED PARCEL SERVICE							0000F908W2154
POSTAGE		04/13/2024	N	N			05/13/2024 04/13/2024	\$0.00
05/02/2024					N			\$4.12
93	UPS / UNITED PARCEL SERVICE							0000F908W2164
POSTAGE		04/20/2024	N	N			05/20/2024 04/20/2024	\$0.00
05/02/2024					N			\$18.17
94	WESTERN MUNICIPAL WATER / WESTERN MUNICIPA							IN15586
FEB.24BRINE		04/19/2024	N	N			05/19/2024 04/19/2024	\$0.00
05/02/2024					N			\$1,099.05
95	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41469-0267
WTR ANALYSES		04/23/2024	N	N			05/23/2024 04/23/2024	\$0.00
05/02/2024					N			\$62.00
96	BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN							CD41455-0267
WTR ANALYSES		04/23/2024	N	N			05/23/2024 04/23/2024	\$0.00
05/02/2024					N			\$90.00

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97	CLEAN WATER SOCAL / CLEAN WATER SOCAL							24/25-72
CLN WTR DUES		04/08/2024	N	N			05/08/2024 04/08/2024	\$0.00
05/02/2024					N			\$1,000.00
98	DURNEY DON / DURNEY, DON							20240423
GRDNG WD ABATE		04/23/2024	N	N			05/23/2024 04/23/2024	\$0.00
05/02/2024					N			\$2,387.50
99	JADTEC SECURITY / JADTEC SECURITY SVCS, INC.							2453239
MONT.JUN.24"-AUG24"		05/01/2024	N	N			06/01/2024 05/01/2024	\$0.00
05/02/2024					N			\$53.85
100	TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC							0410-042324.A
COMM TRSH		04/24/2024	N	N			05/24/2024 04/24/2024	\$0.00
05/02/2024					N			\$58,329.36
101	TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC							0410-042324.B
RES TRSH		04/24/2024	N	N			05/24/2024 04/24/2024	\$0.00
05/02/2024					N			\$172,931.66
102	TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC							0410-042324.C
RCSD SHR COMM		04/24/2024	N	N			05/24/2024 04/24/2024	\$0.00
05/02/2024					N			(\$8,166.11)
103	TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC							0410-042324.D
RCSD SHR RES		04/24/2024	N	N			05/24/2024 04/24/2024	\$0.00
05/02/2024					N			(\$5,787.50)
104	TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC							0410-042324.E
BILLING FEE		04/24/2024	N	N			05/24/2024 04/24/2024	\$0.00
05/02/2024					N			(\$3,000.00)
Grand Totals								
Total Direct Expense:								\$585,877.94
Total Direct Expense Adj:								(\$16,953.61)
Total Non-Electronic Transactions:								\$568,924.33

Report Summary

Report Selection Criteria

Report Type: Condensed

Start

End

Transaction Number: Start

End

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6. CORRESPONDENCE AND RELATED INFORMATION

- A. Article from Riverside Press-Enterprise – Environment - \$250M sets up water projects

ENVIRONMENT

\$250M sets up water projects

MWD's investments could bring supply to 100,000 households



MWD GM Adel Hagekahlil said Monday his agency will spend up to \$250 million on water projects. ANJALI SHARIF-PAUL — STAFF PHOTOGRAPHER

BY ANDRE MOUCHARD

AMOUCARD@SCNG.COM

The Metropolitan Water District plans to spend up to \$250 million on four nontraditional water projects that, combined, could supply up to 100,000 Southern California households over the next few years.

Wastewater recycling, rainwater reclamation and transforming ocean water into drinking water are some of the technologies that could get money in the coming wave of funding from MWD.

The Los Angeles-based wholesaler, which helps transfer water from Northern California and the Colorado River to 26 retail water districts in the Los Angeles region, has spent about \$700 million on smaller, nontraditional water projects since launching its Local Resources Program in 1990. The amounts announced Monday represent some of MWD's biggest investments in water innovation to date.

Though the projects won't be financed directly by MWD (retail water districts and others initially will use MWD's promises to secure their own financing and, later, to pay down their debts) agency officials said the broader goal is to keep

supplying affordable water to local residents and businesses even as climate change reduces or eliminates the region's traditional supplies.

"It's been good fortune that we aren't still in a drought. But we need to plan for that reality," said Rebecca Kimitch, a spokeswoman for the district.

While the past two rainy seasons have been unusually wet in Southern California, climate scientists and water planners believe the heavy rains and snowstorms have been part of a boom-bust weather pattern associated with climate change in which rainy years punctuate longer stretches of drought or near-drought conditions. Over the long term, as snow packs shrink and the Colorado River becomes shallower, Southern California is expected to get less water from outside sources.

All four of the projects financed by Metropolitan Water could help produce, or reclaim, more local water. They are:

- A waste and groundwater purification project that, starting in 2028, could replenish existing aquifers and generate enough new water for nearly 60,000 households in the San Fernando Valley. Metropolitan Water said it will spend up to \$139 million on what is known as the Los Angeles Groundwater Replenishment Project. The lead agency is the Los Angeles Department of Water and Power.
- A wastewater purification system that, starting in 2028, could supply 15,000 households that get water from the Las Virgenes Reservoir. The so-called Pure Water Project is being co-developed by the Las Virgenes Municipal Water District and Las Virgenes-Triunfo, and will include 18 miles of new pipes in parts of Los Angeles and Ventura counties. Metropolitan Water is committed to spending \$42.5 million over the next 29 years.
- Systems that as soon as next year could create enough water for nearly 10,400 Riverside County households by treating contaminated groundwater, protecting existing groundwater resources and preventing future contamination in the San Jacinto Groundwater Basin. The project, known as the Perris North Basin Groundwater Contamination Prevention and Remediation Program, could get up to \$26.4 million from MWD over the next 25 years.
- The Doheny Ocean Desalination Project in Dana Point, which could turn salt water into tap water for nearly 17,000 households in south Orange County starting in 2028. The project is spearheaded by South Coast Water District, and Metropolitan Water has committed nearly \$40 million over the next 15 years.

The money isn't unconditional for any of the projects. Metropolitan Water, which last week set its upcoming yearly budget of about \$2.4 billion, said it will issue money only when any project comes online and delivers water as projected. If projects fall apart or become less productive, Metropolitan Water can spend less, or nothing.

"We want to incentivize worthy projects," Kimitch said. "We believe all of these projects will work out."

Metropolitan Water's innovation investment program has focused previously on groundwater recycling and recovery. To date, MWD has helped finance 116 programs that, collectively, have generated enough water for about 1.5 million households.

7. REPORTS

A. Operations Report (Second Meeting Each Month)

7. **REPORTS** (continued)

B. Emergency and Incident Report (Second Meeting Each Month)

7. **REPORTS** (continued)

C. General Manager and Staff Reports / Updates

7. **REPORTS** (continued)

D. Committee Reports

8. **ACTION / DISCUSSION ITEMS**

- A. **DM 2024-33:** Approve LS-1 Option E Agreement with Southern California Edison to Replace High Pressure Sodium Vapor Street Lights with Light-Emitting Diode Street Lights District-Wide

Rubidoux Community Services District

Board of Directors

John Skerbelis, President
Hank Trueba Jr., Vice-President
Bernard Murphy
Armando Muniz
F. Forest Trowbridge

General Manager

Brian R. Laddusaw



Water Resource Management Refuse Collection Street Lights Fire / Emergency Services Weed Abatement

DIRECTORS MEMORANDUM 2024-33

May 2, 2024

To: Rubidoux Community Services District
Board of Directors

Subject: Approve LS-1 Option E Agreement with Southern California Edison to Replace High Pressure Sodium Vapor Street Lights with Light-Emitting Diode Street Lights District-Wide

BACKGROUND:

The Rubidoux Community Services District ("District") provides various services to the community, one of which is streetlights. Streetlights are typically established during development and are owned and maintained by Southern California Edison ("SCE"). The District is responsible for the cost of electricity and maintenance of the streetlights. These costs are funded by property taxes collected by the District. The property tax generation of new developments is not immediately recognized by the District, therefore, the District collects a deposit from developers upfront. This deposit is the estimated 36 month cost of the related streetlights.

The LS-1 Option E tariff is a turn-key program piloted by SCE and offered to local governments and community services districts to replace aging high pressure sodium vapor ("HPSV") "cobra head" street lights with new, more efficient light-emitting diode ("LED") street lights. This tariff facilitates street light replacements with local government concurrence and authorization after which SCE manages the implementation from start to finish. SCE does not require any up-front capital as part of this program. Instead, capital costs are amortized through energy savings over a 20-year period with zero interest.

ANALYSIS:

After authorization, the wait time is expected to be roughly seven months until project implementation begins. With approximately 816 SCE owned lights within the District boundary, SCE teams will work during normal business hours for about six to seven business days to complete the project. As soon as the project is finished, SCE will begin the process of changing mapping and billing records which often takes several months to

complete. SCE will credit Rubidoux's street light billing back to the date of project completion to ensure savings are provided from the time the project was finished.

- After implementation, the District will save approximately \$30,310 annually on the District's street lighting energy bills from SCE. This is calculated based on an estimated HPSV annual electricity cost of \$159,390 compared to an estimated LED annual electricity cost of \$129,080, a difference of \$30,310.
- As a reminder, this program requires no upfront capital contribution from the District. SCE will recoup its upfront capital cost of replacing the HPSV lights by retaining approximately \$1,269 of the District's EEP ("Energy Efficiency Premium") over the next 20 years.
- After the initial 20 years passes, Rubidoux's savings will grow to an estimated \$45,541 annually (a snapshot based on today's dollars and rates, and applicable to our District's street lighting energy bill from SCE). This is when the District will capitalize on the energy savings gained by the upgrade as well as retaining the EEP, which will no longer be retained by SCE.

More than 304,000 lights have been replaced by SCE in the last several years in over 210 communities across Southern California. This project meets both financial and sustainability goals for the District, lowering not only cost, but energy usage and reducing the District's carbon footprint. The new LED fixtures provide superior optics compared to the older generation HPSV lights, are dark sky compliant, and more effectively place light on the street surface with less light intrusion to residents. The lights also improve 'visual acuity,' allowing drivers, pedestrians, and cyclists to see more clearly and with more detail during the evening hours, providing a safer night environment for the District's residents.

SCE will utilize a standard wattage ratio to match existing lights and conditions on District streets and staff suggests adopting the standard warm color temperature of 3,000 kelvin across the District.

It's worth, a similar project was completed by Jurupa Community Services District a few years back and the City of Jurupa Valley is also currently working with SCE to accomplish the same HPSV to LED conversion. Staff plans to coordinate with the City staff to ensure kelvin consistency across the entire city.

BUDGETARY AND FINANCIAL CONSIDERATIONS:

SCE estimates that during the 20-year repayment period, RCSD will save approximately \$30,310 annually and \$45,541 annually after 20 years. Over the course of the initial 20 years, RCSD will see a cost reduction of \$606,200 in current dollars which is net of the embedded recovery mechanism in the LS-1 Option E tariff.

- Total savings for RCSD over 20 years – \$910,820
- Total embedded recovery mechanism collection over the initial 20 years – \$304,620
- Total net savings to RCSD after recovery mechanism – \$606,200

RECOMMENDATION:

Staff recommends the Board of Directors consider authorizing the General Manager to:

1. Approve an LS-1 Option E authorization with SCE to replace high pressure sodium vapor (HPSV) street lights with light-emitting diode (LED) street lights; and
2. Authorize the General Manager to sign the authorization (Attachment A).

Respectfully,



BRIAN R. LADDUSAW, CPA
General Manager

Attachment(s): Attachment A – SCE Authorization/Agreement

Attachment B – LS-1 Option E Savings Outlook for Rubidoux Community Services District

Attachment C – LS-1 Option E Post 20 Years Savings Outlook for Rubidoux Community Services District



Southern California Edison
Rosemead, California (U 338-E)

Original
Cancelling

Cal. PUC Sheet No. 57074-E
Cal. PUC Sheet No.

Sheet 1

SCHEDULE LS-1 OPTION E,
ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED) FIXTURE REPLACEMENT
RATE AGREEMENT

Form 14-965

(To be inserted by utility)

Advice 3241-E
Decision 14-10-046

Issued by

R.O. Nichols
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Jun 30, 2015
Effective Jun 1, 2016
Resolution _____

**SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT**

This Schedule LS-1 Option E, Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement Rate Agreement (Agreement), effective this _____ day of _____,

_____ (Effective Date), is entered into between Southern California Edison Company (SCE) and _____, an SCE customer taking service on Schedule LS-1 (Applicant), referred to collectively as "Parties," and individually as "Party." This Agreement provides for SCE, at Applicant's request, to replace the existing street lighting fixtures serving Applicant's premises with Light Emitting Diode (LED) street lighting fixtures to achieve energy efficiency benefits for Applicant, as set forth in Special Condition 14, Option E, Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement, of Schedule LS-1.

The Parties agree as follows:

1. LED FIXTURES

SCE shall install, own, operate, and maintain LED Fixtures for Applicant as set forth in Exhibit "A" attached hereto and incorporated herein by this reference. The LED Fixtures provided hereunder shall at all times remain the property of SCE.

2. LED FIXTURE REPLACEMENT COSTS

2.1 The replacement costs of the LED Fixtures provided hereunder shall be borne by Applicant.

2.2 Applicant shall pay the charge for the LED Fixtures Replacement rate, which includes an Energy Efficiency Premium Charge (EEPC) and a Base LED Charge, under Option E of Schedule LS-1. Applicant elects Option E in lieu of an upfront, one-time payment of the replacement costs.

2.3 SCE does not guarantee that any energy or bill savings will accrue to Applicant as a result of the LED Fixture replacements.

3. COMMENCEMENT OF SERVICE

The Parties agree that SCE has the right to charge Applicant, and Applicant has an obligation to pay SCE, for the charges set forth in Schedule LS-1, Option E, commencing on the date SCE begins serving the LED Fixtures installed pursuant to this Agreement.

4. TERM AND TERMINATION

4.1 This Agreement shall be effective as of the Effective Date and shall continue for a term of twenty (20) years from the commencement of service as specified in Section 3 above (Term).

4.2 Applicant may terminate this Agreement at any time during the Term upon a thirty (30) - day advance written notice, provided that Applicant, prior to or within the 30-day advance notice period, assigns the Agreement to any New Party In (NPI) that owns, rents or leases the premises served by the street lighting fixtures replaced under this Agreement and will take service under Option E of Schedule LS-1 effective as of the date of termination; *otherwise*, Applicant shall pay a one-time termination charge equal to the present value of the balance of the EEPC of Option E over the remaining Term. The present value is determined based on SCE's authorized rate of return on rate base, or discounted rate of 7.90%.

**SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT**

5. AMENDMENTS; ASSIGNMENTS

- 5.1 Any changes or amendments to this Agreement must be in writing and must be executed by the Applicant and SCE and, if required, be approved by the California Public Utilities Commission (Commission).
- 5.2 Applicant shall not assign this Agreement without the prior written consent of SCE; provided, however, that Applicant may assign the Agreement pursuant to the terms and conditions of Section 4.2 above, and the NPI must assume all rights and obligations under this Agreement for the remaining Term. Any assignment and assumption shall be in a form acceptable to SCE.

6. NOTICE

Any notice either Applicant or SCE may wish to provide the other regarding this Agreement must be in writing. Such notice must be either hand-delivered or sent by U.S. certified or registered mail, postage prepaid, to the person designated to receive notice for the other Party below, or to such other address as either may designate by written notice. Notices delivered by hand shall be deemed effective when delivered. Notices delivered by mail shall be deemed effective when received, as acknowledged by the receipt of the certified or registered mailing.

Applicant:

SCE:

(Name)

(Title)

(Address)

(City, State, Zip)

Business Customer Division

Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770

7. NONWAIVER

The failure of either Party to enforce any of the terms and conditions or to exercise any right or privilege in this Agreement shall not be construed as a waiver of any such term and conditions or rights or privileges, and the same shall continue and remain enforce and effect as if no such failure to enforce or exercise had occurred.

8. SEVERABILITY

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by the Commission, or any court of competent jurisdiction, the validity and enforceability of the remaining provisions or any portion thereof shall not be affected.

9. APPLICABLE LAWS, RULES, AND REGULATIONS

This Agreement shall be subject to, and interpreted under the laws, rules, decisions and regulations of the State of California, without regard to its conflict of laws principles, the Commission, and SCE's Commission-approved tariffs.

**SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT**

10. CALIFORNIA PUBLIC UTILITIES COMMISSION JURISDICTION

- 10.1 This is a filed form tariff agreement authorized by the Commission for use by SCE. No officer, inspector, solicitor, agent or employee of SCE has any authority to waive, alter, or amend any part of this Agreement except as provided herein or authorized by the Commission. This Agreement is to be used in conjunction with Schedule LS-1 and supplements the terms and conditions of the Applicant's electric service under Schedule LS-1.
- 10.2 This Agreement shall at all times be subject to such changes or modifications by the Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.
- 10.3 Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, or rule or any agreement relating thereto.

11. ENTIRE AGREEMENT

This Agreement, including SCE's Commission-approved tariffs, constitutes the complete agreement and understanding between the Applicant and SCE regarding the LED Fixtures replacement costs. Prior agreements, representations, understandings, whether expressed or implied, and communications, oral or written, between the Applicant and SCE shall not be construed to be a part of this Agreement.

12. AUTHORIZATION SIGNATURE

In witness whereof, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives.

APPLICANT

BY: _____

NAME: _____

TITLE: _____

DATE SIGNED: _____

SOUTHERN CALIFORNIA EDISON COMPANY

BY: _____

NAME: _____

TITLE: _____

DATE SIGNED: _____

SOUTHERN CALIFORNIA EDISON COMPANY
EXHIBIT "A"
SCHEDULE LS-1 OPTION E,
ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED) FIXTURE REPLACEMENT

APPLICANT

CUSTOMER ACCOUNT NO.

SERVICE ACCOUNT NO.

(Additional account numbers/addresses may be attached hereto.)

SERVICE ADDRESS

APPLICANT REQUESTED READY TO SERVE DATE

ASAP _____

SCE READY TO SERVE DATE _____

DESCRIPTION OF LED FIXTURES/SCOPE OF WORK: SPECIFY HOW MANY STREET LIGHTING
FIXTURE REPLACEMENTS ARE BEING REQUESTED AND AGREED TO UNDER THIS
AGREEMENT AND OTHER RELEVANT DETAILS.

W.O. No(s): _____

**CONFIDENTIAL AND/OR PROPRIETARY INFORMATION OF SOUTHERN CALIFORNIA EDISON
AND/OR ITS CUSTOMERS OR VENDORS. PUBLIC DISCLOSURE IS RESTRICTED.**

CUSTOMER NAME RUBIDOUX COMMUNITY SERVICES
Customer Number: 1000276819

HPSV Lamp Wattage & Monthly kWh		LED Equivalent Wattage & Monthly kWh		Estimated Annual kWh Reduction	Lamp Count	Estimated High Pressure Sodium Vapor (HPSV) Annual Costs	Estimated Light Emitting Diode (LED) Annual Costs	Estimated Annual Savings
	20.0 kWh	22 Watt	7.8 kWh	440	3	\$460	\$430	\$30
70 Watt	28.6 kWh	29 Watt	9.5 kWh	70,490	307	\$52,750	\$45,760	\$6,990
100 Watt	40.4 kWh	37 Watt	12.9 kWh	143,700	436	\$85,440	\$68,800	\$16,640
150 Watt	66.6 kWh	59 Watt	19.8 kWh	560	1	\$260	\$180	\$80
200 Watt	84.9 kWh	76 Watt	26.7 kWh	48,160	69	\$20,480	\$13,910	\$6,570
250 Watt	108.0 kWh	121 Watt	42.3 kWh	0	0	\$0	\$0	\$0
310 Watt	132.1 kWh	130 Watt	44.0 kWh	0	0	\$0	\$0	\$0
400 Watt	167.3 kWh	160 Watt	54.3 kWh	0	0	\$0	\$0	\$0
Total				263,350	816	\$159,390	\$129,080	\$30,310

Note: The LS-1 Tariffs lists LED Wattages (including driver loss) in 5 watt increments. Monthly energy use is the mid-point range.

This analysis is only a 12 month estimate and the results presented are based on HPSV Lamp Wattage and counts above as of October 2022, LED wattage conversion lamps available at this time, and October 1, 2022 rates. Results are rounded. This analysis excludes the following when applicable: Tap Device Charge, State Tax, Utility Users Tax, and Generation Municipal Surcharge. The analysis does not include costs associated with Incandescent, Mercury Vapor, Low Pressure Sodium Vapor, Metal Halide, or already existing LED Lamps. Actual costs may vary due to factors including but not limited to, rate changes, factor changes, wattage conversion changes, excluded cost components.

This analysis is provided to help you evaluate your current Southern California Edison (SCE) bill and/or compare your projected bills to other SCE rate options. These results are based on your past usage and/or assumptions about your energy usage and cannot be guaranteed by SCE. This rate analysis may not reflect all of the rate options that are available to you as an SCE customer. Your actual bills will vary from this analysis due to changes to your actual usage and assumptions such as operating hours, the equipment you use, kVAR charges, weather patterns, service voltage, firm service levels, taxes, and added facilities charges. Moreover, the rate options used in this analysis are subject to change by the California Public Utilities Commission (CPUC), which would also alter the outcome of this analysis.

If your current rate schedule becomes unavailable — either by action of the CPUC or because you are no longer eligible to be placed on the rate — you will be notified of your rate options. If you do not select a different applicable rate option at that time, you will be placed on a default rate schedule.

**CONFIDENTIAL AND/OR PROPRIETARY INFORMATION OF SOUTHERN CALIFORNIA EDISON AND/OR ITS
CUSTOMERS OR VENDORS. PUBLIC DISCLOSURE IS RESTRICTED.**

CUSTOMER NAME RUBIDOUX COMMUNITY SERVICES
Customer Number: 1000276819

Lamp Wattage	Lamp Count	EEP Per Month*	Estimated Monthly Savings
50 Watt	3	\$1.42	\$4
70 Watt	307	\$1.48	\$454
100 Watt	436	\$1.55	\$676
150 Watt	1	\$1.67	\$2
200 Watt	69	\$1.93	\$133
250 Watt	0	\$2.26	\$0
400 Watt	0	\$2.88	\$0
Total	816		\$1,269

Estimated Additional Monthly Savings After 20 Years: \$1,269

Estimated Additional Annual Savings After 20 Years: \$15,231

Estimated Annual Savings During 20 Year Repayment: \$30,310

Estimated Annual Savings Post 20 Repayment: \$45,541

*EEP (Energy Energy Efficiency Premium) is based on rate factors effective 10/1/2022

This analysis is provided to help you evaluate your current Southern California Edison (SCE) bill and/or compare your projected bills to other SCE rate options. These results are based on your past usage and/or assumptions about your energy usage and cannot be guaranteed by SCE. This rate analysis may not reflect all of the rate options that are available to you as an SCE customer. Your actual bills will vary from this analysis due to changes to your actual usage and assumptions such as operating hours, the equipment you use, kVAR charges, weather patterns, service voltage, firm service levels, taxes, and added facilities charges. Moreover, the rate options used in this analysis are subject to change by the California Public Utilities Commission (CPUC), which would also alter the outcome of this analysis.

If your current rate schedule becomes unavailable — either by action of the CPUC or because you are no longer eligible to be placed on the rate — you will be notified of your rate options. If you do not select a different applicable rate option at that time, you will be placed on a default rate schedule.

8. **ACTION / DISCUSSION ITEMS** (continued)

- B. **DM 2024-34:** Consideration to Direct Staff to Prepare Draft Ordinance for Water and Wastewater Rate Adjustments

Rubidoux Community Services District

Board of Directors

John Skerbelis, President
Hank Trueba Jr., Vice-President
Bernard Murphy
Armando Muniz
F. Forest Trowbridge



General Manager

Brian R. Laddusaw

Water Resource Management Refuse Collection Street Lights Fire / Emergency Services Weed Abatement

DIRECTORS MEMORANDUM 2024-34

May 2, 2024

To: Rubidoux Community Services District
Board of Directors

Subject: Consideration to Direct Staff to Prepare Draft Ordinance for Water and Wastewater Rate Adjustments

BACKGROUND:

In January 2022, the Rubidoux Community Services District ("District") Board of Directors ("Board") hired IB Consulting ("IB") to conduct a Comprehensive Cost of Services Study ("COSS") to confirm the adequacy of revenues of the District's then current rate plan to operate, maintain, and replace system assets to meet current and long-term needs of the District.

The COSS was a twelve (12) month process taking up all of calendar year 2022 and during this process, IB provided deliverables and financial resources to staff while also updating the Board at various milestones during their scope of work via Board presentations, which included:

Deliverables:

- Cost Allocation Plan
- Water Enterprise Financial Model
- Wastewater Enterprise Financial Model
- Utility Rate Report

Board Presentations:

- March 17, 2022 – Rates 101 Workshop
- April 21, 2022 – Financial Planning and Reserves
- June 16, 2022 – Long-Term Financial Plans
- September 14, 2022 – Long-Term Financial Plans and Proposed Rates
- October 20, 2022 – Drought Rates

In Fall of 2022, IB completed their work on the District's COSS and it was determined the existing rates approved with the 2019 5-year rate plan were not adequate to meet the District's future financial obligations. This work was detailed by IB in the form of an Administrative Record Report ("Report"). The Report became 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 a year.

On October 20, 2022, the Board authorized staff to prepare and mail the 5-year water, water conservation, and wastewater rate plan pursuant to the conditions of Proposition 218. The Proposition 218 mailings were completed on October 31, 2022, 45 days prior to the Public Protest Hearing on December 15, 2022. After the Proposition 218 notifications were mailed, 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
- 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 affected property owners and tenants about the proposed rate adjustments and offer them various opportunities to contact staff for a better understanding of the adjustments.

On December 15, 2022, the Board conducted a Public Protest Hearing for all affected property owners and tenants. At the end of the Public Protest Hearing, staff tallied all protests against the 5-year rate plan and determined the public failed to achieve the required 50% + 1 protests for the rates to not be considered by the Board and "not take effect". The Board then considered and adopted the new 5-year rate plan commencing July 1, 2023, with allowable increases every July 1 through 2027.

With the District's investment in the COSS, the District intends to utilize this financial analysis and plan to be used as a foundational pillar into the District's overall strategic plan.

PROPOSED FY 2024|2025 WATER AND WASTEWATER RATE ADJUSTMENTS:

Adopting a five-year rate plan in Fiscal Year 2023|2024 ("FY 2024") allowed the District flexibility to adjust rates as necessary to cover future operating costs, and major maintenance and asset replacement, while also working to achieve its targeted reserve balances. Although adopted in December 2022, rates are not automatically 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.

Analysis on the District's current rate structure began in March 2024 when staff commenced work on the District's Fiscal Year 2024|2025 ("FY 2025") operating and capital fund budgets. During this time, District

management met on a weekly basis to discuss all facets of the District's operations which ultimately become factors when setting budgetary figures. Items considered include but are not limited to the following:

- Current and forecasted operational challenges related to supply chain shortages, inflation, and new treatment processes.
- Critical capital infrastructure spending related to the water and sewer enterprise.
- Costs and debt service associated with the Field/Admin. Building project.
- Allocation of central services and discretionary property tax revenue.
- Preventative maintenance programs and other programmatic initiatives.
- TDS mitigation i.e. elevated levels above 650 mg/l (maximum allowed based on City of Riverside discharge permit).
- Emphasis on reducing the District's Unfunded Accrued Liability ("UAL") through Additional Discretionary Payments ("ADPs").
- Potential capital contributions to the City of Riverside for wastewater treatment plant upgrades.

Each week during the budgeting cycle, management would continuously assign costs to the District's operational and capital fund budgets. As costs were assigned, management simultaneously looked at anticipated revenues associated with each enterprise to determine if sufficient revenues could be generated at the District's current rates or if a rate adjustment was necessary. Due to significant challenges facing the District as noted above, rate adjustments across all three enterprises were necessary for FY 25. The solid waste enterprise performs an annual prop 218 separate from water and wastewater and is excluded from this memorandum.

Water Enterprise:

Over the last couple of years, the District's Water Enterprise has seen significant changes impacting its operating environment and financial stability. In 2020, the District, along with the entire water industry, was given approximately 2-years to respond/mitigate the emergence of the presence of perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) in the groundwater pumped for potable supplies. This was accomplished as a two-pronged approach by implementing treatment processes at the Anita B. Smith and Leland Thompson Water Treatment Facilities. The total project costs for mitigating these contaminants were approximately \$5.0 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 these contaminants.

Along with these new capital improvements have come additional routine operating costs, most notable the periodic change out of media (GAC or resin) held in these pressure vessels, and additional energy costs and sampling, among other costs. Prior to these new emerging contaminants, the District was already dealing with 1,2,3-TCP and relatively high ambient TDS levels in the District's drinking water wells. Based on current operating efforts for PFAS Treatment combined with existing 1,2,3-TCP Treatment, the District is utilizing 13 pressure vessels. Excluding capital expenses, the media change out expenses and added energy and chemical costs add approximately \$1,250,000 to the annual water system operating expense budget. In addition, each year the District is required to treat new per- and polyfluoralkyl substances that are within the family of the original PFOS and PFOA compounds. It is estimated there are over 9,000 total PFAS variations. Further, supply chain issues have increased lead times on various District parts/chemicals and the rising cost of inflation has put significant financial constraints on the District's operating budgets.

This highlights the District's effort and focus with two of the more pressing issues, PFOS/PFOA and 1,2,3-TCP.

Also in addition as previously mentioned in FY 2024, many of the District's infrastructure and long-lived assets are showing their age. The District's four (4) potable water tanks (Hunter 1, Atkinson, Watson, Perone) are 20+ years old each. 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 assessment were not good, but otherwise not unexpected given the age and usage of the tanks over the years. All tanks require substantial structural and safety upgrades to meet AWWA and OSHA regulations.

On August 3, 2023, under DM 2023-76, the Board authorized Harper & Associates to prepare a multi-year corrective action plan to be completed over seven phases, or fiscal years. Phase I commenced in FY2024 and has focused on safety and structural repairs to the four existing water reservoirs. The remaining phases will focus on interior coating, rehabilitation work, and seismic upgrading. Phase VII is expected to be completed in FY2029. The aggregate cost of this work is estimated at \$5.2 million (in today's dollars), but is expected to be more in future years due to inflationary pressures.

The District is also working to not only maintain current infrastructure, but to also establish new infrastructure for a growing community. In FY 2025 the District is anticipating nearly \$2 million in capital costs for a new Well. Well 25 and its treatment will bring an additional water source and treatment capacity for the District and will help the District maintain sufficient water supply for a growing community.

In addition, the District is investing in new water metering equipment, which will establish high quality water metering for several years to come. In FY 2025 the District is anticipating nearly \$3.4 million in capital costs for AMI metering and related infrastructure.

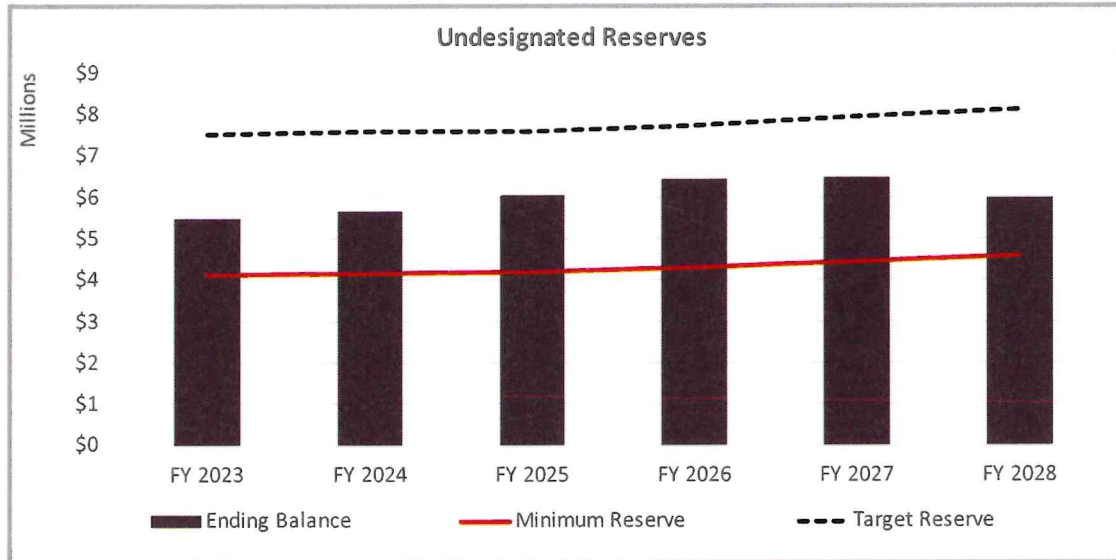
Management recognizes raising rates is not ideal, especially considering the impact of inflation on other household expenses; however, the District has a fundamental obligation to provide clean and reliable drinking water to its customers and to ensure sewage is collected and adequately treated, and these costs for service need to be included in the rates.

Adjusting the District's water rates to the fully noticed year two rate under the adopted 5-year rate plan is estimated to generate an additional \$455,000 in revenue. Staff anticipated the need to increase the District's water rates to the fully noticed rates and incorporated the fully noticed year two rate increase into the Board approved FY 25 operating budget. For illustrative purposes, the following schedule shows the projected revenues and expenses with the overall net cash flow anticipated. Notice, this schedule solely focuses on operations costs compared to revenue and does not factor into consideration the capital requirements of the District. Even though these estimated cash flows are positive, they alone are financially insufficient for the District's capital requirements. Although rate increases do increase monthly costs to the District customers, these increases are imperative for the District to establish higher undesignated reserves. The District aims to be proactive at generating appropriate reserve funding levels, so it can be funded for proactive infrastructure maintenance and/or financially ready for major repairs and avoid costly debt.

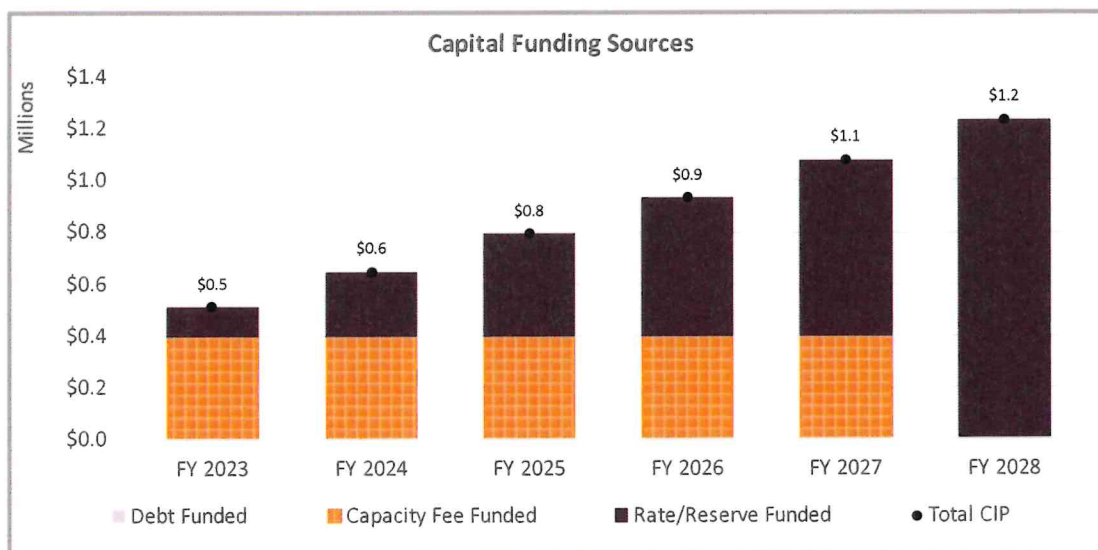
Water Resource Management Refuse Collection Street Lights Fire / Emergency Services Weed Abatement

Revenue	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Total Rate Revenues	\$7,858,000	\$7,858,000	\$7,858,000	\$7,858,000	\$7,858,000	\$7,858,000
Additional Revenue (from revenue adjustments):						
Fiscal Year	Revenue Adjustment	Effective Month				
FY 2023	0.0%	July	\$0	\$0	\$0	\$0
FY 2024	5.5%	July	\$432,000	\$432,000	\$432,000	\$432,000
FY 2025	5.5%	July	\$455,000	\$455,000	\$455,000	\$455,000
FY 2026	5.5%	July		\$480,000	\$480,000	\$480,000
FY 2027	5.5%	July			\$507,000	\$507,000
FY 2028	5.5%	July				\$535,000
Total Additional Revenue	\$0	\$432,000	\$887,000	\$1,367,000	\$1,874,000	\$2,409,000
Projected Rate Revenues	\$7,858,000	\$8,290,000	\$8,745,000	\$9,225,000	\$9,732,000	\$10,267,000
Operating Revenues						
Sales - Late Charges	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000
Sales - Service Charges	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Sales - Reconnect Charge	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Sales - Meters	\$73,000	\$73,000	\$73,000	\$73,000	\$73,000	\$73,000
Sales - Jumper Income	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Miscellaneous Revenue	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Non-Potable Revenue	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Subtotal Operating Revenues	\$218,000	\$218,000	\$218,000	\$218,000	\$218,000	\$218,000
Other Revenues						
Interest Income	\$18,000	\$41,000	\$35,000	\$35,000	\$36,000	\$38,000
Interest Income:Non-Operational	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Property Tax	\$229,000	\$229,000	\$229,000	\$229,000	\$229,000	\$229,000
JCSD Water Sales (Potable Contract)	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Subtotal Other Revenues	\$1,451,000	\$1,474,000	\$1,468,000	\$1,468,000	\$1,469,000	\$1,471,000
Total Revenues	\$9,527,000	\$9,982,000	\$10,431,000	\$10,911,000	\$11,419,000	\$11,956,000
O&M Expenses	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Operating Expenses						
Salaries & Benefits	\$3,126,000	\$3,251,000	\$3,381,000	\$3,516,000	\$3,656,000	\$3,803,000
Energy	\$560,000	\$588,000	\$617,000	\$648,000	\$681,000	\$715,000
Operating & Maintenance	\$379,000	\$398,000	\$418,000	\$433,000	\$450,000	\$467,000
Operating Treatment	\$803,000	\$843,000	\$885,000	\$919,000	\$954,000	\$991,000
Other Expenses	\$831,000	\$480,000	\$504,000	\$523,000	\$543,000	\$564,000
Professional Fees	\$120,000	\$142,000	\$149,000	\$154,000	\$160,000	\$167,000
Administrative	\$1,159,000	\$951,000	\$999,000	\$1,037,000	\$1,076,000	\$1,117,000
Water Purchases - GW Blending	\$0	\$1,035,000	\$1,087,000	\$1,142,000	\$1,199,000	\$1,259,000
PFAS Treatment	\$1,250,000	\$1,313,000	\$1,379,000	\$1,431,000	\$1,486,000	\$1,543,000
Subtotal Operating Expenses	\$8,228,000	\$9,001,000	\$9,419,000	\$9,803,000	\$10,205,000	\$10,626,000
Debt Service						
Existing Debt - 1998 COPs	\$709,533	\$706,893	\$707,595	\$0	\$0	\$0
Existing Debt - SRF Loan	\$364,196	\$364,196	\$364,196	\$364,196	\$364,196	\$364,196
Existing Debt - Field/Admin Building Loan	\$59,393	\$237,000	\$237,000	\$237,000	\$237,000	\$237,000
Release of Debt Reserve	\$0	(\$94,394)	(\$707,595)	\$0	\$0	\$0
Transfers to/from COP Restricted Reserve	\$0	(\$612,498)	(\$364,196)	(\$364,196)	(\$73,655)	\$0
New/Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Debt Service	\$1,133,121	\$601,196	\$237,000	\$237,000	\$527,541	\$601,196
Total Expenses	\$9,361,121	\$9,602,196	\$9,656,000	\$10,040,000	\$10,732,541	\$11,227,196
Net Cashflow	\$165,879	\$379,804	\$775,000	\$871,000	\$686,459	\$728,804

The following chart shows the anticipated growth of the District's unrestricted reserves as identified during the COSS. As outlined in the chart, the District is currently significantly below its targeted reserve level.



Further, capital projects are not entirely funded by collected capacity fees. The District's capital planning requires reserve funding to be contributed. A failure to maintain adequate reserve levels over an extended period will ultimately result in deferred maintenance to the District's water infrastructure, which will increase the risk of failure and potential for inefficient repairs. It is the District's goal to provide reliable services to its customers and financial planning is vital to accomplish this.



Wastewater Enterprise:

The largest financial component of the wastewater enterprise are payment obligations to the City of Riverside (“Riverside”) for sewage treatment. Payments to Riverside are broken into two main categories, flow and surcharges. The flow rate is determined by the Regional Advisory Committee (“RAC”) and is set for each fiscal year. Flow is billed in million gallons. The District currently has capacity rights to send up to 3.055 million gallons per day (mgd) to Riverside’s Wastewater Treatment Plant. The District averages about 1.6-1.7 mgd and 610-620 mg annually. There are three surcharges Riverside are allowed to bill the District for monthly and they are: flow, total suspended solids (“TSS”), and biochemical oxygen demand (“BOD”). The District does not exceed its flow capacity and is not billed a flow surcharge. The District’s TSS and BOD limits are set forth by agreements with Riverside and currently the District routinely exceeds these limits. On average, the District pays about \$20,000 per month in TSS and BOD surcharges.

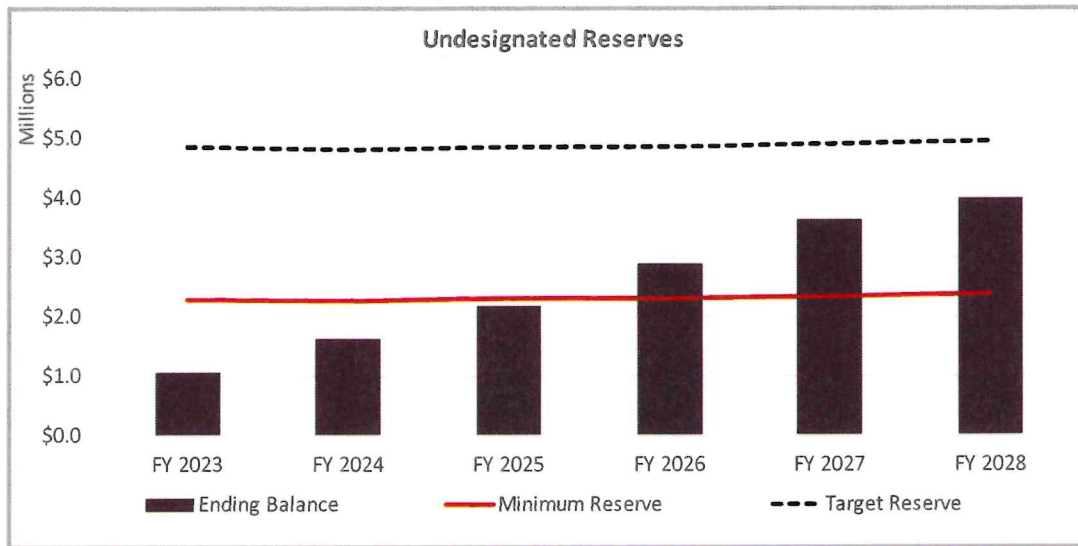
In FY 23, Riverside estimated the treatment cost to be \$2,255 per million gallons. Although FY 23 is still being reconciled by the RAC, actual treatment costs are expected to be approximately \$2,500 per million gallons, or approximately 11% more than estimated cost. This increase was due to significant inflationary pressures related to all facets of the plant but most notably solid waste disposal, chemicals, and natural gas. Further, treatment costs for FY 24 are currently being billed at \$2,420 per million gallons which again are expected to be reconciled to an actual treatment cost of \$2,500 or more per million gallons. FY 24 treatment costs likely won’t be reconciled until late Fall or early Winter. The District has not been provided an estimated treatment cost per million gallons for FY 25 although this amount is expected to be more than the current year. For budgeting purposes, the District will use the projected FY 24 treatment cost plus 5% (\$2,640). The Technical Advisory Committee is expected to meet on May 8, 2024, at which time the partner agencies will be provided with FY 25 financial information. The District will revise the sewer fund budget based upon the amounts provided during this meeting.

Adjusting the District’s wastewater rates to the fully noticed year two rate under the adopted 5-year rate plan is estimated to generate an additional \$240,000 in revenue. Staff anticipated the need to increase the District’s wastewater rates to the fully noticed rates and incorporated the fully noticed year two rate increase into the Board approved FY 25 operating budget. For illustrative purposes, the following schedule shows the projected revenues and expenses with the overall net cash flow anticipated. Notice, this schedule focuses solely on operational costs compared to revenue and does not factor into consideration the capital requirements of the District. Even though these estimated cash flows are positive, they alone are financially insufficient for the District’s capital requirements. Although rate increases do increase monthly costs to the District customers, these increases are imperative for the District to establish higher undesignated reserves. The District aims to be proactive at generating appropriate reserve funding levels, so it can be funded for proactive infrastructure maintenance and/or financially ready for major repairs and avoid costly debt.

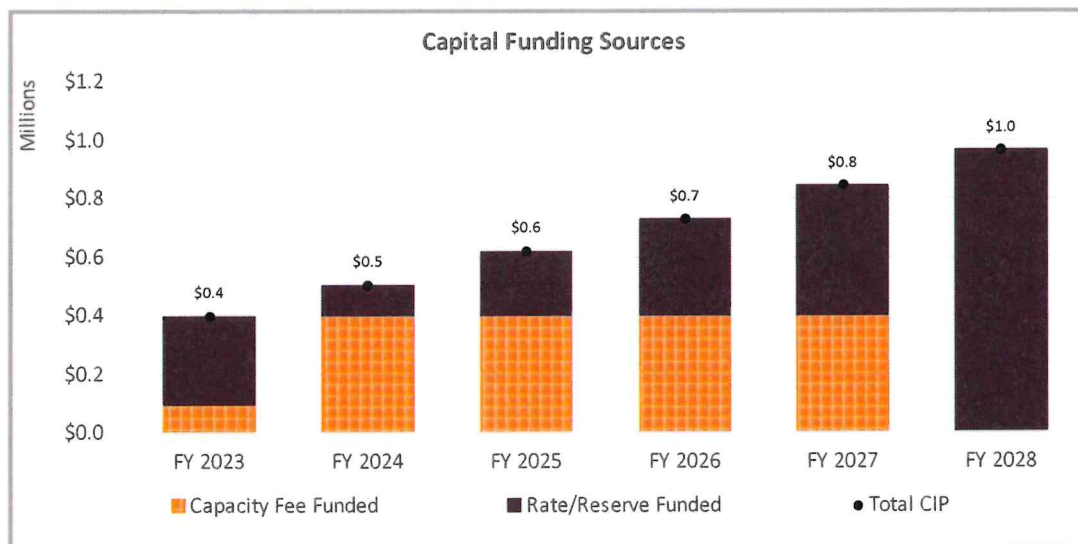
Water Resource Management Refuse Collection Street Lights Fire / Emergency Services Weed Abatement

Revenue	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Rate Revenues						
Sewer Treatment Charge	\$2,552,000	\$2,552,000	\$2,552,000	\$2,552,000	\$2,552,000	\$2,552,000
Sewer Collection Charge	\$655,000	\$655,000	\$655,000	\$655,000	\$655,000	\$655,000
Total Rate Revenues	\$3,207,000	\$3,207,000	\$3,207,000	\$3,207,000	\$3,207,000	\$3,207,000
Additional Revenue (from revenue adjustments):						
Fiscal Year	Revenue Adjustment	Effective Month				
FY 2023	0.0%	July	\$0	\$0	\$0	\$0
FY 2024	7.0%	July	\$224,000	\$224,000	\$224,000	\$224,000
FY 2025	7.0%	July	\$240,000	\$240,000	\$240,000	\$240,000
FY 2026	7.0%	July		\$256,000	\$256,000	\$256,000
FY 2027	7.0%	July			\$274,000	\$274,000
FY 2028	7.0%	July				\$294,000
Total Additional Revenue			\$464,000	\$720,000	\$994,000	\$1,288,000
Projected Rate Revenues	\$3,207,000	\$3,431,000	\$3,671,000	\$3,927,000	\$4,201,000	\$4,495,000
Operating Revenues						
Miscellaneous Income	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Permits & Licenses	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Subtotal Operating Revenues	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Other Revenues						
Interest Income	\$4,000	\$8,000	\$10,000	\$10,000	\$10,000	\$10,000
Interest Income:Non Operational	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Property Tax	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000
Subtotal Other Revenues	\$216,000	\$220,000	\$222,000	\$222,000	\$222,000	\$222,000
Total Revenues	\$3,427,000	\$3,655,000	\$3,897,000	\$4,153,000	\$4,427,000	\$4,721,000
O&M Expenses	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Operating Expenses						
Salaries & Benefits	\$117,000	\$122,000	\$127,000	\$132,000	\$137,000	\$142,000
Electrical Power	\$43,000	\$45,000	\$47,000	\$50,000	\$52,000	\$55,000
Operating & Maintenance	\$297,000	\$312,000	\$328,000	\$340,000	\$354,000	\$367,000
Operating Treatment	\$1,572,000	\$1,650,000	\$1,733,000	\$1,819,000	\$1,910,000	\$2,006,000
Other Expenses	\$67,000	\$70,000	\$74,000	\$77,000	\$80,000	\$83,000
Professional Fees	\$86,000	\$4,000	\$4,000	\$5,000	\$5,000	\$5,000
Administrative	\$678,000	\$554,000	\$581,000	\$604,000	\$627,000	\$651,000
Litigation Expense	\$150,000	\$150,000	\$150,000	\$0	\$0	\$0
Industrial Pretreatment Costs	\$80,000	\$84,000	\$89,000	\$93,000	\$98,000	\$103,000
Subtotal Operating Expenses	\$3,090,000	\$2,991,000	\$3,133,000	\$3,120,000	\$3,263,000	\$3,412,000
Debt Service						
Existing Debt	\$0	\$0	\$0	\$0	\$0	\$0
New/Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$3,090,000	\$2,991,000	\$3,133,000	\$3,120,000	\$3,263,000	\$3,412,000
Net Cashflow	\$337,000	\$664,000	\$764,000	\$1,033,000	\$1,164,000	\$1,309,000

The following chart shows the anticipated growth of the District's unrestricted reserves as identified during the COSS. As outlined in the chart, the District is currently significantly below its targeted reserve level.



Further, capital projects are not entirely funded by collected capacity fees. The District capital planning requires reserve funding to be contributed. A failure to maintain adequate reserves levels over an extended period will ultimately result in deferred maintenance to the District's wastewater infrastructure, which will increase the risk of failure and potential for inefficient repairs. It is the District's goal to provide reliable services to its customers and financial planning is vital to accomplish this.



Timeline:

As detailed above, with the District's previous establishment of a 5-year rate plan, the water and wastewater enterprises rates are not automatically adjusted every July 1 for each period of the rate plan. For rates to be adjusted, the Board must formally do so through the proper Ordinance adoption procedures. For an Ordinance to be properly adopted, the District must adhere to the following criteria:

1. First and Second Reading of Draft Ordinance – No less than 2 weeks apart.
2. Public Hearing (not a protest hearing) with a minimum 10-day notice period. Must notice public in Press Enterprise, on the District's website, and on the District's administrative office windows.
3. Requires a 30-day delayed effective date.

Based on the criteria above, staff is proposing the following water and wastewater Ordinance adoption and rate adjustment timeline:

- Regular Board Meeting – May 16, 2024 (1st Reading of Ordinance)
- Regular Board Meeting – June 6, 2024 (2nd Reading of Ordinance and Public Hearing)
- Effective – July 6, 2024

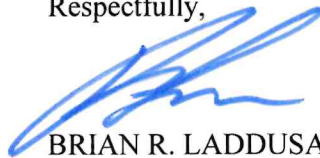
Staff understands raising rates is not ideal, especially considering the impact of inflation on other household expenses; however, the District has a fundamental obligation to provide clean and reliable drinking water to its customers and to ensure wastewater is collected and adequately treated, and these costs for service need to be included in the rates. Additionally, the District must increase its system reinvestments and maintain healthy reserve balances. Sufficient reserve balances provide financial stability to the District by having adequate cash on hand to mitigate financial risks related to operating cashflow needs, unexpected increases in expenses, shortages in system reinvestment, and mitigating potential system failures.

RECOMMENDATION:

Staff recommends the Board of Directors consider authorizing the General Manager to:

1. Prepare Draft Ordinance No. 2024-136 and Ordinance No. 2024-137 for adjusting wastewater and water rates, respectively, to the fully noticed year two rates of the 5-year rate plan adopted by the Board of Directors on December 15, 2022, and complete the following:
 - a. Schedule First Readings of Ordinances at the regular Board meeting on May 16, 2024.
 - b. Schedule Public Hearing and Second Readings of Ordinances at the regular Board meeting on June 6, 2024.

Respectfully,



BRIAN R. LADDUSAW, CPA
General Manager

9. **DIRECTORS COMMENTS AND REQUEST**

10. **NEXT MEETING**

Thursday, May 16, 2024, at 4:00 p.m.

11. ADJOURNMENT