

**RUBIDOUX COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

**MINUTES OF REGULAR MEETING
Thursday, June 20, 2024**

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

DIRECTORS ABSENT: Armando Muniz

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

VISITORS (SIGNED IN): Edward Flanagan, RCSD Customer
Nancy Acorn, RCSD Customer
Chief William Otterman, 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, June 20, 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- *REOPEN at 5:05PM*** Motion by Director Murphy**

RCSD customer Edward Flanagan commented about the customer service received during the replacement of his trash barrel. He shared it took three weeks for the trash barrel to be replaced after he had reported the broken trash barrel. District staff had previously assisted him. Board President Skerbelis apologized for the inconvenience and confirmed the matter had been resolved.

ITEM 5. CONSENT CALENDAR

- A. Approval of Minutes for June 6, 2024, Regular Meeting
- B. Consideration to Approve June 21, 2024, Salaries, Expenses and Transfers
- C. **DM 2024-50:** Receive and File Statement of Cash Asset Schedule Report Ending May 2024
- D. **DM 2024-51:** Consider Adoption of Resolution No. 2024-915, A Resolution Authorizing the Use of PlanetBids for Procurement Advertising
- E. **DM 2024-52:** Consider Notice of Cancellation of the Rubidoux Community Services District July 4, 2024, Regular Board Meeting
- F. **DM 2024-53:** Correction to Grant Deed for Contributed Water and Sewer Assets for Agua Mansa Commerce Park - Parcel Map 37528

ACTION:

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

Roll call:

Ayes – 4 (Murphy, Trueba, Skerbelis, Trowbridge)

Noes – 0

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 4-0-0-1.

ITEM 6. CORRESPONDENCE AND RELATED INFORMATION

ITEM 7. REPORTS

A. Operations Report (Second Meeting Each Month)

Director of Operations Miguel Valdez reported the Water and Wastewater production numbers. The average total well production in million gallons for potable water is 3.22. The total was 3.25. The Wastewater flow to Riverside average was 1.73. The consumption of JCSD was 0.0. Well No. 18 potable production was 27.1%. Well No. 8 was 32.0%. Well No. 6 produced 16.8%. Well No. 4 produced 24.0%. Well No. 2, Well No. 1 and the Jurupa Tie- In produced 0.0%.

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

Fire station 38 Chief presented the incidents reported for the month of May 2024. The station had a total of 294 calls. It received 15 false alarm calls, 225 medical calls, 5 other fire calls, 1

other miscellaneous call, 14 public service assistant calls, 1 rescue fires, 2 standbys, 24 traffic collisions, 1 vehicle fires and 6 wildland fires.

C. General Manager and Staff Reports / Updates

GM Brian Laddusaw shared with the Board the pictures from the Riverside Youth visit to the Leland Thompson Plant. He also shared with them the National Night out Event with the Riverside County Sheriff's Department. Director of Engineering Ted Beckwith provided the Board with an update on the Fire Department monument located outside the office building. The monument included firefighters who died in the line of duty as well as those who retired then passed away. Director Murphy would like staff to agendize the item and receive input from the Fire Station 38 personnel on how to proceed with the monument. Director of Engineering Ted Beckwith also provided the Board with an update on the Saddle Horn Ranch. The Board instructed staff to meet with all parties involved in the process and try to work out an agreement.

D. Committee Reports

GM Brian Laddusaw commented that the Solid Waste Committee met and more information will be provided during DM 2024-56 Public Hearing Related to Reso. No. 2024-911.

ITEM 8. ACTION/DISCUSSION ITEMS.

- A. DM 2024-54:** First Reading of Ordinance No. 2024-138, An Ordinance of the Rubidoux Community Services District Authorizing the Adoption of Financial Policy Number 1040 'Procurement Policy'

BACKGROUND:

The purpose of this memorandum is to seek the Rubidoux Community Services District ("District") Board of Directors' ("Board") approval for the adoption of Financial Policy Number 1040 'Procurement Policy' ("Policy"). This policy is designed to streamline the District's procurement processes and ensure compliance with legal and regulatory requirements. A duly adopted and effective Policy is a mandatory prerequisite for spending Federal grant awards. In 2023, the District was successful with two (2) United States Bureau of Reclamation ("USBR") grant awards totaling nearly \$3.0 million. Absent a Policy, the District would be precluded from seeking reimbursement of the \$3.0 million towards eligible projects costs and alternatively these crucial projects would require funding from current District's reserves or potentially debt based financing with a high interest rate market.

Further, effective procurement practices are essential for the efficient operation of the District. Currently, the District's procurement process lacks a standardized framework for handling repetitive and large-scale procurement needs, which can lead to inefficiencies and inconsistent practices.

The Policy will formalize the current District practice of utilizing Master Agreements and Task Orders. Master Agreements establish pre-negotiated terms and conditions with vendors, while Task Orders detail specific projects or tasks under these agreements. This approach allows for quicker response times, better vendor relationships, and improved budget management. Master

Agreements and Task Orders are mostly used with professional and consulting services vendors (i.e., accounting, architectural, engineering, etc.)

Key Features of the Policy

- Establishment of purchasing agent procurement limitations and contract authorization.
- Defined procurement processes with segregation by public works and non-public works projects.
- Master Agreements: Establish overarching terms and conditions for goods and services with selected vendors.
- Task Orders: Issue detailed, project-specific work orders under the Master Agreements, defining the scope, schedule, deliverables, and pricing for each task.
- Streamlined Process: Simplifies and speeds up procurement by clearly defining procurement requirements based on legal and monetary considerations.
- Compliance and Monitoring: Ensures adherence to legal requirements and includes provisions for performance monitoring and regular reporting.

Benefits

Adopting this Procurement Policy will offer several benefits:

- Efficiency: Reduces administrative workload and expedites the procurement process.
- Transparency: Ensures clear and consistent procurement practices.
- Compliance: Aligns with legal and regulatory requirements.
- Fulfills procurement policy required for federal funded projects. (Uniform Guidance)
- Required Policy by Independent Auditors.
- Increased documentation and support.

Timeline:

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 Ordinance adoption timeline:

- Regular Board Meeting – June 20, 2024 (1st Reading of Ordinance)
- Regular Board Meeting – July 18, 2024 (2nd Reading of Ordinance and Public Hearing)
- Effective – August 18, 2024

ACTION:

Director Murphy moved, and Director Trueba seconded to authorize the General Manager to:

Schedule a Public Hearing and Final Reading of Ordinance No. 2024-138 for the July 18, 2024, regular meeting of the Board of Directors of the Rubidoux Community Services District. Director Murphy requested to be provided with security guidelines for the online services including the bid selection.

Roll call:

Ayes – 4 (Murphy, Trueba, Skerbelis, Trowbridge)

Noes – 0

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 4-0-0-1.

B. DM 2024-55: Consider Submitting a Ballot for the California Special Districts Association Board of Directors Seat A, Southern Network

BACKGROUND:

Rubidoux Community Services District (“District”) is a member of the California Special Districts Association (“CSDA”). CSDA is a not-for-profit association that was formed in 1969 to promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts.

It has a membership of over 1,000 organizations throughout California representing all types of independent special districts including irrigation, water, park and recreation, cemetery, fire, police protection, library, utility, harbor, healthcare, and community services districts. CSDA provides education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services, and, most importantly, current information that is crucial to a special district's management and operational effectiveness.

On February 5, 2024, District staff received correspondence from CSDA indicating CSDA’s call for nominations for CSDA Board of Directors Seat A (Attachment 1).

CSDA governance involves a Board of Directors comprised of six networks with three seats for each network. The networks are geographic areas within the state of California. The District is in the Southern Network. The three representative Board of Director members for each network are on staggered three-year terms. Seat A for the Southern Network has an expiring term, thus

the call by CSDA for nominations to fill this position. The seat is currently filled by Jo MacKenzie – Director of Vista Irrigation District. Included in the correspondence received from CSDA was her intention of running for re-election for Seat A, Southern Section. The other two Southern Network Directors not currently up for re-election are Don Bartz – GM of Phelan Pinon Hills CSD, and Arlene Schafer – Board Vice-President of Costa Mesa Sanitary District.

For this election period, the Board of Directors (“Board”) ultimately decided not to submit a nomination form on behalf of any of the Directors.

On June 10, 2024, the District was informed the election period has commenced. Voting will be conducted electronically (web-based online voting system). The District has until July 26, 2024, to submit a ballot. The ballot includes three candidates (Attachment 2).

The candidates are:

- A) Jo MacKenzie – Director, Vista Irrigation District (Vista, CA)
- B) Jason Dafform – General Manager, Valley Sanitary District (Indio, CA)
- C) Rodd Leja – Director, Jurupa Area Recreation and Parks District (Jurupa Valley, CA)

All candidate information sheets, candidate statements, letters/emails of support for each candidate (if any) are included as Attachment 3.

Staff is making no recommendation to the Board with regards to the election but seeks direction as to the Board’s preferred candidate, if any. Unlike the Local Agency Formation Commission Election where the Board has an opportunity to vote for one (1) or all candidates via a ranking system, the CSDA election only allows for one vote. Staff recommends the Board deliberate and select one candidate and direct the General Manager to electronically vote for the one candidate via the CSDA web-based online voting system.

ACTION:

Director Murphy moved, and Director Trueba seconded to authorize the General Manager to:

**Submit the ballot with the Board’s preferred candidate:
Ross Leja – Director, Jurupa Area Recreation and Parks District (Jurupa Valley, CA)**

Roll call:

**Ayes – 4 (Murphy, Trueba, Skerbelis, Trowbridge)
Noes – 0
Abstain – 0
Absent – 1 (Muniz)**

The motion was carried 4-0-0-1.

- C. **DM 2024-56: PUBLIC HEARING (CANCELLED)** – Consideration to Cancel the Public Protest Hearing Related to Resolution No. 2024-911, A Resolution Adjusting the Solid Waste Collection and Disposal Charges for Residential, Commercial, and Industrial Customers

BACKGROUND:

On April 18, 2024, the Rubidoux Community Services District (“District”) Board of Directors (“Board”) authorized staff to mail a Notice of Public Hearing and Protest Election (“Notice”) pursuant to Proposition 218 related to the District’s solid waste collection service charges for its residential, commercial, and industrial customers. The Notice was mailed on April 26, 2024, and included the following information:

1. The amount of the proposed fee or charge to be imposed.
2. The basis upon which it was calculated.
3. The reason for the fee or charge.
4. The date, time, and location of the public hearing.

Burrtec Waste Industries, Inc. (“Burrtec”) proposed rate increases across all service areas and customer classifications. For residential customers with a 90-gallon can, Burrtec was proposing a rate of \$40.14, a \$2.79/month increase, or 7.47%.

On June 10, 2024, the Solid Waste Committee met with Burrtec’s representatives to discuss two items: 1) the proposed FY 2024|2025 solid waste rates and 2) the parties long-term operational relationship.

1. Proposed FY 2024|2025 solid waste rates:

The Solid Waste Committee conveyed its concerns about the year-over-year increases realized by the District’s residential, commercial, and industrial solid waste customers and the jurisdictional differences in costs between the District and the City of Jurupa Valley. Burrtec agreed to review the proposed rate plan to determine if some of the proposed increase could be reduced. Understanding this effort would take some time to analyze, the District and Burrtec **mutually agreed to delay** the proposed rate adjustments for FY 2024|2025. Burrtec and staff anticipate this process will take 30-60 days to fully vet the FY 2024|2025 rate plan with a goal to minimize the impact to its customers, notably the District’s residential customers. On the advice of the District’s General Counsel, John Harper, once a new rate plan is established, the District would set and notice a new Proposition 218 Public Hearing and Protect Election.

2. Burrtec contract:

The District’s current contract with Burrtec was originally set to expire on December 31, 2022, but included in the contract was “wind-down” language which essentially created a rolling four (4) year “wind-down” period. Simultaneous with the rate discussion highlighted above, the District and Burrtec will soon engage in a dialogue to secure a long-term extension to ensure the parties operational relationship is solidified for years to come. This is a much needed exercise as the District’s current Burrtec contract is 16 years old and relying on outdated terms may result in misunderstandings or misinterpretations of contractual obligations, potentially leading to dispute between parties. Further, the business landscape is constantly evolving, with market conditions, regulations, and technologies continually changing. Outdated contract terms may fail to address these shifts adequately, leaving parties vulnerable to unforeseen risks or missed opportunities.

The District was scheduled to conduct the Public Protest Hearing this evening after the mandatory 45-day notice period to hear input from the public with regards to the rate adjustments. After that input and a failed Public Protest Hearing, the Board was scheduled to deliberate on Resolution No. 2024-911 to consider the rate adjustments. Because Burrtec is taking a closer look at the rate plan for FY 2024|2025 and has opted to leave the rates the same until a new plan can be generated, there is no resolution for the Board to consider and therefore no Public Protect Hearing to conduct. Further, the draft Resolution has been removed from the District’s front counter and website to avoid confusion. Staff recommends the Board cancel the Public Protest Hearing, effectively leaving the existing rates in effect for now.

ACTION:

Director Trueba moved, and Director Trowbridge seconded to authorize the General Manager to:

Cancel the Public Hearing and Protest Election related to Resolution No. 2024-911.

Roll call:

Ayes – 3 (Skerbelis, Trueba, Trowbridge)

Noes – 1 (Murphy)

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 3-1-0-1.

D. DM 2024-57: Consideration to Adopt Draft Rubidoux Community Services District Operations and Capital Improvement Budgets and Salary Schedule for Fiscal Year 2024|2025

BACKGROUND:

Attached for the Board of Directors’ (“Board”) consideration is the proposed Fiscal Year 2024|2025 (“FY 2025”) Budget for the Rubidoux Community Services District’s (“District”) Operating and Capital Funds. Additionally, attached to the Budget is the District’s FY 2024|2025 Salary Schedule.

The District’s budgeting cycle is a multi-month process beginning in March 2024. 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.
- Continued 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 the water and wastewater enterprises were necessary for FY 2024\2025. Currently the solid waste enterprise is under evaluation for rate adjustments. Adjustments are estimated once service cost discussions are concluded with the District's current waste hauler. District staff conducted and the Board participated in various rate setting events beginning in March 2024. The timeline of events is highlighted below.

RATE ADJUSTMENT TIMELINES:

Solid Waste –

- Solid Waste Committee Meeting – March 19 and April 11, 2024
- Regular Board Meeting – April 18, 2024 (DM 2024-32 Approve Rate Increase and Set Proposition 218 Public Protest Hearing)
- Budget Workshops – May 2, May 16, June 6, 2024
- Regular Board Meeting – June 20, 2024 PUBLIC PROTEST HEARING (CANCELLED) – Consideration to Cancel the Public Protest Hearing Related to Resolution No. 2024-911, A Resolution Adjusting the Solid Waste Collection and Disposal Charges for Residential, Commercial, and Industrial Customers

Wastewater –

- Budget Workshops – May 2, May 16, June 6, 2024
- Regular Board Meeting – May 2, 2024 (Consideration to Prepare Draft Ordinance Adjusting Rate)
- Regular Board Meeting – May 16, 2024 (1st Reading of Ordinance)
- Regular Board Meeting – June 6, 2024 (2nd Reading of Ordinance and Public Hearing)
 - Adoption Approved, Effective July 6, 2024

Water –

- Budget Workshops – May 2, May 16, June 6, 2024
- Regular Board Meeting – May 2, 2024 (Consideration to Prepare Draft Ordinance Adjusting Rate)
- Regular Board Meeting – May 16, 2024 (1st Reading of Ordinance)
- Regular Board Meeting – June 6, 2024 (2nd Reading of Ordinance and Public Hearing)
 - Adoption Approved, Effective July 6, 2024

Since the District's 3rd and final budget workshop on June 6, 2024, staff reviewed the draft budget a final time to determine if all budgetary figures appeared appropriate for the Board's consideration and adoption this evening.

The budget presented for approval today includes only minor changes since budget workshop #3 which include the following:

- Updated estimate for Water CIP Budget line item #13 from \$800,000 reduced to \$300,000.
- Formatting
- Inclusion of Budget Amendment from June 6, 2024 Board Meeting. (DM 2024-43)
- Reduction of Solid Waste Revenues/Expenses and Change in Transfer Amount.

SALARY SCHEDULE:

The Board is currently involved in two employment contracts with District staff. The District's bargaining unit employees are represented by the Laborer's International Union of North America, Local 777 ("LIUNA") and cost-of-living-adjustments ("COLA") are based on language contained in Article XXIV in the current Memorandum of Understanding ("MOU") (attached). The District's General Manager has a separate employment contract and COLAs are based on language contained in Section 4(B). The COLA language in both contracts is consistent with each other. Additionally, all other District employees not included in the bargaining unit have received COLAs in a similar manner. The District is currently in the last year of a three-year MOU and for FY 2024\2025 will enter into a new three-year period agreement. The initial COLA adjustment entering into the newly established MOU has a stated rate of 3.00% with the subsequent year adjustments. Further, there were special salary considerations negotiated between the District and LIUNA. These special salary considerations were incorporated into the Salary Schedule before the application of the 3.0% COLA.

Attached to the FY 2024\2025 Operating and Capital Fund Budgets is the FY 2024\2025 Salary Schedule for all District staff and classifications. A draft of the FY 2024\2025 Salary Schedule was provided to the Finance and Budget Committee, a committee "of the whole" originally on May 29, 2024 when staff presented on the draft MOU. As of the writing of this DM, the board has not provided any comments on the Salary Schedule as first distributed on May 29, 2024.

On the advice of General Counsel, the FY 2024\2025 Salary Schedule will be considered as a separate action item, as noted below.

ACTION:

**First Motion: Fiscal Year 2024\2025 Operating and Capital Fund Budgets
Director Trowbridge moved, and Director Trueba seconded to authorize the General Manager to:**

Approve and adopt the Rubidoux Community Services District Fiscal Year 2024\2025 Operating and Capital Fund Budgets.

Roll call:

Ayes – 3 (Skerbelis, Trueba, Trowbridge)

Noes – 1 (Murphy)

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 3-1-0-1.

Second Motion: Fiscal Year 2024|2025 Salary Schedule

Director Trowbridge moved, and Director Trueba seconded to authorize the General Manager to:

Approve and adopt the Rubidoux Community Services District Fiscal Year 2024|2025 Salary Schedule.

Roll call:

Ayes – 3 (Skerbelis, Trueba, Trowbridge)

Noes – 1 (Murphy)

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 3-1-0-1.

- E. CLOSED SESSION Start Time 5:20 PM– Pursuant to Government Code 54957.6:
Agency Designated Representative: Brian Laddusaw – General Manager, Regarding Labor Negotiations with Employee Organization: Laborers International Union of North America, Local 777
End Closed Session 5:35 PM**

ACTION:

Director Trowbridge moved, and Director Trueba seconded to authorize the General Manager to:

Approve the ‘Memorandum of Understand Between Rubidoux Community Services District and Laborers’ International Union of North America, Local 777’ with a term of July 1, 2024, through June 30, 2027.

Roll call:

Ayes – 3 (Skerbelis, Trueba, Trowbridge)

Noes – 1 (Murphy)

Abstain – 0

Absent – 1 (Muniz)

The motion was carried 3-1-0-1.

ITEM 9. DIRECTOR’S COMMENTS AND REQUESTS

Director Murphy commented on what ‘neet’ means not in employment, education, or training. He also commented that the Budget meeting should begin earlier next year. No other Directors had comments.

ITEM 10. NEXT MEETING

Thursday, July 18, 2024, at 4:00 P.M.

ITEM 11. ADJOURNMENT

President Skerbelis adjourned the meeting at 5:37 P.M.