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, June 6, 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: <u>https://zoom.us/</u>

- Meeting ID is <u>994 957 9980</u>
- 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 May 16, 2024, Regular Meeting
- B. Consideration to Approve June 7, 2024, Salaries, Expenses and Transfers
- C. DM 2024-41: Receive and File Statement of Cash Asset Schedule Report Ending April 2024
- D. **DM 2024-42**: Consider Response to the 2024 Conflict of Interest Code Biennial Notice for Amendments
- E. **DM 2024-43**: Consider Ratification of Contract Change Order Number 2 for the Backwash Supply Pipeline Project at Leland Thompson Water Treatment Facility
- F. **DM 2024-44**: Consider Revisions to Employee Handbook Policy Number 2142 'Travel Expense/Vehicle Costs Reimbursements'

6. CORRESPONDENCE AND RELATED INFORMATION

7. <u>REPORTS</u>

- 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 2024-45**: Consider At-Risk Development Agreement for Tract 32721 and Tract 36947
- B. DM 2024-46: PUBLIC HEARING Second Reading and Adoption of Ordinance No. 2024-136, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Monthly User Charges for the Collection, Treatment, and Disposal of Wastewater
- C. **DM 2024-47**: **PUBLIC HEARING** Second Reading and Adoption of Ordinance No. 2024-137, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Water Rates for the Delivery of Potable Water to Residential, Commercial, and Industrial Customers
- D. DM 2024-48: Consider Adopting Resolution No. 2024-912, A Resolution Adopting a Statement of Investment Policy, and Resolution No. 2024-913, A Resolution Authorizing the Opening of Accounts for Investment Purposes with Certain Financial Institutions
- E. **DM 2024-49**: Consider Adopting Resolution No. 2024-914, A Resolution Authorizing the Establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust

9. DIRECTORS COMMENTS AND REQUESTS

10. NEXT MEETING

Thursday, June 20, 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 <u>admin@rcsd.org</u>, 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 May 16, 2024, Regular Meeting

RUBIDOUX COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

MINUTES OF REGULAR MEETING Thursday, May 16, 2024

| DIRECTORS PRESENT: | Bernard Murphy F. Forest Trowbridge |
|-----------------------|--|
| DIRECTORS VIA ZOOM: | Hank Trueba, Jr. |
| | Armando Muniz |
| | John Skerbelis |
| 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): | Wendell Prude, LIUNA Local 777 Representative Johanna Garcia, LIUNA Local 777 Steward Maribel Madrigal, RCSD employee William Otterman, Fire Station 38, Fire Chief |

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, May 16, 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

Wendell Prude, LIUNA Local 777 Representative commented on the experience negotiating with the District negotiating team. He apologized for the delay with the negotiations but thanked the professionalism and rapid response he received from GM Laddusaw and District staff. He stated he received an email from GM Laddusaw on a proposal for the union on May 3rd asking for a vote. The Union met and voted on the proposal 9-8. The proposal indicated the negotiations

would end and a contract would be signed once approved by the Board. Wendell commented Union members were not happy with the outcome and would like the Board to consider discussing the medical contributions once they receive a copy of the drafted MOU for approval.

Director Murphy commented that he would like to receive a copy of the drafted MOU during a scheduled closed session meeting. A Budget and Finance Committee meeting will be held to discuss the drafted MOU changes during the closed session.

ITEM 5. CONSENT CALENDAR

- A. Approval of Minutes for May 2, 2024, Regular Meeting
- B. Consideration to Approve May 17, 2024, Salaries, Expenses and Transfers
- C. **DM 2024-35**: Acceptance of Grant Deed for Contributed Water and Sewer Assets for Agua Mansa Commerce Park Parcel Map 37528
- D. **DM 2024-36**: Receive and File Statement of Cash Asset Schedule Report Ending March 2024

ACTION:

Director Murphy moved, and Director Muniz 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 shared with the Board an article from the Riverside Press Enterprise titled, Sacramento- California reports its first increase in groundwater supplies in 4 years." After massive downpours flooded California's rivers and packed mountains with snow, the state reported Monday the first increase in groundwater supplies in four years. The state saw 4.1 million acre-feet of managed groundwater recharge in the water year ending in September and an 8.7 million acre-feet increase in groundwater storage, California's Department of Water Resources said. Groundwater supplies are critical to growing much of the country's fresh produce. The semiannual report came after water officials stepped up efforts during last year's rains to capture water flows from melting snowpack in the mounts and encouraged farmers to flood fields to replenish groundwater basins. California has been seeking to step up groundwater recharge with even drier years expected from climate change.

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 2.76. The total was 2.99. The Wastewater flow to Riverside average was 1.71. The consumption of JCSD was 0.0. Well No. 18 produced 26.8%. Well No. 8 produced 28.9%. Well No. 6 produced 14.2%. Well No. 2, 1 and the Jurupa Tie- In produced 0.0%.

B. Emergency and Incident Report (Second Meeting Each Month)-***Deferred to 4:30PM presented after DM 2024-37

Fire station 38 Chief presented the incidents reported for the month of April 2024. The station had a total of 262 calls. It received 34 false alarm calls, 188 medical calls, 5 other fire calls, 3 other miscellaneous calls, 6 public service assistant calls, 3 rescue fires, 1 ringing alarm, 2 standbys, 17 traffic collisions, and 3 vehicle fires.

C. General Manager and Staff Reports / Updates

GM Laddusaw commented 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.

D. Committee Reports

No Committee reports to report on, but GM Laddusaw commented on the Trash rates meeting that occurred on Monday, May 13th with Director Skerbelis and Director Trueba. They met with City Council member Altamirano to discuss the trash rates.

Director Murphy met with Burrtec staff Richard Nuno and Micheal Heftman on Tuesday, May 14th to discuss SB 1383 and the total weight of the containers after they are picked up from the residents. He would like to see a graph including the numbers from now until FY 26/27.

ITEM 8. ACTION/DISCUSSION ITEMS.

A. DM 2024-37: Consideration to Adopt Contract Amendments to the "Contract Services Agreement for Refuse Collection, Disposal, and Recycling Services in the Rubidoux Community Services District" with Burrtec Waste Industries, Inc.

BACKGROUND:

On January 8, 2008, the Rubidoux Community Services District ("District") Board of Directors ("Board") entered into an agreement entitled – "Contract Services Agreement For Refuse Collection, Disposal, And Recycling Services In The Rubidoux Community Services District" ("Agreement") with Burrtec Waste Industries, Inc. ("Burrtec") effective January 1, 2008. The original Agreement is included as Attachment 1.

On April 11, 2024, the Solid Waste Committee ("Trash Committee") considered the following Agreement amendments:

1. First Amendment to Agreement – Section 3.2 '<u>Change in Cost of Doing Business</u>' (consumer price index, "CPI")

2. Second Amendment to Agreement – SB 1383 language to mirror CalRecycle's contract language amendment requirements

3. Third Amendment to Agreement – Section 3.5(c) 'Billing'

The amendments summarized above are described in further detail in the following pages. Further, at the conclusion of the April 11, 2024, Trash Committee, both Committee members concurred on the following motion:

1. Consider and approve the First, Second, and Third Amendment to the Burrtec contract and agendize for full Board consideration for the regularly scheduled Board meeting on May 2, 2024. (Note: Due to a delay in attorney responses, the consideration to adopt the amendments was delayed to May 16, 2024.)

Included in Section 3(a) of the original Agreement with Burrtec, is reference to the commercial Franchise Fee, originally set at 10%. No reference is made to the District's residential Administrative Fee, originally set at \$0.25 per month per customer. The commercial Franchise Fee and residential Administrative Fee are herein referred to as the "District's fees". Beginning in FY 2022|2023, the Board adopted a 5-year rate plan to adjust both fees to eliminate the District's need to subsidize budget shortfalls with discretionary property taxes revenues.

On April 18, 2024, the Board unanimously voted on a motion to authorize staff to prepare and mail a Proposition 218 notice for rate adjustments which included a commercial Franchise Fee of 17% and a residential Administrative Fee of \$2.00. The Board will consider a Resolution to adopt a new fee schedule subsequent to the Public Protest Hearing on June 20, 2024. Understanding the District's Board has the authority to adjust the District's fees on an annual basis, the Agreement language included in Section 3(a) must be amended to conform with this District practice. This proposed language was not considered by the Trash Committee on April 11, 2024. Staff is introducing amended Agreement language this evening for full Board consideration.

For administrative ease, amendments 1 and 3 approved by the Trash Committee were combined into a single amendment (Amendment 1) and will also include adjustments to the contract language regarding the District's fees. Amendment 2 is narrowly focused on SB 1383. Both Amendment's 1 and 2, as presented, have already been reviewed and approved by Burrtec's staff and legal counsel in addition to the District's General Counsel, John Harper.

1. FIRST AMENDMENT TO AGREEMENT (ATTACHMENT 2)

ITEM 1 - SECTION 3.2 'CHANGE IN COST OF DOING BUSINESS'

Background

Pursuant to Section 3.2 '<u>Change in Cost of Doing Business</u>' the service component rate, or the amount kept by Burrtec, is adjusted annually upward or downward to reflect changes in the cost of doing business as measured by the CPI published by the U.S. Department of Labor, Bureau of Labor Statistics ("BLS"), for the Riverside-San Bernardino Standard Metropolitan Statistical Area. The service component is adjusted either up or down based on the net percentage change in the CPI from the prior year as of October 1. Section 3.2 of the original contract is provided below for reference:

3.2 <u>Change in Cost of Doing Business</u>. Rates in effect at the beginning of the term of this agreement shall be adjusted annually upward or downward to reflect changes in the cost of doing business, as measured by fluctuations in the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics, for the Riverside-San Bernardino Standard Metropolitan Statistical Area. Beginning with July 1, 2008, and each year thereafter, said rates shall be increased or decreased in a percentage amount equal to the net percentage change in said CPI from the prior year as of October 1. Said changes shall be calculated to the nearest one percent.

As a result of changes in the data published by the BLS a few years back, Burrtec was unable to use October 1 as its measurement date as the data was no longer available. Therefore, beginning with the Board adopted rates on July 1, 2019, Burrtec began using the % change in the yearly annual rate as published by the BLS for the Riverside-San Bernardino-Ontario area. To conform the original contract with this practice, Burrtec has proposed amending the original contract language under Section 3.2 as follows:

3.2 <u>Change in Cost of Doing Business</u>. Rates in effect at the beginning of the governed by the term of this agreement shall be adjusted annually upward or downward to reflect changes in the <u>service</u> cost <u>component</u> of doing business, as measured by fluctuations in the Consumer Price Index <u>All Urban Consumers</u> (CPI-<u>U</u>) published by the U.S. <u>Department of Labor</u>, Bureau of Labor Statistics, for the Riverside-San Bernardino_ <u>Ontario. CA</u> <u>Standard</u>.Metropolitan Statistical Area. Beginning with July 1, 202208, and each year thereafter, said <u>service</u> rates shall be increased or decreased <u>by the in a percentage amount equal to the net percentage</u> change in <u>the said annual average</u> CPI from the prior year_as of October 1. <u>The percentage Said</u> changes shall be calculated to <u>two decimal places</u> the nearest one percent.

This amended language was approved by the Board on April 15, 2021, under Director's Memorandum ("DM") 2021-19, but was never formalized via a signed amendment.

ITEM 2 – SECTION 3.5 'BILLING' SUBSECTION (C)

Background

Pursuant to Section 3.5 '<u>Billing</u>' Subsection (c) the District is compensated \$3,000 per month for billing services. Billing services includes staff time to bill District customers for trash, collect trash receipts, and remit receipts to Burrtec. The amount remitted to Burrtec is subtractive of the District's billing fee and residential Admin. and commercial Franchise fees. The \$3,000 per month billing fee retained by the District has remained unchanged throughout the life of the contract, but contract language included in Section 3.5(c) allows for an increase in the billing fee to "commensurate with the increase in service fees granted to Contractor in any given year." This means the District is allowed to increase the \$3,000 per month, annually, in the same percentage as the service cost has increased, which is based on CPI. Understanding this, staff retroactively calculated the year-over-year CPI increase beginning with \$3,000 in 2008 to arrive at an adjusted billing fee of \$4,500 in 2024. This billing fee was discussed with Burrtec who are supportive of the adjustment effective July 1, 2024. Further, included in the amendment is language to increase the \$4,500 by the same percentage Burrtec increases or decreases its service fees, adjusted annually, throughout the length of the contract.

ITEM 3 – SECTION 3.5 'BILLING' SUBSECTION (A)

Background

The current language included in Section 3.5 (a) is not accurate and must be updated to conform with current District practice. Staff proposes the following amendment language:

(a) The District shall deduct from the Gross receipts received from the collection of garbage and waste, including both-from commercial and residential pick-ups, an amount as determined annually by the District that is mutually agreed upon by the Contractor and included as a pass-through cost component in the approved rates, only a sum equivalent to 10% and The District shall remit the remaining amount to the Contractor after further deducting any sums due. The District shall keep and maintain records of all persons, firms and corporations to who garbage and waste matter collection is provided, the amount of money billed and the amount collected for each type of service. The Contractor and the person served by the Contractor shall have the right to examine such records at all reasonable times. Such records shall be maintained in accordance with generally accepted accounting standards and shall include all necessary information as to the accuracy of revenues and billings.

2. SECOND AMENDMENT TO AGREEMENT (ATTACHMENT 3)

Background

On September 19, 2016, Senate Bill 1383 ("SB 1383"), the Short-lived Climate Pollutant Reduction Act, was signed into law mandating all jurisdictions providing solid waste collection to adopt an organic recycling ordinance. The main goal of SB 1383 is to reduce organic waste disposal by 75 percent and increase edible food recovery by 20 percent by the year 2025. This legislation requires businesses, multi-family dwellings, and single-family residential properties to have access to recycling programs that collect food waste, green waste, wood waste, and fibers such as paper and cardboard.

The State of California relies on the California Department of Resources Recycling and Recovery, known as CalRecycle, a department within the California Environmental Protection Agency to develop regulations associated with waste and recycling laws passed by the legislature.

To comply with SB 1383 the District is mandated to:

- Provide organic waste collection services to all District solid waste customers including green waste, wood waste, food waste, etc.; and
- Implement an edible food recovery program recovering edible food from commercial edible food generators; and

• Provide education and outreach to haulers, generators, and edible food recovery organizations; and

• Procure recycled organic waste products such as compost, renewable gas, and mulch; and

• Plan and secure access for recycling and increasing edible food recovery capacity; and

• Monitor compliance efforts and conduct enforcement for annual reporting requirements.

Further, CalRecycle requires all jurisdictions who have contract solid waste agreements in the state amend those contracts to include standard SB 1383 language that mirrors CalRecycle's amendment requirements with general statements intended to provide the District and Burrtec to operate, with some flexibility, that conforms with the regulatory requirements without specific prescriptive language. One example of this would be the container contamination minimization ("CCM") program. Burrtec has selected, recommended, and implemented route reviews to comply with the CCM requirements because it is less expensive than waste characterizations. Burrtec anticipates CalRecycle will begin verifying contract conformity in the near future and having this amendment in place ensures the District remains compliant with SB 1383.

ACTION:

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

Sign and execute Amendments 1 and 2 to the "Contract Services Agreement for Refuse Collection, Disposal, and Recycling Services in the Rubidoux Community Services District" with Burrtec Waste Industries, Inc.

Roll call:

Ayes - 5Noes - 0 Abstain - 0 Absent - 0

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

B. DM 2024-38: First Reading of Ordinance No. 2024-136, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Monthly User Charges for the Collection, Treatment, and Disposal of Wastewater

BACKGROUND:

On May 2, 2024, at the regularly scheduled Rubidoux Community Services District ("District") Board of Director's ("Board") meeting, the Board directed staff to prepare draft Ordinance No. 2024-136 and schedule its introduction (First Reading) at tonight's regularly scheduled Board meeting. The proposed Ordinance will adjust certain monthly charges for the collection, treatment, and disposal of wastewater. The proposed adjustment is based on the fully noticed year two (2) rate of the 5-year defensible rate plan adopted by the Board on December 15, 2022.

As stewards of the community's infrastructure and environmental health, it is imperative that the District ensures the sustainable management of its wastewater system.

- 1. Infrastructure Maintenance and Upgrades: The District's wastewater treatment facilities and infrastructure require continuous maintenance and periodic upgrades to remain operational and compliant with regulatory standards. Aging pipelines, treatment plants, and equipment demand significant investment to prevent system failures, mitigate environmental risks, and ensure the uninterrupted delivery of essential services to District customers.
- 2. Compliance with Regulatory Standards: Regulatory agencies impose stringent requirements on wastewater treatment and discharge to safeguard public health and the environment. Failure to comply with these standards can result in substantial fines, legal liabilities, and reputational damage to the organization. Increasing operational costs associated with regulatory compliance necessitate adjustments to the District's rates to uphold its commitment to environmental responsibility and regulatory compliance.
- 3. Population Growth and Increased Demand: Population growth and urban development exert pressure on the District's wastewater infrastructure, leading to higher treatment volumes and operational expenses. As the community expands, so does the demand for wastewater services. To accommodate this increased demand and maintain service reliability, it is imperative to invest in capacity expansions, infrastructure enhancements, and technology upgrades, all of which require additional funding.
- 4. Financial Sustainability and Long-Term Viability: Maintaining a financially sustainable wastewater system is crucial to safeguarding the interests of the District's stakeholders and ensuring the long-term viability of the organization. Adequate funding through appropriate rate structures is essential to cover operating expenses, debt service obligations, capital investments, and reserve funds for contingencies. By implementing a rate increase, the District can secure the financial stability necessary to support its mission and deliver high-quality wastewater services to its customers.

In conclusion, the proposed wastewater rate increase is a necessary and prudent measure to address the challenges facing the District's wastewater system, including infrastructure maintenance, regulatory compliance, population growth, environmental resilience, and financial sustainability.

If no material changes are proposed by the Board to draft Ordinance No. 2024-136, staff recommends the Board continue with the timeline approved at the May 2, 2024, regular Board meeting and proceed with the Second Reading and Public Hearing at the regularly scheduled June 6, 2024, Board meeting.

ACTION:

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

Schedule a Public Hearing and Final Reading of Ordinance No. 2024-136 for June 6, 2024, regular meeting of the Board of Directors of the Rubidoux Community Services District.

Roll call:

Ayes – 5 Noes – 0 Abstain – 0 Absent – 0

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

C. DM 2024-39: First Reading of Ordinance No. 2024-137, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Water Rates for the Delivery of Potable Water to Residential, Commercial, and Industrial Customers

BACKGROUND:

On May 2, 2024, at the regularly scheduled Rubidoux Community Services District ("District") Board of Director's ("Board") meeting, the Board directed staff to prepare draft Ordinance No. 2024-137 and schedule its introduction (First Reading) at tonight's regularly scheduled Board meeting. The proposed Ordinance will adjust certain monthly charges for the delivery of potable water to residential, commercial, and industrial customers. The proposed adjustment is based on the fully noticed year two (2) rate of the 5-year defensible rate plan adopted by the Board on December 15, 2022.

As guardians of the community's water resources and infrastructure, it is incumbent upon the District to ensure the sustainable management of its water system.

- 1. Infrastructure Maintenance and Rehabilitation: The District's water distribution infrastructure, including pipes, pumps, and treatment plants, is aging and in need of regular maintenance and rehabilitation. Failure to address infrastructure deterioration can lead to leaks, breaks, and service disruptions, resulting in costly repairs, water loss, and customer dissatisfaction. Increasing investment in infrastructure maintenance is essential to preserve the reliability and efficiency of the District's water system and mitigate the risk of system failures.
- 2. Compliance with Drinking Water Standards: Regulatory agencies set stringent standards for drinking water quality to protect public health and safety. Ensuring compliance with these standards requires continuous monitoring, testing, and treatment of the water supply. As regulatory requirements evolve and become more stringent, the costs associated with water treatment and quality assurance escalate. A rate increase is necessary to cover the expenses associated with maintaining compliance with drinking water standards and safeguarding the health of District customers.
- 3. Resilience to Climate Change and Extreme Weather Events: Climate change poses significant challenges to water management, including more frequent and severe droughts, floods, and extreme weather events. Building resilience to climate change requires investments in adaptive infrastructure, water storage, and emergency

preparedness measures. By increasing water rates, the District can generate the revenue needed to enhance the resilience of its water system, minimize the impacts of climate-related risks, and ensure the continuous delivery of safe and reliable water services to District customers.

4. Financial Sustainability and Long-Term Viability: Maintaining a financially sustainable water system is essential to support the District's mission, meet customer expectations, and fulfill its obligations to stakeholders. Adequate funding through appropriate rate structures is indispensable for covering operating expenses, debt service obligations, capital investments, and reserve funds for contingencies. A responsible and transparent approach to rate setting will enable the District to achieve financial sustainability while upholding its commitment to delivering high-quality water services to District customers.

In conclusion, the proposed water rate increase is a necessary and prudent measure to address the challenges facing the water system, including infrastructure maintenance, regulatory compliance, water conservation, climate resilience, and financial sustainability.

If no material changes are proposed by the Board to draft Ordinance No. 2024-137, staff recommends the Board continue with the timeline approved at the May 2, 2024, regular Board meeting and proceed with the Second Reading and Public Hearing at the regularly scheduled June 6, 2024, Board meeting.

ACTION:

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

Schedule a Public Hearing and Final Reading of Ordinance No. 2024-136 for the June 6, 2024, regular meeting of the Board of Directors of the Rubidoux Community Services District.

Roll call:

Ayes – 5 Noes – 0 Abstain – 0 Absent – 0

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

D. DM 2024-40: Consider Ballot for Run-Off Election for the Local Agency Formation Commission Regular Special District Member – Eastern Region

BACKGROUND:

The Riverside Local Agency Formation Commission ("LAFCO") has a seven-member commission comprised of two members representing the County of Riverside, two members representing Cities within Riverside County, two members representing Special Districts within Riverside County, and one member representing the Public. There is one alternate for each member type and commissioners serve four-year terms. Of the two members representing Special Districts, one comes from the western portion of the county and one comes from the eastern portion of the county. The Rubidoux Community Services District ("District") lies within the western region.

On December 14, 2023, staff received correspondence from LAFCO indicating a vacancy of its Alternate Special District Member – Countywide and Regular Special District Member – Eastern Region. Although the District is a member of the western region, the District is allowed to cast ballots for the eastern region elections as well. On March 7, 2024, under Director's Memorandum ("DM") 2024-22, the District's Board of Directors ("Board") authorized the Board President to complete and submit a ballot for the Alternative Special District Member – Countywide vacancy and decided not to submit a ballot for the Regular Special District Member – Eastern Region vacancy.

LAFCO provided the election results for both vacancies on April 22, 2024. These results were provided to the Board via Memorandum on May 9, 2024.

Harvey Ryan of Elsinore Valley Municipal Water District was the successful candidate for the Alternate Special District Member – Countywide election. The results of the Regular Special District Member – Eastern Region election resulted in a tie and LAFCO must conduct a run-off election.

Appointments to the LAFCO board are only valid if ballots representing a quorum from 29 of the 55 independent special districts (countywide) are returned and thus, LAFCO is requesting the District consider submitting a ballot for the run-off election. Ballots must be returned to LAFCO no later than 5:00 PM on Tuesday, July 2, 2024.

Included as Attachment 1 is further information about the run-off election including the Special District Selection Committee Regular Member – Run Off Election 2024 Ballot. Further, the District received a candidate statement on May 9, 2024, for Castulo Estrada, one of the two candidates (Attachment 2). The candidate statement for Bruce Underwood (2nd candidate) was provided with DM 2024-22. For ease of reference, the candidate statement is provided as Attachment 3.

Staff is making no recommendation on a preferred candidate and seeks direction from the Board if they have a desire to complete a ballot for the LAFCO Regular Special District Member – Eastern Region run-off election.

ACTION:

Director Skerbelis moved to support candidate Bruce Underwood, and Director Trueba seconded the motion. Board President Skerbelis will sign the ballot on behalf of the District and direct the General Manager to submit the ballot to LAFCO on or before July 2, 2024.

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 Murphy would like Director Skerbelis to ask Council member Altamirano about the property tax that is being charged to pick up the trash on Mission Street. Director Muniz asked if there would be no discussion on the confidential memorandum GM Laddusaw provided a few days ago prior to the Board meeting. Director Skerbelis, Director Trowbridge, and Director Trueba did not have any comments and/or requests.

ITEM 10. NEXT MEETING

Thursday, June 6, 2024, at 4:00 P.M.

ITEM 11. ADJOURNMENT

President Skerbelis adjourned the meeting at 4:52 P.M.

5. CONSENT CALENDAR (continued)

B. Consideration to Approve June 7, 2024, Salaries, Expenses and Transfers

RUBIDOUX COMMUNITY SERVICES DISTRICT JUNE 6, 2024 (BOARD MEETING) FUND TRANSFER AUTHORIZATION

| NET PAYROLL 6/7/24 | 84,600.00 |
|--|-----------|
| WIRE TRANSFER: FEDERAL PAYROLL TAXES 6/10/24 | 30,000.00 |
| WIRE TRANSFER: STATE PAYROLL TAXES 6/10/24 | 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:

| 6/7/2024 WATER FUND TO GENERAL FUND-Payables | 252,237.67 |
|--|------------|
| WATER FUND TO GENERAL FUND-Trash | 310,602.42 |
| WATER FUND TO SEWER FUND | 193,151.45 |
| SEWER FUND TO GENERAL FUND-Payables | 149,126.65 |
| BUDGET ADMIN WATER FUND TO GENERAL FUND FY23-24 Q4 | 241,750.00 |
| BUDGET ADMIN SEWER FUND TO GENERAL FUND FY23-24 Q4 | 144,000.00 |
| BUDGET ADMIN TRASH FUND FY23-24 Q4 | 127,000.00 |
| BUDGET ADMIN FIRE FUND FY23-24 Q4 | 22,250.00 |
| BUDGET PROP TAX TO SF FY23-24 Q4 | 12,500.00 |
| BUDGET PROP TAX TO WF FY23-24 Q4 | 195,500.00 |
| BUDGET PROP TAX TRASH TO GF FY23-24 Q4 | 29,750.00 |
| BUDGET PROP TAX GENERAL TO GF FY23-24 Q4 | 36,500.00 |

INTERFUND TRANSFERS:

| 6/7/2024 SEWER FUND CHECKING TO LAIF SEWER OP | 632.00 |
|--|--------------|
| SEWER FUND CHECKING TO LAIF SEWER ML | 17,368.00 |
| LAIF SEWER OP TO SEWER FUND CHECKING | 86,000.00 |
| | |
| LAIF WASTEWATER REPLACEMENT TO LAIF SEWER OP | 226.50 |
| GENERAL FUND CHECKING TO LAIF PROP TAX | 535,277.90 |
| GENERAL FUND CHECKING TO LAIF FIRE MITIGATION | 2,722.10 |
| GENERAL FUND PROP TAX TO GENERAL FUND CHECKING | 842,981.63 |
| LAIF GENERAL TO LAIF WATER OPS | 1,232,000.00 |
| GENERAL FUND CHECKING TO SEWER FUND CHECKING | 17,368.00 |
| GENERAL FUND CHECKING TO WATER FUND CHECKING | 24,712.00 |
| LAIF GENERAL TO GENERAL FUND CHECKING | 159,750.00 |
| WATER FUND CHECKING TO GENERAL FUND CHECKING | 210,949.95 |
| WATER FUND CHECKING TO LAIF WATER OP | 288.00 |
| WATER FUND CHECKING TO LAIF WATER ML | 22,712.00 |
| LAIF WATER ML TO LAIF WATER OPS | 4,256.00 |
| LAIF WATER OP TO WATER FUND CHECKING | 85,000.00 |
| LAIF WATER RESERVE TO LAIF WATER OP | 39,900.00 |

NOTES PAYABLE

| DESCRIPTION | BALANCE | | PAYMENT | DUE DATE |
|--|-----------|-------|---------|----------|
| U.S. Bank Trust (1998 COP's Refunding) | 690,000 | Prin. | 690,000 | Dec-24 |
| U.S. Bank Trust (1998 COP's Refunding) | 17,595 | Intr. | 17,595 | Dec-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 |

5/30/2024 2:32:28 PM Batch: AAAAXW **Credit Card Vendor** Invoice # Tr. # Vendor Inv Date Paid Out Immediate Check # Due Date **Discount Date** Discount PO Number Total Invoice GL Date Immediate GL Account Credit Card CC Reference # Payment Date 185005648 1 AIRESPRING / AIRESPRING 06/16/2024 05/16/2024 \$0.00 PHN CHGRS 05/16/2024 N N \$407.03 06/06/2024 N 00021668473 2 AT&T / AT&T PHN CHGRS 06/13/2024 05/07/2024 \$0.00 05/07/2024 N N 06/06/2024 N \$516.98 INV0101689 AQUA METRIC SALES / AQUA METRIC SALES CO 3 3/4" METERS 05/14/2024 Ν N 06/13/2024 05/14/2024 \$0.00 \$13,619.81 06/06/2024 Ν CE40274-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 4 05/07/2024 06/06/2024 05/07/2024 \$0.00 WTR ANALYSES N N 06/06/2024 \$60.00 N CE40275-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 5 05/07/2024 06/06/2024 05/07/2024 \$0.00 WTR ANALYSES N N \$80.00 06/06/2024 N CE40276-0267 6 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN WTR ANALYSES 05/07/2024 N N 06/06/2024 05/07/2024 \$0.00 \$20.00 06/06/2024 N CE40299-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 7 05/07/2024 WTR ANALYSES 05/07/2024 06/06/2024 \$0.00 N N \$100.00 06/06/2024 Ν BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40427-0267 8 05/09/2024 06/08/2024 05/09/2024 \$0.00 WTR ANALYSES Ν N 06/06/2024 \$40.00 N CE40480-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 9 \$0.00 05/09/2024 05/08/2024 05/09/2024 LAB FEES N N \$787.01 06/06/2024 N BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 10 CE40481-0267 05/09/2024 \$0.00 WTR ANALYSES 05/09/2024 05/08/2024 N N \$550.00 N 06/06/2024 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40506-0267 11 05/10/2024 WTR ANALYSES 05/10/2024 N N 06/09/2024 \$0.00 \$80.00 06/06/2024 N CE40547-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 12 05/09/2024 05/10/2024 \$0.00 WTR ANALYSES 05/10/2024 N N \$84.00 06/06/2024 N CE40557-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 13 WTR ANALYSES 05/13/2024 Ν N 06/12/2024 05/13/2024 \$0.00 \$145.00 06/06/2024 N CE40558-0267 14 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 06/12/2024 05/13/2024 \$0.00 WTR ANALYSES 05/13/2024 N Ν \$144.00 06/06/2024 Ν BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40567-0267 15 05/13/2024 06/12/2024 05/13/2024 \$0.00 WTR ANALYSES N N N \$200.00 06/06/2024 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40639-0267 16 05/14/2024 06/13/2024 05/14/2024 \$0.00 WTR ANALYSES Ν N \$84.00 06/06/2024 N

AP Enter Bills Edit Report

Rubidoux Community Services District (RCSACT)

Batch: AAAAXW

5/30/2024 2:32:28 PM

Credit Card Vendor Invoice # Tr. # Vendor Paid Out Immediate Due Date **Discount Date** Discount PO Number Inv Date Check # GL Date Immediate GL Account **Credit Card** CC Reference # Payment Date Total Invoice 17 CE40658-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN WTR ANALYSES 05/14/2024 N N 06/13/2024 05/14/2024 \$0.00 \$336.00 06/06/2024 N CE40659-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 18 LAB FEES 05/14/2024 06/13/2024 05/14/2024 \$0.00 Ν N 06/06/2024 N \$121.24 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40660-0267 19 WTR ANALYSES 05/14/2024 06/13/2024 05/14/2024 \$0.00 N N \$63.00 06/06/2024 N CE40672-0267 20 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 06/13/2024 05/14/2024 \$0.00 WTR ANALYSES 05/14/2024 N N \$126.00 06/06/2024 Ν CE40676-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 21 06/13/2024 05/14/2024 05/14/2024 \$0.00 WTR ANALYSES Ν Ν \$14.00 06/06/2024 Ν 22 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE40680-0267 WTR ANALYSES 05/14/2024 N 06/13/2024 05/14/2024 \$0.00 N \$550.00 06/06/2024 Ν 23 BLUE-WHITE / BLUE-WHITE 746936 05/08/2024 06/07/2024 \$0.00 PARTS 05/08/2024 N N \$252.00 06/06/2024 N CARQUEST AUTO PARTS / CARQUEST AUTO PARTS 7456-543850 24 06/06/2024 05/07/2024 SUPPLIES 05/07/2024 Ν Ν \$0.00 \$14.31 06/06/2024 Ν CARQUEST AUTO PARTS / CARQUEST AUTO PARTS 7456-543934 25 SUPPLIES 05/08/2024 Ν Ν 06/07/2024 05/08/2024 \$0.00 \$53.13 06/06/2024 Ν DN1469987 CORODATA SHREDDING, INC / CORODATA SHREDDII 26 05/30/2024 04/30/2024 \$0.00 SHREDDING 04/30/2024 N N \$36.75 N 06/06/2024 19923 ELROD / ELROD FENCE CO. INC 27 FENCE RPRS 6131 LIM 05/13/2024 N Ν 06/12/2024 05/13/2024 \$0.00 \$1,768.00 06/06/2024 N 28 FILTRONICS / FILTRONICS, INC 420311 06/14/2024 05/15/2024 MEDIA REPLACEMENT 05/15/2024 N Ν \$0.00 \$43,071.01 06/06/2024 N 72943 FMB / FMB TRUCK OUTFITTERS, INC. 29 06/09/2024 05/10/2024 \$0.00 05/10/2024 Ν Ν FUEL CAP \$76.02 06/06/2024 N 30 **GRAINGER / GRAINGER** 9112300893 SUPPLIES 05/08/2024 06/07/2024 05/08/2024 \$0.00 N N Ν \$10.70 06/06/2024 14028075 31 HACH CO. / HACH COMPANY 05/09/2024 \$0.00 06/08/2024 CHEMICALS 05/09/2024 N N \$4,238.89 06/06/2024 N 14029858 32 HACH CO. / HACH COMPANY 05/09/2024 REAGENT SET 05/09/2024 Ν Ν 06/08/2024 \$0.00 \$1,068.88 Ν 06/06/2024

5/30/2024 2:32:28 PM

| Page 3 | | | AXW | Batch: AA | | | | 2:32:28 PM | 5/30/2024 |
|------------------------------------|-------------------------------|-------------|-----|---|------------|------------------------|--------------------------|-------------------------|-------------------------------|
| Invoice Discour Total Invoic | Discount Date Payment Date | Due Date | | Credit Card Ven Check # Credit Card | Immediate | Paid Out GL Account | Inv Date Immediate G | Vendor | Tr. # PO Number GL Date |
| 012N090 | | | | 1 | | | | HARRINGTON I | |
| \$0.0 | 05/10/2024 | 06/09/2024 | | | N | N | 05/10/2024 | | PARTS |
| \$90.13 | | | | Ν | | 0. IN 0 | | | 06/06/2024 |
| 15130005-0 \$0.0 | 05/09/2024 | 06/08/2024 | | | Ν | CA INC N | 05/09/2024 | LENNAR / LENN R RFND | 34 HYDNT MTF |
| \$2,297.80 | | | | N | | | | | 06/06/2024 |
| 15100080-0 | | | | | | CAINC | AR HOMES | LENNAR / LENN | 35 |
| \$0.0 | 05/09/2024 | 06/08/2024 | | | Ν | Ν | 05/09/2024 | R RFND | HYDNT MTR |
| \$2,046.74 | | | | Ν | | | | | 06/06/2024 |
| 15100080-00.8 | | | | | | CAINC | AR HOMES | LENNAR / LENN | 36 |
| \$0.0 | 05/17/2024 | 06/16/2024 | | | Ν | N | 05/17/2024 |) | CUST RFND |
| \$476.00 | | | | Ν | | | | | 06/06/2024 |
| 15130005-00.8 | | | | | | | | LENNAR / LENN | |
| \$0.0 | 05/16/2024 | 06/15/2024 | | | N | N | 05/16/2024 |) | CUST.RFND |
| \$238.00 | | | | N | | | | | 06/06/2024 |
| 000000101618 \$0.0 | 05/08/2024 | 06/07/2024 | | | CIER) N | | | MASTER'S / MA | |
| | 05/08/2024 | 06/07/2024 | | N | IN | Ν | 05/08/2024 | | BTL WTR |
| \$89.2 | | | | Ν | | | | | 06/06/2024 |
| 84197 \$0.0 | 05/08/2024 | 06/07/2024 | | | N | IPANY N | 05/08/2024 | MERIT OIL / ME | 39 GASOLINE |
| \$1,673.06 | 00/00/2021 | 00,0112021 | | N | | | 00/00/2024 | | 06/06/2024 |
| 84270 | | | | N | | | | MERIT OIL / ME | |
| \$0.0 | 05/10/2024 | 06/09/2024 | | | Ν | N | 05/10/2024 | MERT OF ME | DIESEL |
| \$430.38 | | | | N | | | | | 06/06/2024 |
| 944894 | | | | | | | 0 | NELCO / NELCO | 41 |
| \$0.0 | 05/03/2024 | 06/02/2024 | | | Ν | Ν | 05/03/2024 | | CHECK STO |
| \$220.3 | | | | N | | | | | 06/06/2024 |
| RWS2405000 | | | | | LUTIONS | KPLACE SO | | RELIABLE / REL | 42 |
| \$0.0 | 05/15/2024 | 06/14/2024 | | | Ν | Ν | 05/15/2024 | G | COPIER US |
| \$69.19 | | | | Ν | | | | | 06/06/2024 |
| RWS2405002 | | | | | LUTIONS | KPLACE SO | IABLE WORK | RELIABLE / REL | 43 |
| \$0.0 | 05/15/2024 | 06/14/2024 | | | N | N | 05/15/2024 | G | COPIER US |
| \$328.28 | | | | Ν | | | | | 06/06/2024 |
| RWS2405002 | 05/45/0004 | 05/4 4/0004 | | | | | | RELIABLE / REL | |
| \$0.0 | 05/15/2024 | 05/14/2024 | | | N | Ν | 05/15/2024 | G | COPIER US |
| \$302.9 | | | | N | | | | | 06/06/2024 |
| 800699105 \$0.0 | 04/30/2024 | 05/30/2024 | | | N | Ν | RED-IT USA 04/30/2024 | SHRED-IT / SHF | 45 SHREDDING |
| \$74.50 | 04/30/2024 | 00/00/2024 | | N | | | 04/30/2024 | 2 | |
| 24Y70004098254 | | | | IN | | | | | 06/06/2024 |
| \$0.0 | | 05/28/2024 | | | N | Ν | 05/06/2024 | SCE / SCE | 46 MAIN OFC U |
| \$1,505.70 | | | | N | | | | | 06/06/2024 |
| 24Y70061777899 | | | | | | | | SCE / SCE | |
| \$0.0 | | 05/28/2024 | | | Ν | Ν | 05/06/2024 | | 47 FIRE STN U |
| \$1,716.1 | | | | N | | | | | 06/06/2024 |
| 002545605062 | | | | | | JSINESS | PECTRUM BL | SPECTRUM / SP | |
| 002545605062 | | | | | | | | | |
| \$0.0 \$0.0 | 05/06/2024 | 05/23/2024 | | | Ν | Ν | 05/06/2024 | | APR.24" INT |

AP Enter Bills Edit Report

Rubidoux Community Services District (RCSACT) Batch: AAAAXW

5/30/2024 2:32:28 PM

Invoice # Tr. # Vendor Credit Card Vendor Paid Out Immediate Due Date **Discount Date** Discount Inv Date Check # PO Number **Credit Card** CC Reference # **Payment Date Total Invoice** GL Date Immediate GL Account 0000F908W2174 49 **UPS / UNITED PARCEL SERVICE** POSTAGE 04/27/2024 Ν Ν 05/27/2024 04/27/2024 \$0.00 \$1.23 06/06/2024 Ν 9962994564 50 **VERIZON WIRELESS / VERIZON WIRELESS** \$0.00 05/24/2024 05/01/2024 CEL PHN CHRGS 05/01/2024 N N \$733.66 06/06/2024 N 11304 ACORN / ACORN TECHNOLOGY SERVICE 51 MAY.24" IT SUPT. 05/21/2024 05/01/2024 \$0.00 05/01/2024 N N \$5,248.50 06/06/2024 N 52 ACORN / ACORN TECHNOLOGY SERVICE 11331 BLUEBEAM RNWL LIC 05/09/2024 N 05/29/2024 05/09/2024 \$0.00 N \$1 403 99 06/06/2024 Ν 173568 AKELA / AKELA PEST CONTROL INC 53 06/19/2024 05/20/2024 \$0.00 PEST CONTROL 05/20/2024 N N \$174.00 N 06/06/2024 AMERICAN RENTALS / AMERICAN RENTALS 178507 54 06/14/2024 05/15/2024 \$0.00 FORKLIFT RNTL 05/15/2024 N N \$1,162.25 Ν 06/06/2024 AQUA METRIC SALES / AQUA METRIC SALES CO INV0101717 55 06/15/2024 05/16/2024 \$0.00 3" OMNI 05/16/2024 Ν N \$1,434,37 06/06/2024 N CE40837-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 56 06/14/2024 05/15/2024 \$0.00 WTR ANALYSES 05/15/2024 N N \$252.00 06/06/2024 N CE40895-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 57 WTR ANALYSES 05/16/2024 Ν N 06/15/2024 05/16/2024 \$0.00 06/06/2024 Ν \$40.00 CE40964-0267 58 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN \$0.00 06/16/2024 05/17/2024 WTR ANALYSES 05/17/2024 N N \$42.00 06/06/2024 Ν CE40972-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 59 WTR ANALYSES 05/17/2024 Ν 06/16/2024 05/17/2024 \$0.00 N \$200.00 06/06/2024 N BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE41006-0267 60 WTR ANALYSES 05/17/2024 06/16/2024 05/17/2024 \$0.00 Ν N \$90.00 N 06/06/2024 CE41122-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 61 06/20/2024 05/21/2024 \$0.00 WTR ANALYSES 05/21/2024 N N \$48.00 06/06/2024 N BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE41127-0267 62 06/20/2024 05/21/2024 \$0.00 WTR ANALYSES 05/21/2024 Ν N \$62.00 06/06/2024 Ν 63 CARQUEST AUTO PARTS / CARQUEST AUTO PARTS 7456-544522 \$0.00 PARTS 05/20/2024 Ν 06/19/2024 05/20/2024 N 06/06/2024 N \$13.53 SINV24-2155 64 C WELLS / C. WELLS PIPELINE MATLS, INC 06/05/2024 05/06/2024 \$0.00 05/06/2024 PARTS N N \$4,636.01 06/06/2024 N

5/30/2024 2:32:28 PM

| 5/30/2024 | 2:32:28 PW | | | | Batch: AAAA | | | Page 5 |
|-------------------------------|--------------------------|--------------------------------|----------------|-----------------|--|----------------------------|-------------------------------|--|
| Tr. # PO Number GL Date | Vendor | Inv Date Pai Immediate GL A | | mmediate | Credit Card Vendor Check # Credit Card | Due Date CC Reference # | Discount Date Payment Date | Invoice # Discount Total Invoice |
| 65 PARTS | C WELLS / C. | WELLS PIPELINE 05/17/2024 | MATLS, IN N | IC N | | 06/16/2024 | 05/17/2024 | SINV24-2288 \$0.00 |
| 06/06/2024 | | | | | N | | | \$1,103.81 |
| 66 PARTS | C WELLS / C. | WELLS PIPELINE 05/17/2024 | MATLS, IN N | IC N | | 06/16/2024 | 05/17/2024 | SINV24-2304 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$809.10 |
| 67 GRDNG/WE | | / DURNEY, DON 05/21/2024 | N | Ν | | 06/20/2024 | 05/21/2024 | 20240521 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$2,862.50 |
| 68 5473 MISSI | | DD FENCE CO. IN 05/20/2024 | C N | Ν | | 06/19/2024 | 05/20/2024 | 19951 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$505.00 |
| 69 PARTS | FERGUSON / I | FERGUSON ENTE 05/14/2024 | RPRISE II | NC #1350 N | | 06/13/2024 | 05/14/2024 | 0854272 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$3,315.57 |
| 70 PVC | HARRINGTON | INDUSTRIAL / HA 05/07/2024 | RRINGTO N | N INDUSTRI N | | 06/05/2024 | 05/07/2024 | 012N0822 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$24.61 |
| 71 PARTS | HARRINGTON | INDUSTRIAL / HA 05/21/2024 | RRINGTO | N INDUSTRI N | | 06/20/2024 | 05/21/2024 | 012N1073 \$0.00 |
| 6/06/2024 | | | | | Ν | | | \$1,971.51 |
| 72 C.O.S.S | IB CONSULT / | IB CONSULTING, 05/08/2024 | LLC N | Ν | | 06/07/2024 | 05/08/2024 | 19622 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$3,940.00 |
| 73 MONITORIN | | JRITY / JADTEC S 06/01/2024 | ECURITY : N | SVCS, INC. N | | 06/11/2024 | 06/01/2024 | 2458955 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$53.85 |
| 74 PARTS | KH METALS / H | KH METALS & SUF 05/07/2024 | PPLY N | Ν | | 06/06/2024 | 05/07/2024 | 0669036-IN \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$42.51 |
| 75 PARTS | KH METALS / H | KH METALS & SUF 05/17/2024 | PPLY N | N | | 06/16/2024 | 05/17/2024 | 0669968-IN \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$240.27 |
| | LILLESTRAND K,VALDEZ | / LILLESTRAND L 05/15/2024 | EADERSH N | HIP CONSUL N | | 06/14/2024 | 05/15/2024 | 8003 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$1,000.00 |
| 77 GASOLINE | | ERIT OIL COMPAN 05/15/2024 | N N | Ν | | 05/30/2024 | 05/15/2024 | 843180 \$0.00 |
| 6/06/2024 | | | | | Ν | | | \$1,247.97 |
| 78 Q3 FY 23/24 | | OUNTY CDF / RIVE 05/15/2024 | ERSIDE CO N | OUNTY CDF N | | 06/14/2024 | 05/15/2024 | 235366 \$0.00 |
| 6/06/2024 | | | | | Ν | | | \$724,901.77 v |
| | SCAQMD / SC. SSC DUES | | N | N | | 05/31/2024 | 05/01/2024 | 4352267 \$0.00 |
| 6/06/2024 | | | | | Ν | | | \$161.81 |
| | SCAQMD / SC. SSC DUES | | N | Ν | | 05/31/2024 | 05/01/2024 | 4352794 \$0.00 |
| 06/06/2024 | | | | | Ν | | | \$161.81 |

Page 6

5/30/2024 2:32:28 PM

Credit Card Vendor Invoice # Tr. # Vendor Discount PO Number Inv Date Paid Out Immediate Check # Due Date **Discount Date** Immediate GL Account **Credit Card** CC Reference # **Payment Date Total Invoice** GL Date 4353685 84 SCAQMD / SCAQMD PERMITS/ASSC DUES 05/01/2024 Ν N 05/31/2024 05/01/2024 \$0.00 \$161.81 06/06/2024 Ν 4355839 85 SCAQMD / SCAQMD PERMITS/ASSC DUES N 05/31/2024 05/01/2024 \$0.00 05/01/2024 N 06/06/2024 N \$161.81 4357151 SCAQMD / SCAQMD 86 REG FEE STATE 05/07/2024 Ν 06/06/2024 05/07/2024 \$0.00 Ν \$541.04 06/06/2024 Ν 4360253 87 SCAQMD / SCAQMD **REG FEE STATE** 05/07/2024 Ν N 06/06/2024 05/07/2024 \$0.00 \$165.96 06/06/2024 N SCE / SCE 24Y700158802582 88 WTR PMP ENRGY 05/16/2024 Ν 06/05/2024 05/16/2024 \$0.00 N 06/06/2024 N \$7,738.14 SCE / SCE 24Y700044576190 89 SWR PMP ENRGY 05/16/2024 Ν N 06/05/2024 05/16/2024 \$0.00 N \$1,072.92 06/06/2024 24Y700767086653 SCE / SCE 90 5473 UTILITY 05/16/2024 05/16/2024 06/05/2024 \$0.00 N N \$230.36 06/06/2024 N SCE / SCE 24Y700609292713 91 05/16/2024 WTR PMP ENRGY 05/16/2024 N N 06/05/2024 \$0.00 \$271.39 06/06/2024 N 24Y700179651118 92 SCE / SCE SWR PMP ENRGY 05/17/2024 Ν Ν 06/06/2024 05/17/2024 \$0.00 \$393.04 06/06/2024 Ν 24Y700136714571 93 SCE / SCE 05/17/2024 WTR PMP ENRGY 05/17/2024 N 06/06/2024 \$0.00 N \$3,428.89 N 06/06/2024 SOCAL TRUCK / SOCAL TRUCKWORKS 13885 94 **R&M TRUCK** 04/11/2024 Ν N 05/11/2024 04/11/2024 \$0.00 \$1,293.27 06/06/2024 N 95 STEPSAVER / STEP-SAVER CA.LLC CT436658 SALT 05/21/2024 N 06/20/2024 05/21/2024 \$0.00 Ν \$5,112.75 06/06/2024 N 06-107352 TRAFFIC MANAGEMENT / TRAFFIC MANAGEMENT, IN 96 06/13/2024 05/14/2024 \$0.00 SIGNAGE 05/14/2024 N N \$163.13 06/06/2024 N 97 TRAFFIC MANAGEMENT / TRAFFIC MANAGEMENT, IN 06-107376 06/14/2024 05/15/2024 \$0.00 SIGNAGE 05/15/2024 Ν Ν \$497.15 06/06/2024 N 22656 98 LAWNMOWER CENTER / LAWNMOWER CENTER 05/17/2024 06/16/2024 \$0.00 **R&M EQUIP** 05/17/2024 N N 06/06/2024 N \$164.76 000F908W2184 UPS / UNITED PARCEL SERVICE 99 05/04/2024 N 06/03/2024 05/04/2024 \$0.00 POSTAGE N \$54.89 06/06/2024 N

Page 7

\$4,493.31

5/30/2024 2:32:28 PM

111

06/06/2024

Invoice # Credit Card Vendor Tr. # Vendor PO Number Inv Date Paid Out Immediate Check # Due Date **Discount Date** Discount Credit Card Payment Date Total Invoice GI Date Immediate GL Account CC Reference # 20240430 100 VARNER / VARNER & BRANDT LLP APR.24" LGL CNSLT 04/30/2024 05/30/2024 04/30/2024 \$0.00 N N \$792.96 06/06/2024 N WESTERN MUNICIPAL WATER / WESTERN MUNICIPA RI-5154 101 MAY.24" BRINE 05/01/2024 05/31/2024 05/01/2024 \$0.00 N Ν 06/06/2024 N \$749.94 102 YO FIRE / YO FIRE 2029419 PARTS 05/07/2024 N N 06/06/2024 05/07/2024 \$0.00 \$255.37 06/06/2024 N 14010000-02 ALVARENGA JOSE / ALVARENGA JOSE 103 REND OVRPYMT 05/22/2024 06/21/2024 05/22/2024 \$0.00 Ν N 06/06/2024 N \$37.05 CE41241-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 104 05/22/2024 06/21/2024 05/22/2024 \$0.00 WTR ANALYSES N N N \$743.24 06/06/2024 105 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE41243-0267 WTR ANALYSES 05/22/2024 N N 06/21/2024 05/22/2024 \$0.00 \$1,486.48 06/06/2024 N CE41298-0267 BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN 106 05/23/2024 WTR ANALYSES 05/23/2024 06/22/2024 \$0.00 Ν N \$40.00 06/06/2024 N BOOT BARN / BOOT BARN INV00370717 107 BOOTS/LOCKW, MARTINEZ 05/23/2024 Ν 06/22/2024 05/23/2024 \$0.00 Ν 06/06/2024 N \$298.49 108 CHASE CARD SERVICES / CHASE CARD SERVICES 24Y7704975.A 05/17/2024 GENERAL OFFICE EXPEN 05/17/2024 06/11/2024 \$0.00 N N \$2,333.08 06/06/2024 N CHASE CARD SERVICES / CHASE CARD SERVICES 74Y7704975.B 109 OFFICE SUPPLIES GEN. 05/17/2024 06/11/2024 05/17/2024 Ν N \$0.00 \$1,682.31 06/06/2024 N CHASE CARD SERVICES / CHASE CARD SERVICES 24Y7704975.C 110 06/11/2024 05/17/2024 **R&M VEHICLE** 05/17/2024 N N \$0.00 \$400.00 06/06/2024 Ν 24Y7704975.D CHASE CARD SERVICES / CHASE CARD SERVICES 06/11/2024 05/17/2024 **R&M WATER SYSTEM** 05/17/2024 N \$0.00 N \$1,258.42 06/06/2024 N 24Y7704975.E CHASE CARD SERVICES / CHASE CARD SERVICES 112 OPERATING EXPENSES 05/17/2024 Ν N 06/11/2024 05/17/2024 \$0.00 \$55.77 06/06/2024 N 24Y7704975.F 113 CHASE CARD SERVICES / CHASE CARD SERVICES GENERAL SUPPL.&EXPEN 05/17/2024 06/11/2024 05/17/2024 N N \$0.00 \$506.03 06/06/2024 N G & A NELOS CONSTRUCTION INC / G & A NELOS CC 20240509 114 BACKWASH SUPPLY PIPE 05/09/2024 06/08/2024 05/09/2024 \$0.00 N N 06/06/2024 Ν \$39,900.00 HARRINGTON INDUSTRIAL / HARRINGTON INDUSTRI 012N0976 115 05/15/2024 06/14/2024 05/15/2024 \$0.00 VALVE PACKS Ν N

N

Batch: AAAAXW

5/30/2024 2:32:28 PM

Credit Card Vendor Tr. # Vendor **Discount Date** PO Number Inv Date Paid Out Immediate Check # **Due Date** Credit Card Payment Date Immediate GL Account CC Reference # GL Date 023729/3512813 116 HOME DEPOT / HOME DEPOT CREDIT SERVICES 06/22/2024 05/23/2024 SUPPLIES 05/23/2024 Ν N 06/06/2024 Ν MASTER'S / MASTER'S SERVICES (GLACIER) 000000102756 117 **BTL WTR** 05/21/2024 Ν Ν 06/20/2024 05/21/2024 06/06/2024 Ν ROJO MANUEL / ROJO MANUEL 118 05/22/2024 RFND OVRPYMT 05/22/2024 N N 06/21/2024 06/06/2024 N PJIN00007454 SULZER / SULZER EMS - COLTON 119 06/05/2024 05/06/2024 WTR PMP RPR 05/06/2024 Ν N 06/06/2024 Ν WEBB ALBERT A ASSOC / WEBB, ALBERT A. ASSOCIA ARIV0003586 120 CONNECTION NEXUS 04/27/2024 05/27/2024 04/27/2024 N N 06/06/2024 Ν WEBB ALBERT A ASSOC / WEBB, ALBERT A. ASSOCI/ ARIV0003764 121 04/27/2024 05/27/2024 DISTRICT @ J.V 04/27/2024 N N 06/06/2024 N ARIV0003627 WEBB ALBERT A ASSOC / WEBB, ALBERT A. ASSOCIA 122 05/27/2024 04/27/2024 WELL 25 04/27/2024 N Ν 06/06/2024 N ARIV0003680 WEBB ALBERT A ASSOC / WEBB, ALBERT A. ASSOCI/ 123 BELL LIFT STN T.O 31 04/27/2024 N N 05/27/2024 04/27/2024 06/06/2024 Ν 124 WEBB ALBERT A ASSOC / WEBB, ALBERT A. ASSOCI/ 05/27/2024 04/27/2024 RCSD PROP ACQ LOT10 04/27/2024 N Ν N 06/06/2024 AIRGAS / AIRGAS USA, LLC 125 04/26/2024 05/26/2024 04/26/2024 CO2 TANK N Ν 06/06/2024 N AGUIRRE / AGUIRRE, JESUS 126 06/07/2024 05/08/2024 D5/T3 RNWL 05/08/2024 N N 06/06/2024 N BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE41397-0267 127 05/24/2024 06/23/2024 05/24/2024 WTR ANALYSES N N 06/06/2024 N BABCOCK E S SONS INC / BABCOCK, E S & SONS, IN CE41420-0267 128 WTR ANALYSES 05/24/2024 N N 06/23/2024 05/24/2024 Ν 06/06/2024 129 ERS INDUSTRIAL SERVICES, INC. / ERS INDUSTRIAL 05/17/2024 05/17/2024 06/16/2024 CLEAN OUT N N 06/06/2024 Ν HACH CO. / HACH COMPANY 130 CHEMICALS 05/23/2024 Ν 06/22/2024 05/23/2024 N

06/06/2024 N HOME DEPOT / HOME DEPOT CREDIT SERVICES 131 05/24/2024 Ν SUPPLIES N 06/06/2024 Ν Page 8 Invoice #

Total Invoice

Discount

\$0.00

\$0.00 \$73.75

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00 \$226.50

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00 \$200.00

101184

\$21,990.00

14043098

\$1,315.17

024718/2545080

06/23/2024

05/24/2024

\$0.00

\$0.00

\$0.00

\$132.40

\$90.00

\$45.94

20240508

\$195.00

\$169.92

\$978.75

\$2,121.00

\$5,827.00

\$4,256.00

ARIV003772

\$7,759.25

9149318478

\$152.44

10810700-07

x

| PO Number of Date Paid Out Immediate OL to Fond Name Out of Cardin Card Out of Card Out of Cardin Card O | 5/30/2024 2:32:28 | PM | | | Batch: AAAA | XW | | Page 9 |
|--|-------------------|----------------------------|-----------|--------------------|-------------|------------|-----------------|---|
| CONT_EDUMARTINEZ 05/21/2024 N N 06/21/2024 05/22/2024 06/06/2024 N N 05/21/2024 05/21/2024 05/21/2024 133 RIVERSIDE CITY / RIVERSIDE CITY 00/27/2024 05/21/2024 05/21/2024 134 RIVERSIDE CITY / RIVERSIDE CITY 00/27/2024 05/21/2024 05/21/2024 06/06/2024 N N 06/21/2024 05/21/2024 05/21/2024 06/07/2024 N N 06/21/2024 05/21/2024 05/21/2024 136 SCE / SCE 24/700/456862 24/700/456862 24/700/456862 137 SCE / SCE 24/700/456862 37/3 37/3 137 SCE / SCE 24/700/456862 37/3 138 SCE / SCE 24/700/456862 37/3 139 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL INC 05/28/2024 05/28/2024 06/08/2024 05/28/2024 N 0 05/28/2024 06/08/2024 SCE / SCE | PO Number | | | Immediate | Check # | Due Date | | Invoice # Discoun e Total Invoice |
| N S2 133 RIVERSIDE CITY / RIVERSIDE CITY 00278 134 RIVERSIDE CITY / RIVERSIDE CITY 00278 06062024 N N 06062024 N N 134 RIVERSIDE CITY / RIVERSIDE CITY 00278 06062024 N N 00212024 0521/2024 | | | | Ν | | 06/21/2024 | 05/22/2024 | 20240522 \$0.00 |
| TATA RIVERSIDE CITY / RIVERSIDE CITY 00276 PAP. 2*SURCHARGE 05271/2024 N 0521/2024 | | . 05/22/2024 | IN | IN | N | 00/21/2024 | 03/22/2024 | \$235.50 |
| PPR 24'SURCHARGE DS/21/2024 N OB/21/2024 OS/21/2024 S19.4 DB/06/2024 N N 05/21/2024 S19.4 DB/06/2024 N N 05/21/2024 S19.4 DB/06/2024 N N 05/21/2024 S124.0 DB/06/2024 N N 05/21/2024 S124.0 DB/06/2024 N N 05/21/2024 S124.0 DB/06/2024 N N 05/21/2024 S124.00 DB/06/2024 N N 05/13/2024 S124.00 DB/06/2024 N N 05/13/2024 S124.0024 DB/06/2024 N N 05/13/2024 S124.0024 NDB/06/2024 N N 05/28/2024 S13.1 S006/2024 TRI-DO ISPOSALINC / TRI-CO DISPOSALI | | | | | IN | | | 00276624.A |
| Instrume Instrum Instrume Instrume | | | | N | | 06/21/2024 | 05/21/2024 | \$0.00 |
| SPR.24'TRTMNT 05/21/2024 N 06/21/2024 05/21/2024 122.00 06/06/2024 N 124.70 124.70 124.70 124.70 135 SCF / SCE 24/7704/56882 24/7704/56882 124.70 136 SCF / SCE 24/7704/56882 24/7704/56882 124.70 136 SCF / SCE 24/7704/56882 124.70 124.70 137 SCE / SCE 24/7704/56882 124.70 124.70 137 SCE / SCE 24/7704/56882 124.70 124.70 137 SCE / SCE 24/7704/56882 17.7 17. | 06/06/2024 | | | | N | | | \$19,461.14 |
| 135 SCE / SCE 24470045662 FIELD CP UTILITY 05/24/2024 N N 06/13/2024 05/24/2024 136 SCE / SCE 244700456622 244700456622 31 136 SCE / SCE 244700456622 31 31 137 SCE / SCE N 06/13/2024 05/24/2024 31 137 SCE / SCE 244700456622 31 | | | | N | | 06/21/2024 | 05/21/2024 | 00276624.B \$0.00 |
| THELD OFC UTILITY 95/24/2024 N N 96/13/2024 05/24/2024 136 SCE / SCE 24/Y704/58682 05/24/2024 1 24/Y704/58682 VTR PMP ENERGY 05/24/2024 N N 06/13/2024 05/24/2024 35/3 137 SCE / SCE 24/Y704/58682 05/24/2024 N 35/3 137 SCE / SCE 24/Y704/58682 05/24/2024 05/24/2024 05/24/2024 N0.03 PLT PMP ENERGY 05/24/2024 N N 06/13/2024 05/24/2024 N18 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL INC N 06/28/2024 05/28/2024 05/28/2024 N 05/28/2024 N N 06/28/2024 05/28/2024 05/28/2024 N 05/28/2024 N N 06/28/2024 05/28/2024 05/28/2024 N 05/28/2024 N 06/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 05/28/2024 | 06/06/2024 | | | | N | | | \$124,000.80 |
| 138 SCE / SCE 24/7700/56862 WTR PMP ENERGY 05/24/2024 N N 05/01/2024 05/24/2024 05/29/ | | | N | N | | 06/13/2024 | 05/24/2024 | 24Y700456862263.A \$0.00 |
| NTR PMP ENERGY 05/24/2024 N N 06/13/2024 05/22/2024 DB/06/2024 N N 24/17/004/56662 24/17/004/56662 DB/06/2024 N N 06/13/2024 05/22/2024 DB/06/2024 N N 06/13/2024 05/22/2024 DB/06/2024 N N 06/13/2024 05/22/2024 DB/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 DB/06/2024 N N 06/28/2024 <td< td=""><td>06/06/2024</td><td></td><td></td><td></td><td>N</td><td></td><td></td><td>\$189.35</td></td<> | 06/06/2024 | | | | N | | | \$189.35 |
| By B | 136 SCE / SCE | 1 | | | | | | 24Y700456862263.B |
| NAME 24Y700456822 NO.35 PLT PMP ENERGY 05/24/2024 N N 06/01/2024 05/24/2024 NO.05 PLT PMP ENERGY 05/24/2024 N N 05/20/2024 05/24/2024 NO.05 PLT PMP ENERGY 05/29/2024 N N 05/29/2024 S17, 1 138 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 S79, 3 05/29/2024 S79, 3 139 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 O5/29/2024 S231, 2 05/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 05/29/2024 05/29/2024 05/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 05/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 05/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 06/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 06/06 | NTR PMP ENERGY | 05/24/2024 | Ν | Ν | | 06/13/2024 | 05/24/2024 | \$0.00 |
| NO 03 PLT PMP ENERGY 05/24/2024 N N 06/13/2024 05/24/2024 NO 03 PLT PMP ENERGY 05/24/2024 N N 05/08-052 NO 03 PLT PMP ENERGY 05/29/2024 N N 05/08-052 NO 05/20204 N N 05/29/2024 05/29/2024 05/29/2024 N 05/29/2024 N N 06/28/2024 05/29/2024 05/29/2024 05/29/2024 10/08/06/2024 05/29/2024 <t< td=""><td>)6/06/2024</td><td></td><td></td><td></td><td>N</td><td></td><td></td><td>\$34,191.98</td></t<> |)6/06/2024 | | | | N | | | \$34,191.98 |
| TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-052 COMM TRSH 05/29/2024 N N 06/28/2024 05/29/2024 D9006/2024 N N 06/28/2024 05/29/2024 579,3 139 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 | | N CONTRACTOR CONTRACTOR OF | N | Ν | | 06/13/2024 | 05/24/2024 | 24Y700456862263.C \$0.00 |
| COMM TRSH 05/29/2024 N N 06/28/2024 05/29/2024 139 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 779.3 0508-0522 139 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 05/29/2024 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 7231.2 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 143 VAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/29/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 05/03/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 14606/2024 N 06/13/2024 05/14/2024 147 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 148 YAHUALICA'S TIRES & WHEELS / Y | 06/06/2024 | | | | Ν | | | \$17,156.67 |
| TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-0582 RE, TRSH 05/29/2024 N N 06/28/2024 05/29/2024 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 8231, 2 0508-052 0508-052 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 05/29/2024 05/29/2024 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 05/03/2024 05/03/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 16/06/13/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/20/2024 1 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 | | | | ne, soude sources | | 06/28/2024 | 05/29/2024 | 0508-052824.A \$0.00 |
| RE OS/29/2024 N N O6/28/2024 O5/29/2024 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC \$231,2 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC \$508-052 05/06/2024 N N 06/28/2024 05/29/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC \$508-052 \$508-052 RCSD SHR RES. 05/29/2024 N N 06/28/2024 05/29/2024 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC \$508-052 \$508-052 \$508-052 3ILLING FEE 05/29/2024 N N \$66/28/2024 \$5729/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES \$508-052 \$508-052 \$508-052 169/06/2024 N N \$5073/2024 \$5729/2024 \$5729/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES \$66/13/2024 \$571,12024 \$571,12024 169/06/2024 N N \$66/13/2024 \$5729/2024 \$5729/2024 164 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS \$6 | 06/06/2024 | | | | N | | | \$79,341.43 |
| 140 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/08/0224 05/09/2024 06/08/0224 05/29/2024 05/09/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/08/0224 05/29/2024 05/09/2024 05/09/2024 05/09/2024 05/29/2024 05/29/2024 05/29/2024 05/29/2024 05/09/2024 05/29/2024 05/29/2024 05/29/2024 05/09/2024 | | | | | | 06/28/2024 | 05/29/2024 | 0508-0582824.B \$0.00 |
| RCSD SHR COMM 05/29/2024 N N 06/02/2024 05/29/2024 D6/06/2024 N N 06/02/2024 05/29/2024 05/03/002/2024 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 06/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 06/28/2024 05/29/2024 05/29/2024 08/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 08/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 08/06/2024 N N 06/28/2024 05/29/2024 05/29/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 N 11,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 05/20/2024 06/06/2024 N N 06/19/2024 05/20/2024 146 06/06/2024 N N 05/10/2024 05/20/2024 | 06/06/2024 | | | | Ν | | | \$231,260.99 |
| 141 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-052 RCSD SHR RES. 05/29/2024 N N 06/06/2024 N N 06/28/2024 05/29/2024 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-052 0508-052 31LLING FEE 05/29/2024 N N 06/28/2024 05/29/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 0508/05/2024 05/03/2024 05/03/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 05/14/2024 05/14/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 05/14/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 05/14/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 05/14/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 05/10/2024 1 05/10/2024 16/06/2024 N N 05/10/2024 1 16/06/2024 | | | | | | 06/28/2024 | 05/29/2024 | 0508-052824.C \$0.00 |
| NCSD SNR RES. 05/29/2024 N N 06/28/2024 05/29/2024 0b/06/2024 N N (\$7,7 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-052 31LLING FEE 05/29/2024 N N 06/06/2024 N N 06/28/2024 06/06/2024 N N 06/28/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 04/03/2024 06/06/2024 N N 05/03/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 06/06/2024 N N 06/13/2024 05/14/2024 06/06/2024 N N 06/13/2024 05/14/2024 06/06/2024 N N 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 36/06/19/2024 05/10/2024 06/06/2024 N N 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 1 05/10/2024 06/06/2024 N 05/10/2024 04/10/2024 06/06/2024 N 05/10/2024 04/10/2024 06/06/2024 N 05/10/2024 04/10/2024 | 06/06/2024 | | | | Ν | | | (\$11,107.80) |
| 142 TRI-CO DISPOSAL INC / TRI-CO DISPOSAL, INC 0508-052 31LLING FEE 05/29/2024 N 06/28/2024 05/29/2024 06/06/2024 N N (\$3,0 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 04/03/2024 06/06/2024 04/03/2024 N N 05/03/2024 06/06/2024 04/03/2024 N N 11,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 06/06/2024 N N 06/13/2024 05/14/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 06/06/2024 N N 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC! 05/10/2024 04/10/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC! 05/10/2024 1 147 HARPER BURNS LLP / HARPER & BURNS LLP 06/01/2024 06/01/2024 14 | | | | en aller constants | | 06/28/2024 | 05/29/2024 | 0508-052824.D \$0.00 |
| NILLING FEE 05/29/2024 N N 06/28/2024 05/29/2024 N 06/28/2024 N (\$3,0 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 05/03/2024 04/03/2024 06/06/2024 N N 05/03/2024 04/03/2024 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 06/06/2024 N N 06/13/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 8 56/06/2024 N 06/06/2024 N N 06/19/2024 05/20/2024 06/06/2024 N N 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC: 1 1 06/06/2024 N 05/10/2024 1 06/06/2024 N 05/10/2024 1 06/06/2024 N 05/10/2024 1 06/06/2024 N 05/10/2024 1 06/06/2024 N 1 1 06/06/2024 N 1 1 06/06/202 | 06/06/2024 | | | | Ν | | | (\$7,739.61) |
| Define Lie N (\$3,0 Define Lie N (\$3,0 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES D5/03/2024 04/03/2024 Define Circle N 05/03/2024 04/03/2024 Define Circle N 05/03/2024 04/03/2024 Define Circle N 05/03/2024 04/03/2024 Define Circle N \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 Define Circle N 06/13/2024 05/14/2024 Define Circle N 06/13/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES TRES & WHEELS / YAHUALICA'S TIRES TRES & WHEELS / YAHUALICA'S TIRES RAM TRUCK 05/20/2024 N N 06/19/2024 Define Circle N N 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC: 1 N 05/10/2024 04/10/2024 1 Define Circle N N 05/10/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC: 1 | | | | | | | 0.5 /0.0 /0.0 0 | 0508-052824.E |
| 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 04/03/2024 N 05/03/2024 04/03/2024 143 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N 05/03/2024 04/03/2024 \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N 06/01/2024 05/14/2024 \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N 06/13/2024 05/14/2024 \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N N 06/13/2024 05/14/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N N 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N N 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS N 05/10/2024 04/10/2024 1 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS N 05/10/2024 04/10/2024 1 147 HARPER BURNS LLP / HARPER & BURNS LLP N N 07/01/2024 06/01/2024 147 HARPER BURNS LLP / HARPER & BURNS LLP N 07/01/2024 06/01/2024 06/01/2 | | 05/29/2024 | N | N | | 06/28/2024 | 05/29/2024 | \$0.00 |
| Ram TRUCK 04/03/2024 N N 05/03/2024 04/03/2024 N6/06/2024 N N N \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 N N 06/13/2024 05/14/2024 N6/06/2024 N N 06/13/2024 05/14/2024 N N 06/13/2024 05/14/2024 \$6 N N N 06/13/2024 05/20/2024 N N N 06/19/2024 \$6 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N \$6 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 N N N 06/19/2024 05/20/2024 N N N 06/19/2024 05/20/2024 N N N 05/10/2024 1 N N N 05/10/2024 1 N N N 05/10/2024 1 N N N 1 N N N 1 N N N 1 N N N 1 N N N <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>(\$3,000.00</td></td<> | | | | | | | | (\$3,000.00 |
| N \$1,1 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 R&M TRUCK 05/14/2024 N N 06/13/2024 05/14/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N \$60 \$60 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS N 05/10/2024 1 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 05/10/2024 04/10/2024 1 147 HARPER BURNS LLP / HARPER & BURNS LLP N 07/01/2024 06/01/2024 147 HARPER BURNS LLP / HARPER & BURNS LLP N 07/01/2024 06/01/2024 | | | | | 2 | 05/03/2024 | 04/03/2024 | 11941 \$0.00 |
| 144 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/13/2024 05/14/2024 66/06/2024 N N 06/13/2024 05/14/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES N \$6/06/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS N 1 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 05/10/2024 04/10/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 05/10/2024 04/10/2024 16/06/2024 V N N 1 16/06/2024 N N 1 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 | | - // | | | N | | | \$1,180.00 |
| R&M TRUCK 05/14/2024 N N 06/13/2024 05/14/2024 16/06/2024 N N N \$6 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 06/19/2024 05/20/2024 16/06/2024 N N 06/19/2024 05/20/2024 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS N 1 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 05/10/2024 1 16/06/2024 N N 1 147 HARPER BURNS LLP / HARPER & BURNS LLP \$4,6 147 HARPER BURNS LLP / HARPER & BURNS LLP 2024 147 HARPER BURNS LLP / HARPER & BURNS LLP 2024 | | A'S TIRES & WHEE | LS / YAHU | ALICA'S TIRE | | | | 12322 |
| 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 145 YAHUALICA'S TIRES & WHEELS / YAHUALICA'S TIRES 8&M TRUCK 05/20/2024 16/06/2024 N 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATICS 16/06/2024 N 16/06/2024 N 147 HARPER BURNS LLP / HARPER & BURNS LLP 147 HARPER BURNS LLP / HARPER & BURNS LLP 147 HARPER BURNS LLP / HARPER & BURNS LLP 147 HARPER BURNS LLP / HARPER & BURNS LLP 147 HARPER BURNS LLP / HARPER & BURNS LLP 147 Of/01/2024 147 HARPER BURNS LLP / HARPER & BURNS LLP 148 Of/01/2024 149 Of/01/2024 | | | | | | 06/13/2024 | 05/14/2024 | \$0.00 |
| Nation Lion Contractor of Intellige Financial Contractor | 6/06/2024 | | | | Ν | | | \$630.00 |
| 146 AQUATIC INFORMATICS INC / AQUATIC INFORMATIC! 1 RIO SUBSC. 04/10/2024 N 05/10/2024 04/10/2024 16/06/2024 N N 05/10/2024 04/10/2024 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 147.24" LGL SVC 06/01/2024 N N | | | | | S | 06/19/2024 | 05/20/2024 | 12373 \$0.00 |
| RIO SUBSC. 04/10/2024 N 05/10/2024 04/10/2024 16/06/2024 N \$4,6 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 147.24" LGL SVC 06/01/2024 N 07/01/2024 06/01/2024 | 6/06/2024 | | | | Ν | | | \$20.00 |
| 147 HARPER BURNS LLP / HARPER & BURNS LLP 20240 MAY.24" LGL SVC 06/01/2024 N N 07/01/2024 06/01/2024 | | | | | (| 05/10/2024 | 04/10/2024 | 108238 \$0.00 |
| MAY.24" LGL SVC 06/01/2024 N N 07/01/2024 06/01/2024 | 06/06/2024 | | | | Ν | | | \$4,600.00 |
| N \$15 | | | | | | 07/01/2024 | 06/01/2024 | 20240601.A \$0.00 |
| 00/00/2024 | 06/06/2024 | | | | Ν | | | \$1,900.00 |

AP Enter Bills Edit Report

Rubidoux Community Services District (RCSACT) Batch: AAAAXW

Invoice # Tr. # **Credit Card Vendor** Vendor PO Number Inv Date Paid Out Immediate Check # Due Date **Discount Date** Discount GL Date Immediate GL Account **Credit Card** CC Reference # Payment Date **Total Invoice** 20240601.B 148 HARPER BURNS LLP / HARPER & BURNS LLP 06/01/2024 \$0.00 CITY RVSD APPEAL 06/01/2024 Ν Ν 07/01/2024 \$800.00 06/06/2024 Ν UPS / UNITED PARCEL SERVICE 0000F908W2214 149 06/24/2024 05/25/2024 \$0.00 POSTAGE 05/25/2024 Ν Ν 06/06/2024 Ν \$20.48 Grand Totals Total Direct Expense: \$1,475,486.43 Total Direct Expense Adj: (\$21,847.41) **Total Non-Electronic Transactions:** \$1,453,639.02

Report Summary

5/30/2024 2:32:28 PM

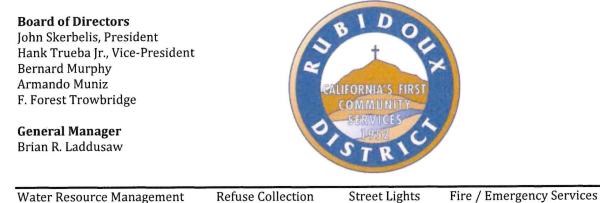
| | Report Selection Criteria | |
|---------------------|----------------------------------|-----|
| Report Type: | Condensed | |
| | Start | End |
| Transaction Number: | Start | End |

1/24

5. CONSENT CALENDAR (continued)

C. DM 2024-41: Receive and File Statement of Cash Asset Schedule Report Ending April 2024

Rubidoux Community Services District



Weed Abatement

DIRECTORS MEMORANDUM 2024-41

June 6, 2024

To: Rubidoux Community Services District Board of Directors

Subject: Receive and File Statement of Cash Asset Schedule Report Ending April 2024

BACKGROUND:

Attached for the Board of Directors' consideration is the April 2024 Statement of Cash Assets Schedule Report for all District Fund Accounts. Year to date ("YTD") interest is \$1,234,584.21 for District controlled accounts. With respect to District "Funds in Trust," \$14,395.38 has been earned and posted. The District has a combined YTD interest earned total of \$1,248,979.59 as of April 30, 2024.

The District's Operating Funds (Excluding Restricted Funds and Operating Reserves) show a balance of \$14,042,010.19 ending April 30, 2024. This is \$117,722.56 LESS than July 1, 2023, beginning balance of \$14,159,732.75.

Further, the District's Field/Admin Fund current fund balance is \$785,312.14.

Submitted for the Board of Directors consideration is the *April 2024 Statement of Cash Assets Schedule Report* for review and acceptance.

Street Lights

Fire / Emergency Services

Weed Abatement

<u>RECOMMENDATION</u>:

Staff recommends the Board of Directors "Receive and File" the April 2024 Statement of Cash Assets Schedule Report.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attachment(s): April 2024, Cash Assets Schedule Report

RUBIDOUX COMMUNITY SERVICES DISTRICT

INVESTMENT SUMMARY - APRIL 30, 2024 CASH BASIS

| | Beg. Balance 7/1/2023 | CA | YTD Int. | C | Other Activity YTD | Balance 4/30/2024 | YTD Avg. Int. Rate |
|------------------------------|--------------------------|----|--------------|----|-----------------------|----------------------|--------------------------|
| Operating Accounts | \$14,159,732.75 | \$ | 462,689.08 | \$ | (580,411.64) | \$14,042,010.19 | 3.30% |
| Water Operating Reserve | 4,350,030.08 | | 164,580.36 | | - | 4,514,610.44 | 3.65% |
| Wastewater Operating Reserve | 594,121.20 | | 22,478.17 | | - | 616,599.37 | 3.65% |
| Water Replacement Reserve | 925,390.63 | | 25,316.49 | | (483,428.83) | 467,278.29 | 5.42% |
| Fire Mitigation Reserve | 3,509,799.71 | | 130,133.74 | | 13,381.55 | 3,653,315.00 | 3.56% |
| Wastewater Reserve | 2,546,413.30 | | 95,652.36 | | 120,371.82 | 2,762,437.48 | 3.46% |
| Wastewater Replacement Res. | 555,486.59 | | 22,250.55 | | 47,578.00 | 625,315.14 | 3.56% |
| Water Reserve | 2,833,192.90 | | 99,829.28 | | 23,838.08 | 2,956,860.26 | 3.38% |
| COP Restricted | 1,677,828.24 | | 63,067.79 | | (184,057.88) | 1,556,838.15 | 4.05% |
| Field/Admin Reserve | 756,762.79 | | 28,514.71 | | 34.64 | 785,312.14 | 3.63% |
| Grant Restricted Reserve | 53,917.61 | | 1,461.53 | | (55,379.14) | - | 2.71% |
| Project Admin Building | 1,111,853.50 | | 42,066.20 | | - | 1,153,919.70 | 3.65% |
| Project Ops Building | 2,023,136.18 | | 76,543.95 | | - | 2,099,680.13 | 3.65% |
| Funds in Trust | 1,109,503.24 | | 14,395.38 | | (8,116.33) | 1,115,782.29 | 1.29% |
| Total Investments | \$36,207,168.72 | \$ | 1,248,979.59 | \$ | (1,106,189.73) | \$ 36,349,958.58 | 3.44% |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024 CASH BASIS

FIRE MITIGATION

| DATE | INSTITUTION | INSTRUMENT | MATURITY | STATUS | PURCHASE / <u>REDEEM</u> | INT. <u>RATE</u> | INTEREST | PAR/ BALANCE | TOTAL |
|-----------------------|--|-----------------------------|-----------|-----------------------------------|-----------------------------|---------------------|-----------|--|-----------------|
| 4/1/2024 | Premier Bank Premier Bank Premier Bank | CD | | Beg. Bal. Interest Redeem | 705.83 | 4.88% | - | 170,424.60 170,424.60 170,424.60 | |
| 4/30/2024 | Premier Bank | CD | 10/3/2024 | Purchase | - | | | 170,424.60 | |
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | Checking Fire Mitigation | | Beg. Bal. Activity End Bal. | - | 0.00 | - | 8,835.50 8,835.50 8,835.50 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Fire Mitigation | | Beg. Bal. Interest Activity | - | 4.30% | 36,217.87 | 3,412,247.84 3,448,465.71 3,448,465.71 | |
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank | Safekeeping | | Beg. Bal Activity End Bal. | | - | 705.83 | 24,883.36 25,589.19 25,589.19 | \$ 3,653,315.00 |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024 CASH BASIS

WASTEWATER CIP FUNDS

| DATE | INSTITUTION | INSTRUMENT | MATURITY | <u>STATUS</u> | PURCHASE / <u>REDEEM</u> | INT. <u>RATE</u> | <u>INTEREST</u> | PAR/ BALANCE | TOTAL |
|-----------------------|----------------------|----------------|----------|-----------------------------------|-----------------------------|---------------------|-----------------|--|-----------------|
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Sewer Mainline | | Beg. Bal. Interest Activity | 3,985.11 | 4.30% | 27,764.41 | 2,658,262.75 2,686,027.16 2,690,012.27 | |
| 4/1/2024 4/30/2024 | CBB CBB CBB | Safekeeping | | Beg. Bal Activity End Bal. | - | 0.05% | - | 72,425.21 72,425.21 72,425.21 | \$ 2,762,437.48 |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024 CASH BASIS

WATER CIP FUNDS

| DATE | INSTITUTION | INSTRUMENT | MATURITY | <u>STATUS</u> | PURCHASE / <u>REDEEM</u> | INTEREST <u>RATE</u> | INTEREST | PAR/ BALANCE | TOTAL |
|-----------------------|--|----------------|----------|---------------------------------|-----------------------------|-------------------------|-----------|------------------------------|-----------------|
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Water Mainline | | Beg. Bal. Interest | (6 339 16) | 4.30% | 28,022.26 | 2,682,950.43 2,710,972.69 | |
| 4/30/2024 | LAIF | | | Activity | (6,328.16) | | | 2,704,644.53 | |
| 4/1/2024 | Citizens Bus Citizens Bus Citizens Bus | CD | | Beg. Bal. Activity Redeem | (225,000.00) | 0.04% n/a | - | 225,000.00 225,000.00 | |
| 4/30/2024 | Citizens Bus | CD | | Purchase | - | 11/a | | - | |
| 4/1/2024 | Premier Bank Premier Bank | Safekeeping | | Beg. Bal. Activity | | - | | 1,670.97 1,670.97 | |
| 4/30/2024 | Premier Bank | | | End Bal. | | | | 1,670.97 | |
| 4/1/2024 | CBB CBB | Safekeeping | | Beg. Bal. Activity | 225,000.00 | 0.05% | 450.45 | 25,094.31 250,544.76 | |
| 4/30/2024 | CBB | | | End Bal. | 220,000.00 | 0.0070 | ,00.40 | 250,544.76 | \$ 2,956,860.26 |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024

CASH BASIS

| DATE | INSTITUTION | INSTRUMENT | MATURITY | <u>STATUS</u> | DEPOSIT/ WITHDRAW | INTEREST <u>RATE</u> | <u>INTEREST</u> | PAR/ BALANCE | TOTAL |
|-----------------------|---|----------------|----------|--|--------------------------------|-------------------------|-----------------|--|-------|
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | Checking-Gen. | | Beg. Bal. Deposits Disbursements | 2,356,199.75 (2,302,494.15) | 0.00 | - | 131,541.45 2,487,741.20 185,247.05 | |
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | | | Beg. Bal. Deposits Disbursements | 243,549.06 (13,961.68) | 0.00 | - | 16,961.68 260,510.74 246,549.06 | |
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | Checking-Sewer | | Beg. Bal. Deposits Disbursements | 270,007.99 (276,281.53) | 0.00 | - | 11,569.86 281,577.85 5,296.32 | |
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | Checking-Water | | Beg. Bal Deposits Disbursements | 1,250,561.41 (870,015.68) | 0.00 | - | 509,136.45 1,759,697.86 889,682.18 | |
| 4/1/2024 4/30/2024 | Bank of America Bank of America Bank of America | а | | Beg. Bal Deposits Disbursements | (959.88) | 0.00 | 0.79 | 4,249.22 4,250.01 3,290.13 | |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024 CASH BASIS

OPERATING FUNDS

| DATE | INSTITUTION | INSTRUMENT | MATURITY | <u>STATUS</u> | DEPOSIT/ WITHDRAW | INTEREST <u>RATE</u> | INTEREST | PAR/ BALANCE | TOTAL |
|-----------------------|--|---------------------------------------|----------|---------------------------------------|----------------------|-------------------------|------------|---|-----------------|
| 4/1/2024 4/30/2024 | Premier Bank Premier Bank Premier Bank | Operations Safekeeping | | Beg. Bal Deposits Disbursements | | | - | 276,342.99 276,342.99 276,342.99 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Gen. Fund-Prop Tax Qtrly. Interest | | Beg. Bal. Interest Activity | (984,620.86) | 4.30% | 114,827.17 | 10,993,959.83 11,108,787.00 10,124,166.14 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Water Op. Qtrly. Interest | | Beg. Bal. Interest Activity | (130,903.64) | 4.30% | 9,479.73 | 907,622.80 917,102.53 786,198.89 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Sewer Op. Qtrly. Interest | | Beg. Bal. Interest Activity | 55,014.89 | 4.30% | 15,197.11 | 1,455,025.43 1,470,222.54 1,525,237.43 | \$14,042,010.19 |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024

CASH BASIS RESERVED FUNDS

| DATE | INSTITUTION | INSTRUMENT | MATURITY | <u>STATUS</u> | DEPOSIT/ WITHDRAW | INTEREST <u>RATE</u> | INTEREST | PAR/ BALANCE | TOTAL |
|-----------------------|----------------------|---------------------------------------|----------|-----------------------------------|----------------------|-------------------------|-----------|--|-----------------|
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Water Op. Reserve Qtrly. Interest | | Beg. Bal. Interest Activity | - | 4.30% | 46,665.75 | 4,467,944.69 4,514,610.44 4,514,610.44 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Water Replacement Qtrly. Interest | | Beg. Bal. Interest Activity | 15,231.80 | 4.30% | 4,672.63 | 447,373.86 452,046.49 467,278.29 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Wastewater Replace Qtriy. Interest | ment | Beg. Bal. Interest Activity | - | 4.30% | 6,463.64 | 618,851.50 625,315.14 625,315.14 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | COP-Payback Qtrly. Interest | | Beg. Bal. Interest Activity | - | 4.30% | 16,092.42 | 1,540,745.73 1,556,838.15 1,556,838.15 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Grant-Trash Qtriy Interest | | Beg. Bal. Interest Activity | - (55,379.14) | 4.30% | | 55,379.14 55,379.14 - | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Field/Admin Bldg. Qtrly Interest | | Beg. Bal. Interest Activity | : | 4.30% | 8,117.46 | 777,194.68 785,312.14 785,312.14 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Wastewater Op. Res Qtrly. Interest | erve | Beg. Bal. Interest Activity | : | 4.30% | 6,373.55 | 610,225.82 616,599.37 616,599.37 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Project Admin Bldg Qtrly. Interest | | Beg. Bal. Interest Activity | - | 4.30% | 11,927.61 | 1,141,992.09 1,153,919.70 1,153,919.70 | |
| 4/1/2024 4/30/2024 | LAIF LAIF LAIF | Project Ops Bldg Qtrly. Interest | | Beg. Bal. Interest Activity | : | 4.30% | 21,703.57 | 2,077,976.56 2,099,680.13 2,099,680.13 | \$11,819,553.36 |

RUBIDOUX COMMUNITY SERVICES DISTRICT CASH ASSET SCHEDULE INVESTMENT ACTIVITY

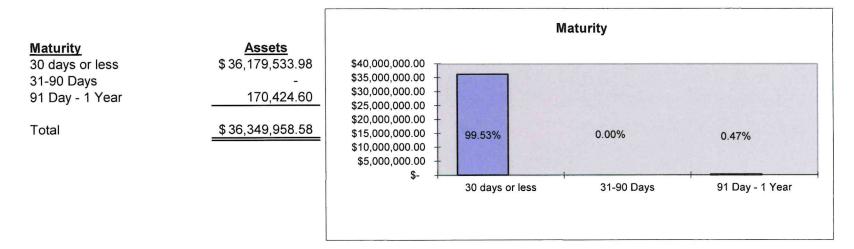
FOR PERIOD JULY 1, 2023 THRU APRIL 30, 2024

CASH BASIS FUNDS IN TRUST

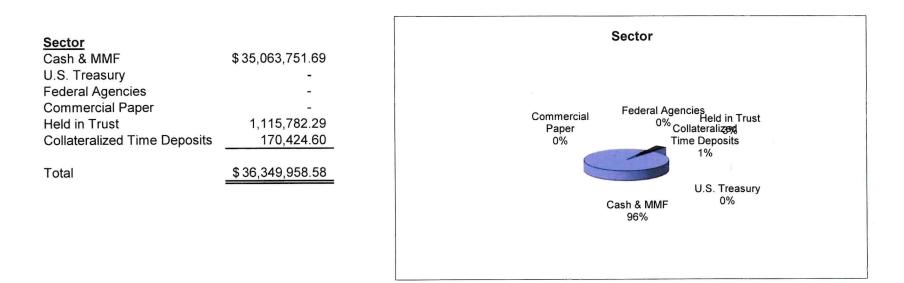
| | | | 1011 | | | | | |
|-----------|--------------|-----------------------------|----------------------|-----------------------------|-------------------------|----------|--------------------------|-----------------|
| DATE | INSTITUTION | INSTRUMENT MATURITY | <u>STATUS</u> | PURCHASE / <u>REDEEM</u> | INTEREST <u>RATE</u> | INTEREST | PAR/ BALANCE | TOTAL |
| 4/1/2024 | U.S. Bank | COP's Refunding-Series 1998 | | - | 4.79% | - | 748,141.09 748,141.09 | |
| 4/30/2024 | | Reserve-LAIF (From US Bank) | 748,216.35 | - | 4.79% | 75.26 | 748,216.35 748,216.35 | |
| 4/1/2024 | Premier Bank | Fiscal Agent-SRL MN Plant | Beg. Bal Deposits | | 0.073% | 45.19 | 367,520.75 367,565.94 | |
| 4/30/2024 | | | Disbursements | - | | | 367,565.94 | \$ 1,115,782.29 |
| | | | | TO | TAL CASH FUN | IDS | | \$36,349,958.58 |

RCSD PORTFOLIO HOLDINGS REPORT APRIL 30, 2024

| lssuer | <u>Maturity</u> | Acquisition <u>Cost</u> | Current Market | <u>Gain/Loss</u> | <u>Yld Mat</u> |
|--|-----------------|---------------------------------|---------------------------------|------------------|----------------|
| AGENCY | | - | - | - | - |
| U.S. TREASURIES | | - | - | - | - |
| COMMERCIAL PAPER | | | - | - | - |
| FUNDS IN TRUST | | \$ 1,115,782.29 | \$ 1,115,782.29 | | |
| COLLATERALIZED TIME DEPOSITS | | | | | |
| Premier | 10/3/2024 | \$ 170,424.60 | \$ 170,424.60 | | 4.88% |
| CASH EQUIVALENT & MONEY MARKET LOCAL AGENCY INVESTMENT FUND (LAIF) DEPOSITS HELD WITH FINANCIAL INSTITUTIONS | | \$33,098,278.33 1,965,473.36 | \$33,098,278.33 1,965,473.36 | : | 4.30% - |
| Subtotals | | \$35,063,751.69 | \$35,063,751.69 | - | |
| GRAND TOTALS | | \$36,349,958.58 | \$36,349,958.58 | - | |

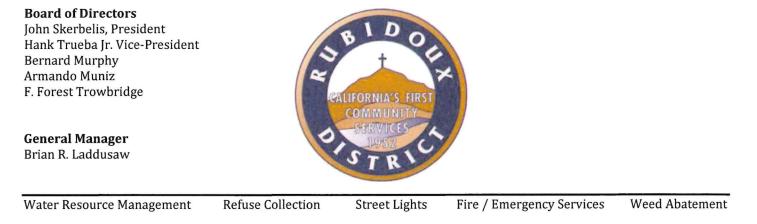


RCSD INVESTMENT PORTFOLIO APRIL 30, 2024



5. CONSENT CALENDAR (continued)

D. **DM 2024-42**: Consider Response to the 2024 Conflict of Interest Code Biennial Notice for Amendments



DIRECTORS MEMORANDUM 2024-42

June 6, 2024

To: Rubidoux Community Services District Board of Directors

Subject: Consider Response to the 2024 Conflict of Interest Code Biennial Notice for Amendments

BACKGROUND:

The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. A conflict-of-interest code tells public officials, governmental employees, and consultants what financial interests they must disclose in their Statement of Economic Interests (Form 700). Form 700 is an annual disclosure filed with the County of Riverside by April 1 of each year.

In 1990, the Rubidoux Community Services District ("District") Board of Directors ("Board") adopted Resolution No. 604 which designated District employees, agents, and consultants who could make recommendations or participate in the decision-making process regarding District projects which may have a material effect on financial interests. In 2004, staff reviewed Resolution No. 604 and revised the designation to reflect current employee titles, agents and consultants. In addition, the District adopted the Fair Political Practices Commission Standard Conflict of Interest Code with Resolution No. 742.

The District's last biennial review in 2022 required the District to amend its Conflict of Interest Code and update its Designated Employees and Categories List with Resolution No. 2022-892. This submittal required further amending for adequate disclosure as the Conflict of Interest Code did not sufficiently set forth distinct disclosure categories for the District's designated positions, titles, or functions. Resolution No. 2023-900, adopted February 2, 2023, pursuant to Directors Memorandum ("DM") 2023-11, remediated this issue. The District's current Conflict of Interest Code accompanies Resolution No. 2023-900 and is included as Attachment 1.

The Fair Political Practices Commission ("FPPC") has prepared a 2024 Local Biennial Notice form for local agencies to complete and return by August 1, 2024. The instructions are included as Attachment 2 and the notice as Attachment 3. The Board must determine in its sole discretion if an amendment to the District's current Conflict of Interest Code is required. Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure the agency's code includes disclosures by those agency officials who make or participate in making governmental decisions.

A local government agency must amend is Conflict of Interest Code if any of the below questions could be answered **YES**:

- Is the current code more than five years old? No
- Have there been any substantial changes to the agency's organizational structure since the last code was approved? **No**
- Have any positions been eliminated or re-named since the last code was approved? No
- Have any new positions been added since the last code was approved? No
- Have there been any substantial changes in duties or responsibilities for any positions since the last code was approved? **No**

Based on the answers to the criteria above, the District is not required to amend its current Conflict of Interest Code and the 2024 Local Agency Biennial Notice should be completed and returned accordingly.

<u>RECOMMENDATION</u>:

Staff recommends the Board of Directors to:

- 1. Find in its sole discretion the District's Conflict of Interest Code does not require amending pursuant to the 2024 Local Agency Biennial Notice.
- 2. Authorize the General Manager to complete and submit the 2024 Local Agency Biennial Notice as 'No amendment is required'.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attachment(s):

- 1. Resolution No. 2023-900 with Standard Conflict of Interest Code and Appendix
- 2. 2024 Conflict of Interest Code Biennial Notice Instructions for Local Agencies
- 3. 2024 Local Agency Biennial Notice

RESOLUTION NO. 2023-900

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT AMENDING THE STANDARD CONFLICT OF INTEREST CODE

WHEREAS, the Fair Political Practices Commission has adopted a Standard Conflict of Interest Code pursuant to the provisions of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000 et seq. and Section 18730 thereof; and

WHEREAS, in order to update the Conflict of Interest Code for the Rubidoux Community Services District it is necessary to adopt the Standard Conflict of Interest Code; and

WHEREAS, it is further necessary to adopt certain categories of designated employees pursuant to said Standard Conflict of Interest Code.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. That the foregoing Recitals are true and correct.
- That the Fair Political Practices Commission Standard Conflict of Interest Code, attached hereto, is hereby adopted as it may be amended from time to time by the Fair Political Practices Commission to conform to amendments in the Political Reform Act.
- Appendix Part "A", listing officials who manage public investments and thus are not subject to the Standard Conflict of Interest Code; and designated positions, titles, or functions that are subject to the Standard Conflict of Interest Code including disclosure categories assigned, is also hereby adopted.
- Appendix Part "B", identifying and describing disclosure categories one (1) to five (5), is also hereby adopted.
- 5. That this resolution supersedes Resolution No. 2022-892 in its entirety.

APPROVED AND ADOPTED this 2nd day of February, 2023 at the regular meeting of the Board of Directors of the Rubidoux Community Services District, by the following vote:

AYES: BERNARD MURPHY; JOHN SKERBELIS; HANK TRUEBA JR.; F. FOREST TROWBRIDGE; ARMANDO MUNIZ

NOES:

ABSENT:

ABSTENTIONS:

Bernard Murphy, President Rubidoux Community Services District

(Seal)

ATTEST:

Brian R. Laddusaw General Manager

APPROVED AS TO FORM AND CONTENT:

John R. Harper

District Counsel



CONFLICT OF INTEREST CODE

OF THE

RUBIDOUX COMMUNITY SERVICES DISTRICT

CONFLICT OF INTEREST CODE OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT

(Amended February 2, 2023)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Rubidoux Community Services District** (the "District").

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Board Secretary** as the District's Filing Officer. The **Board Secretary** shall make and retain a copy of all statements filed by the Officials who manage public investments, and forward the originals of such statements to the Clerk of the Board of Supervisors. The **Board Secretary** shall retain the originals of the statements of all other designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code Section 81008.)

1

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

RUBIDOUX COMMUNITY SERVICES DISTRICT

(Amended February 2, 2023)

<u>PART "A"</u>

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the District's Code but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Members of the Board of Directors

General Manager

Director of Finance and Administration

Financial Consultant(s)

¹ Individuals holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

| DESIGNATED POSITIONS' TITLE OR FUNCTION | DISCLOSURE CATEGORIES ASSIGNED |
|--|-----------------------------------|
| Assistant General Manager | 1, 2, 3, 4, 5 |
| Director of Engineering | 1, 2, 3, 4, 5 |
| Director of Operations | 1, 2, 3, 4, 5 |
| Engineering Consultants | 1, 2, 3, 4, 5 |
| General Counsel ² | 1, 2, 3, 4, 5 |
| | |

Consultants and New Positions³

² The position of General Counsel is filled by an outside consultant but acts in a staff capacity.

³ Individuals serving as a consultant as defined in FPPC Reg 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure category set forth in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

<u> PART "B"</u>

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which the designated is assigned⁴. Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the District.

<u>Category 1</u>: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, that do business in or own real property within the jurisdiction of the District.

<u>Category 2</u>: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

<u>Category 3</u>: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

<u>Category 4</u>: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

<u>Category 5</u>: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

⁴ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

FAIR POLITICAL PRACTICES COMMISSION

2024 Conflict of Interest Code Biennial Notice Instructions for Local Agencies

The Political Reform Act requires every local government agency to review its conflict of interest code biennially. A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700).

By **July 1**, **2024**: The code reviewing body must notify agencies and special districts within its jurisdiction to review their conflict of interest codes.

By October 1, 2024: The biennial notice must be filed with the agency's code reviewing body.

The FPPC has prepared a 2024 Local Agency Biennial Notice form for local agencies to complete or send to agencies within its jurisdiction to complete before submitting to the code reviewing body. The City Council is the code reviewing body for city agencies. The County Board of Supervisors is the code reviewing body for county agencies and any other local government agency whose jurisdiction is determined to be solely within the county (e.g., school districts, including certain charter schools). The FPPC is the code reviewing body for any agency with jurisdiction in *more than one county* and will contact them.

The Local Agency Biennial Notice is not forwarded to the FPPC.

If amendments to an agency's conflict of interest code are necessary, the amended code must be forwarded to the code reviewing body for approval within 90 days. An agency's amended code is not effective until it has been approved by the code reviewing body.

If you answer yes, to any of the questions below, your agency's code probably needs to be amended.

- Is the current code more than five years old?
- Have there been any substantial changes to the agency's organizational structure since the last code was approved?
- Have any positions been eliminated or re-named since the last code was approved?
- Have any new positions been added since the last code was approved?
- Have there been any substantial changes in duties or responsibilities for any positions since the last code was approved?

If you have any questions or are still not sure if you should amend your agency's conflict of interest code, please contact the FPPC. Additional information including an online webinar regarding how to amend a conflict of interest code is available on <u>FPPC's website</u>.

2024 Local Agency Biennial Notice

| Name of Agency: | Rubidoux Commun | ity Services District | |
|------------------|-------------------|-----------------------------|--|
| Mailing Address: | 3590 Rubidoux Blv | d., Jurupa Valley, CA 92509 | |
| | Brian Laddusaw | Phone No. 951-684-7580 | |
| | aw@rcsd.org | Alternate Email: | |

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one BOX):

An amendment is required. The following amendments are necessary:

(Check all that apply.)

- □ Include new positions
- Revise disclosure categories
- □ Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- □ Other (describe) _
- The code is currently under review by the code reviewing body.
- No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

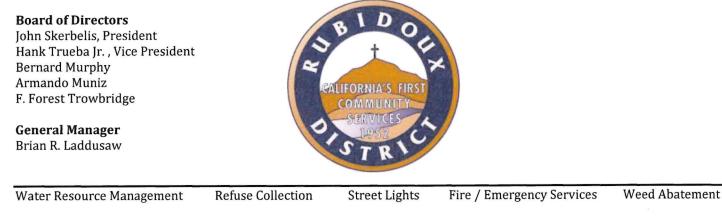
All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2024**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

5. CONSENT CALENDAR (continued)

E. **DM 2024-43**: Consider Ratification of Contract Change Order Number 2 for the Backwash Supply Pipeline Project at Leland Thompson Water Treatment Facility



DIRECTORS MEMORANDUM 2024-43

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: Consider Ratification of Contract Change Order Number 2 for the Backwash Supply Pipeline Project at Leland Thompson Water Treatment Facility

BACKROUND:

In January 2024 under Director's Memorandum 2024-02 the Rubidoux Community Services District ("District") Board of Directors ("Board") awarded a construction contract to G.A. Nelos for the construction of a backwash supply pipeline to address pressure surges occurring at the Leland Thompson Water Treatment Facility ("Thompson Plant") and in the system, most notably in the Loring Ranch area of the District. This project is currently under construction.

The District has also been working on addressing Manganese in the Transmission and Distribution system which currently have a Maximum Contaminate Level ("MCL") of 50 parts per billion ("ppb") (0.05mg/L). It is expected that this will be lowered by the California State Water Resources Control Board Division of Drinking Water ("DDW") to 20ppb in the near future as recent studies have indicated that Manganese above this level may have adverse health effects. Although this is the standard set by the DDW, Manganese concentrations at this level can occasionally cause staining of white porcelain and clothing in the wash. The District has decided to provide water to its customers at a concentration of 10ppb which is the lower bound detection limit by current testing methods and considered Non-Detect ("ND"). This is desired to limit to the maximum extent possible the effects of Manganese in the potable water supplied to District customers. Additionally, sales of water to the Jurupa Community Services District ("JCSD") are currently halted while the District works to lower its Manganese concentration levels such that staining is not likely to occur. Selling water to JCSD is important not only to the District in increased revenue but also to JCSD in providing a lower cost high quality water source.

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

The Thompson Plant has historically treated Well 17, which was replaced by Well 18 and Well 1A for Manganese while Well 8 did not need treatment for Manganese as the level of Manganese in the raw water from Well 8 was below the MCL of 50ppb. After construction and operation of the Ion Exchange for PFAS removal at the Thompson Plant it was found that Manganese was being removed from the potable water by the resin used to remove PFAS which is not desired as it shortens the life of the resin for its primary purpose of removing PFAS This Manganese has been determined to be coming from Well 8 which bypasses Manganese treatment at the Thompson Plant.

Additionally, after the initial contract was awarded to G.A. Nelos, it was found that the raw water from Well 8 was now exceeding 50ppb which exceeds the MCL. This means that Well 8 cannot be used independently and must be blended with water treated for Manganese from either Well 18 or Well 1A. It is also possible by repositioning valves in 34th Street in front of the Thompson Plant such that raw water from Well 8 will go through the Manganese Treatment Process. These valves essentially combine raw water from Well 1A and 8 to go into the treatment vessels. The pipe carrying water from both wells is too small to carry water from both wells simultaneously and the velocity in the pipe will approach 10 feet per second which will cause excess stress in the pipe and a phenomenon called water hammer to occur. It is generally recommended that water flow rates less than 7 feet per second do not exhibit this phenomenon and is considered a safe operating flow rate.

The solution to this is to replace the pipeline carrying the combined water from Well 1A and Well 8 with a pipeline of a lager diameter. As G.A. Nelos is already working under contract at the Thompson Plant it is expeditious to have them perform the installation of the upsized pipe and staff requested and received a Contract Change Order Proposal from G.A Nelos to add this work to the contract. This change order proposal is \$84,725.19.

The original bid for this project was \$534,000 to which staff applied a contingency of \$53,400 or 10%. Staff has already approved Contract Change Order No. 1, which is \$4,549.89 and covered by the contingency. There are also in process a few minor change orders of less than \$5,000 total which, including the approved Contract Change Order No. 1, are less than the contingency amount. There may also be other change orders during the duration of the project, although these are not expected to occur, nevertheless, it is desirable to keep the remaining balance of the contingency available for additional change orders.

As the upsized pipe at the Thompson Plant is needed to be installed as soon as possible because soon the summer water demand is imminent, and the District will need to have the full resources of all its wells available to meet demand without interruption Staff authorized the Contract Change Order Number 2 to keep the project moving forward. G.A. Nelos will prioritize the installation of this pipe in their schedule, so it is completed first before the bypass pipeline that is the initial contract purpose. This request is for the board to ratify Contract Change Order Number 2 and authorize the expenditure of an additional \$84,725.19 for the installation of this much needed pipe in the Thompson Plant.

Budget Considerations:

Pursuant to DM 2024-02, the current Board authorization for this project is \$805,000 which includes a 10% construction contingency of \$53,400 which is being utilized for change orders specifically related to the backwash supply pipeline. Staff recommends a budget amendment to incorporate this additional scope item by

adjusting the project cost an additional \$85,000, from \$805,000 to \$890,000, and to be funded by the District's Water Fund Unrestricted Operating Reserve Fund. As of May 17, 2024, the District's Water Fund Unrestricted Operating Reserve Fund has a balance of approximately \$5.4 million, which is more than sufficient to cover this budget amendment.

RECOMMENDATIONS:

Staff recommends the Board of Directors authorize the General Manager to:

- 1. Amend the District's FY 2023|2024 Water Replacement Project Budget Line 6 from \$805,000 to \$890,000 and include a transfer from the District's Water Fund Unrestricted Operating Reserve Fund in the amount of \$85,000.
- 2. Ratify the signing of Contract Change Order Number 2 with G&A Nelos for Construction of the upsized water pipe at the Leland Thompson Water Treatment Facility under the contract already authorized by the Board of Directors.

Respectfully,

BRIAN R. LADDUSAW, C.P.A. General Manager

Attach:

- 1. DM 2024-02
- 2. Contract Change Order Number 1
- 3. Contract Change Order Number 2



DIRECTORS MEMORANDUM 2024-02

January 4, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: Consider Awarding a Construction Contract for a Backwash Supply Pipeline and Other Miscellaneous Improvements to the Leland Thompson Water Treatment Facility

BACKROUND:

The existing Leland J. Thompson Water Treatment Plant ("Plant") removes manganese from raw water conveyed to the Plant from Well 1A and Well 18. The Plant was recently expanded to include an ion exchange filtration system for removal of per- and polyfluoroalkyl substances ("PFAS") from Well 1A and Well 18 downstream of the manganese filtration system, as well as water from Well 8 which does not require manganese removal.

The normal Plant operating pressure within the iron and manganese filtration system and ion exchange filtration system ranges between 130 psi and 170 psi, and the maximum pressure rating of the ion exchange filtration system is 175 psi. During construction of the new ion exchange filtration system, it was observed that high pressure surges within the existing iron and manganese filtration system resulted in pressure drops down to 20 psi followed by pressure spikes of 200 psi in a matter of 10 to 15 seconds. These surges are noticed throughout the water transmission and distribution system, including upstream of the iron and manganese filtration system and at the ion exchange filtration system. These high-pressure surges caused the existing 12" diameter raw water ("RW") pipeline in 34th Street to move during construction of the Well 8 RW pipeline tie-in connection causing the need to shut down the system for worker safety during the tie-in procedure. Additionally, these pressure surges have caused water transmission pipeline ruptures in the Loring Ranch residential neighborhood on the west side of Mission Boulevard, quite a distance from the Plant. The high-pressure surges have also contributed to the bursting of a high-pressure relief rupture disc on one of the ion exchange filtration system vessels during commissioning of the Ion Exchange Filters. The District has spent over \$50,000 making repairs thought attributable to the pressure surges.

Each of the three existing iron and manganese filter vessels are equipped with five dual-acting pneumatically actuated (air-to-open and air-to-close) isolation valves to control the filter operation modes, including filtration, backwash, and rinse (purge) modes. Preliminary evaluation by District staff indicates the pressure surges may have been caused by the filter vessel rinse valves closing too fast after the rinse cycle is complete.

A portion of the original pneumatic actuators have been replaced since the system was placed into operation. The replacement actuators are not equipped with adjustable stops to limit the opening position of the valves and are from a different manufacturer than the original actuators. In addition, some of the actuators, including original and replacement actuators, have been equipped with air flow control valves (throttle check valves) to control the opening and closing speed of the valves. However, since the actuators are from multiple manufacturers and only some actuators are equipped with air flow control valves, it is believed that the filter isolation valves open and close at different speeds. This makes it difficult to adequately troubleshoot the pressure surge issue.

Each iron and manganese filter is equipped with an electronic, diaphragm-type effluent rate of flow control valve to limit the maximum flow rate of each filter vessel. However, the rate of flow control valves is hydraulically held in the full-open position at all times to avoid the effluent of each vessel being erroneously restricted during backwash and rinse modes of operation. The District has determined the effluent rate of flow control valves can remain in the full-open position at all times since the Plant is operating substantially below its maximum rating as each filter is rated for a maximum flow rate of 2,500 gpm.

In January 2023 under Director's Memorandum 2023-06 the board awarded a Task Order to Krieger and Stewart Engineers to perform an in-depth study of on-going pressure surge issues at the Leland Thompson Water Treatment Facility. The work product from this analysis was a Final Technical Memorandum.

The Final Technical Memorandum was issued on July 11, 2022, and included several recommendations to remedy the pressure surge issues at the plant which were presented to the District by Krieger and Stewart in a meeting towards the end of July 2022.

Several of the tasks in the memorandum were operational in nature and District Field Staff made the suggested improvements to the Plants operations. These improvements have provided an incremental improvement in the surge problems at the Plant but have not completely solved them. In section 3 of the memorandum Krieger and Steward recommends installation of a new backwash supply pipeline to be constructed in 34th street:

"Obtaining backwash supply water from just the east distribution system pipeline will not reduce the high-pressure surges to the same extent as obtaining backwash supply water from both the west and east distribution system pipelines, but will allow filter backwash to commence while still discharging treated water from the Plant to the distribution system. Ultimately, the proposed interconnecting pipeline will provide greater operational flexibility for the various flow rate demands."

Well 2 has levels of Perchlorates and Nitrates which exceed the Maximum Contaminate Level ("MCL"). To resolve this, water from Well 2 is blended in a pipeline which runs from the Thompson Plant to Avalon Street along the 34th Street alignment. Currently there is a valve which must be closed while Well 2 is running to prevent water from Well 2 entering the Distribution System without proper blending with the water from the Thompson Plant. The District engaged Krieger and Stewart under DM 2023-06 to design a bypass pipeline which will allow water to enter the plant from both the east and west side of the distribution system while Well

3590 Rubidoux Blvd. Jurupa Valley, CA 92509 P.O. Box 3098 Jurupa Valley, CA 92519 951-684-7580 Fax: 951-369-4061 www.rcsd.org

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

2 is in operation. Plans were completed in September 2023 but Staff asked Krieger and Stewart to add additional items to the bid set after the initial plans were prepared as they can be completed by the contractor while they are already working on the project saving the cost of doing it under a change order or by a separate contract which will have additional mobilization costs.

The additional improvements include re-routing a pipe so the rinse water from the backwash is not discharged into the system but rather into the waste tank on the Leland Thompson site. Furthermore, the District needs to provide additional valving and piping so when pulling regulatory water quality samples for Well 8 the required flushing before sampling Well 8 can discharge into the waste tank at the Thompson Plant rather than onto Daly Street, causing potential flooding of neighboring properties on Daly Street. Although Well 8 is several blocks from the Thompson Plant, the valving and additional piping can be located at the Thompson Plant where raw water from Well 8 enters the Thompson Plant.

The District advertised this project in the Press Enterprise and invited several contractors to bid on the project. Six Prime Contractors attended the Job Walk but only one contractor submitted a timely bid. The contractor submitting the bid is G & A Nelos ("Nelos"), the contractor that just finished the Market Street Water Pipeline relocation Project. The District is very pleased with the quality of Nelos' work and has no reservations about granting this work to them. The bid submitted by Nelos has been found to be in order and is in the amount of \$534,000. Staff recommends a 10% Construction Contingency be added to this in the amount of \$53,400. This brings the total construction contract cost to \$587,400. Krieger and Stewart reviewed the contract documents and found them in order, providing a memo recommending the District award the contract to Nelos. A second contractor did prepare a bid but missed the deadline for submitting the bid, so their bid was disqualified. As a point of reference, their bid was found to be higher than that submitted by Nelos.

The District is purchasing the new butterfly valves associated with this project and having them installed by the contractor (Owner Furnished, Contractor Installed or "OFCI"). The District obtained a quote from Core & Main for these valves in the amount of \$56,972.52. No contingency is necessary on the purchase of these valves.

During construction, the District will need construction oversight, submittal review, inspection, soils work during compaction of trenches and surveying work provided. The District requested a proposal from Krieger and Stewart for this work. Krieger and Stewart's proposal for this work is \$159,800 of which \$6,176 is the cost of the additional engineering design mentioned above which was requested by the District. As this proposal is for more hours than it will likely take there is no contingency necessary and a Not to Exceed Task Order will be issued. It is highly likely the total amount authorized will not be exceeded as the project is expected to take less than the 12 weeks utilized to prepare the proposal.

The total cost of this project is \$804,172.52 as outlined below:

| Construction Contract | | |
|------------------------------|-----|--------------|
| Bid amunt: | | \$534,000.00 |
| Contingency | 10% | \$ 53,400.00 |
| Valves | | \$ 56,972.52 |
| Construction Oversight | | \$159,800.00 |
| Total Authorization | | \$804,172.52 |

Budget Considerations:

Included in the District's FY 2023/2024 Water Replacement Project Budget is Line 6 'LT WTF Fe/Mn System Backwash Pipe' in the amount of \$335,000. This amount is insufficient to cover the cost of this work and will require a budget amendment. Staff recommends the Board amend the District's FY 2023/2024 Water Replacement Project Budget from \$335,000 to \$805,000, an addition of \$470,000, with the excess funding coming from the District's Water Fund Unrestricted Operating Reserve Fund. As of January 4, 2024, the District's Water Fund Unrestricted Operating Reserve Fund has a balance of approximately \$5 million, which is more than sufficient to cover this budget amendment.

<u>RECOMMENDATIONS</u>:

Staff recommends the Board of Directors authorize the General Manager to:

- 1. Amend the District's FY 2023|2024 Water Replacement Project Budget Line 6 from \$335,000 to \$805,000 and include a transfer from the District's Water Fund Unrestricted Operating Reserve Fund in the amount of \$470,000.
- 2. Sign a contract with G&A Nelos for Construction of the Leland Thompson Water Treatment Facility Backwash Supply Pipeline.
- 3. Issue a Purchase Order to Core & Main for \$56,972.52 for the purchase of the necessary valves.
- 3. Issue a Task Order in a not to exceed amount of \$159,800 to Krieger and Stewart under Master Agreement RCSD 2022-02 to prepare the plans and documents for the installation of the Water Bypass Pipeline.

Respectfully,

BRIAN R. LADDUSAW, C.P.A. General Manager

Attach:

- 1. DM 2023-06
- 2. Contract Documents
- 3. Recommendation to Award Contract from Kieger and Stewart.
- 4. Quote from Core & Main for the Butterfly Valves
- 5. Proposal from Krieger and Stewart for Construction oversight

CONTRACT CHANGE ORDER NO. 1

K&S W.O. 587-19.65.8 F/C

| To Contract: | LELAND J. THOMPSON WATER TREATMENT PLANT FE/MN FILTRATION SYSTEM BACKWASH SUPPLY PIPELINE | , | dated_ | February 9, 2024 |
|---------------------|--|---|--------|------------------|
| by and between: | RUBIDOUX COMMUNITY SERVICES DISTRICT | | (| (OWNER), |
| and: <u>G&A</u> | NELOS CONSTRUCTION, INC. | | | (CONTRACTOR), |

Contractor is hereby directed to make the following change in Contract Work:

| Item No. | Description of Change | Decrease \$ | Increase \$ |
|--------------------------------------|--|----------------|------------------------|
| 1 2 | Installation of PVC encasement piping for sodium hypochlorite lines per Contractor's Change Order Proposal No. 2 Removal of existing slurry backfill material per Contractor's Change Order Proposal No. 3 and associated one (1) day time extension. | | \$353.00 \$4,196.89 |
| | Total Decrease in Contract Amount: | \$0.00 | |
| | Total Increase in Contract Amount: | | \$4,549.89 |
| | Net Change in Contract Amount: | | 4,549.89 |
| | Contract Amount Prior to Change: | | 4,000.00 |
| Contract Amount Adjusted for Change: | | | 8,549.89 |

By reason of Change Order No. $\underline{1}$, time of completion shall be adjusted as follows: $\underline{1}$ calendar day(s). Adjusted Contract Completion Date shall be August 8, 2024. All provisions of the Contract shall apply hereto, and shall become effective when fully executed (signed and dated) by both parties.

Contractor accepts the terms and conditions stated herein as full and final settlement of any and all claims arising from this Change Order. The adjustments to the Contract price and Contract time in this Change Order constitute the entire compensation and/or adjustment thereto due to Contractor, including but not limited to all direct, indirect, consequential, profit, labor, equipment, tools, idle time, incidentals, and overhead (field and home office) costs, due to Contractor arising out of or related to the change in the Work covered by this Change Order. The Contractor hereby releases and agrees to waive all rights, without exception or reservation of any kind whatsoever, to file any further claim or request for equitable adjustment of any type, for any reasonably foreseeable cause that shall arise out of, or as a result of, this Change Order and/or its impact on the remainder of the Work under the Contract.

| Recommended by (Engineer) | Bunlon C.V | ally | Date: | 5/10/2024 |
|---------------------------|--|----------|-------|------------|
| Accepted by (Contractor) | Carlos Giles | 0 | Date: | 05/10/2024 |
| Approved by (Owner) | Ted Beckwith 2024.05.15 17:45:08-07'00' | In Buhan | Date: | |
| Remarks | | | | |

CONTRACT CHANGE ORDER NO. 2

K&S W.O. 587-19.65.8 F/C

| | LELAND J. THOMPSON WATER TREATMENT PLANT FE/MN FILTRATION SYSTEM BACKWASH SUPPLY PIPELINE , | dated February 9, 2024 |
|-----------------------|--|------------------------|
| by and between: | RUBIDOUX COMMUNITY SERVICES DISTRICT | (OWNER), |
| and: <u>G&A</u> l | NELOS CONSTRUCTION, INC. | (CONTRACTOR), |

Contractor is hereby directed to make the following change in Contract Work:

| Item No. | Description of Change | Decrease \$ | Increase \$ |
|---|--|----------------|----------------|
| 1 | Construct connection piping between existing Well 8 raw water (RW) influent piping and existing iron and manganese filtration system influent piping per Contractor's Change Order Proposal No. 1 and associated time extension of eleven (11) calendar days. | | \$84,725.19 |
| | Total Decrease in Contract Amount: | \$0.00 | |
| | Total Increase in Contract Amount: | | \$84,725.19 |
| | Net Change in Contract Amount: | \$8 | 4,725.19 |
| | Contract Amount Prior to Change: | | 8,549.89 |
| Contract Amount Adjusted for Change: \$623,275.08 | | | 3,275.08 |

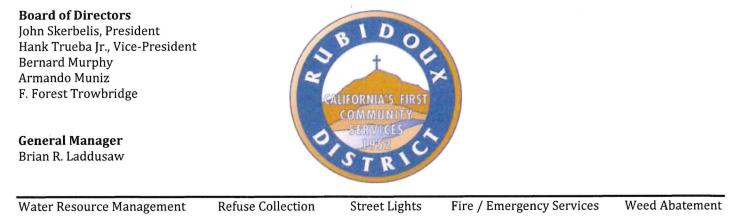
By reason of Change Order No. $\underline{2}$, time of completion shall be adjusted as follows: $\underline{11}$ calendar day(s). Adjusted Contract Completion Date shall be August <u>19</u>, 2024. All provisions of the Contract shall apply hereto, and shall become effective when fully executed (signed and dated) by both parties.

Contractor accepts the terms and conditions stated herein as full and final settlement of any and all claims arising from this Change Order. The adjustments to the Contract price and Contract time in this Change Order constitute the entire compensation and/or adjustment thereto due to Contractor, including but not limited to all direct, indirect, consequential, profit, labor, equipment, tools, idle time, incidentals, and overhead (field and home office) costs, due to Contractor arising out of or related to the change in the Work covered by this Change Order. The Contractor hereby releases and agrees to waive all rights, without exception or reservation of any kind whatsoever, to file any further claim or request for equitable adjustment of any type, for any reasonably foreseeable cause that shall arise out of, or as a result of, this Change Order and/or its impact on the remainder of the Work under the Contract.

| Recommended by (Engineer) | Bunlon C.V | ally | Date: | 5/28/2024 |
|---------------------------|--|------------|-------|------------|
| Accepted by (Contractor) | Carlos Giles | 0 | Date: | 05/25/2024 |
| Approved by (Owner) | Ted Beckwith 2024.05.29 16:10:41-07'00' | Jul Bachat | Date: | |
| Remarks | | | | |

5. CONSENT CALENDAR (continued)

F. DM 2024-44: Consider Revisions to Employee Handbook Policy Number 2142 'Travel Expense/Vehicle Cost Reimbursement'



DIRECTORS MEMORANDUM 2024-44

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: Consider Revisions to Employee Handbook Policy Number 2142 'Travel Expense/Vehicle Costs Reimbursements'

BACKGROUND:

This memorandum outlines proposed revisions to Policy 2142 - Travel Expenses/Vehicle Costs Reimbursements Policy for the Rubidoux Community Services District ("District"). The objective of these revisions is to establish a policy which ensures the fair, consistent, and transparent reimbursement of expenses incurred by District employees during the performance of their official duties. This policy establishes clear guidelines for reimbursable travel expenses and the use of personal vehicles for District business.

The purpose of this policy is to:

- Define reimbursable travel expenses.
- Establish procedures for requesting and approving travel reimbursements.
- Set standards for the use of personal vehicles for district business.
- Ensure compliance with applicable laws and regulations.

Reimbursable travel expenses include, but are not limited to:

- Transportation, i.e. private vehicle mileage, airplane, rental vehicle, rideshare cost, and/or taxi cost
- Meals
- Lodging
- Tolls
- Parking

Non-reimbursable expenses include, but are not limited to:

- Personal entertainment
- Barbering
- Laundering
- Alcoholic beverages
- Expenses of family members, e.g. spouses, children

The General Manager or designee may authorize employee attendance at meetings, conferences, trainings and seminars at District expense when the program material is directly related to an important phase of District service and holds promise of benefit to the District as a result of such attendance.

The revisions to this policy have been evaluated and approved by the District's legal counsel and were also provided to the District's Union representative on April 22, 2024. No response was received from the Union.

Revisions to this policy include:

- Increased detail on reimbursable and non-reimbursable expenses
- Information regarding transportation modes
- Information regarding lodging
- Clarification on information relating to the rates at which specific reimbursements are to be made, i.e. per diem costs and mileage rates.

<u>RECOMMENDATION</u>:

The General Manager recommends the Board of Directors consider the following:

1. Approve revisions to Employee Handbook Policy Number 2142 'Travel Expense/Vehicle Costs Reimbursements'.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attach:

- 1. Draft Revised Policy 2142 Travel Expenses/Vehicle Costs Reimbursements Revision
- 2. Employee Travel and Vehicle Expense Reimbursement Form
- 3. Current Policy 2142 Expenses/Vehicle Costs Reimbursement

POLICY TITLE: Travel Expenses/Vehicle Costs Reimbursements POLICY NUMBER: 2142

2142.1 In accordance with California law, the District reimburses employees for all reasonable expenses that they incur directly in performing their job duties. In order to obtain reimbursement from the District, the employee must, as required by the IRS regulations and by the U.S General Services Administration guidelines and regulations, submit a copy of the appropriate bill, receipts or other satisfactory evidence identifying the costs incurred to the Director of Finance and Administration.

2142.2 The General Manager or designee may authorize employee attendance at meetings, conferences, trainings and seminars at District expense when the program material is directly related to an important phase of District service and holds promise of benefit to the District as a result of such attendance.

2142.3 <u>Records and Reimbursements.</u> Requests for expense reimbursements should be submitted within 30 days of incurring the expenses. Receipts which verify the claimed expenditures will be required for all items of expense and will be verified by the Director of Finance and Administration. These items include:

- Transportation, i.e. private vehicle mileage, airplane, rental vehicle, rideshare cost, and/or taxi cost
- Meals
- Lodging
- Tolls
- Parking

Reimbursement will not be made for any personal expenses such as, but not limited to:

- Personal entertainment
- Barbering
- Laundering
- Alcoholic beverages
- Expenses of family members, e.g. spouses, children

Except as otherwise provided in this policy, expense reimbursements will be made on an actual cost basis.

2142.4 <u>Transportation Modes</u>. The general rule for selection of a mode of transportation is that mode which is the most efficient (time, cost, and availability) to the District.

2142.4.1 <u>Transportation via private vehicle</u>. Reimbursement for use of privately owned vehicles to conduct District business will be in accordance with the IRS standard mileage rate. The District intends to maintain the same standard mileage rate as the IRS and will modify the rate as official rate changes are announced. At a minimum, the IRS standard will be

reviewed in January of each year and changed in accordance with the published rate. This reimbursement is considered full and complete payment for actual necessary expenses for the use of the private vehicle including, but not limited to, insurance, maintenance, and all other transportation-related costs. Use of personal vehicles shall not be authorized for the performance of District work if a suitable District vehicle is available and safely operational.

Employees authorized to travel on official District business in their personal vehicles, will be reimbursed for those miles over and above their normal commute (home to work/work to home).

An accepted mapping program, such as Google Maps or Apple Maps, will be the basis for determining point to point mileage reimbursement and reasonable business-related mileage. Deviations from this mileage must be explained in writing and will be subject to review and approval from the responsible authority.

- 2142.4.2 <u>Commercial Airplane</u>. When commercial airplane transportation is approved, the "cost of public carrier" is the cost of air coach/economy class rate, or less, including tax and security surcharges.
- 2142.4.3 <u>Rental Car.</u> The use of a rental car will be considered when necessary due to traveling out of the area by aircraft, and/or when it is the most economical means of transportation. When rental car use is approved, the following requirements apply:
 - Rental car insurance is to be purchased to provide full protection to the District.
 - District personnel traveling together will share rental car(s) to the degree possible.
- 2142.4.4 <u>Other Transportation</u>. Rail transportation, taxi, bus, subway, metro, ferry, and other modes of transportation will be provided when the cost does not exceed the cost of the least expensive transportation option.

2142.5 <u>Lodging</u>. Allowances for lodging, necessary for the purpose of conducting District business, must be pre-approved by the General Manager or designee. Excess charges greater than the allowance listed by the U.S. General Services Administration regulations may be authorized under special conditions, such as a convention requirement or in an area of unusually high cost. Additionally, when conference arrangements include room options at a group discount rate, this option will be considered. Any additional charges made to the room will not be reimbursed.

2142.6 <u>Meals</u>. Meal reimbursement will be paid on a Per Diem basis as described in the U.S. General Services Administration regulations and requirements. The reimbursement does include taxes and tips in the rate. Employees will not be reimbursed separately for those items. The District intends to maintain the same standard rate as the U.S. General Services Administration and will modify the rate as official rate changes are announced.

At a minimum, the U.S. General Services Administration standard will be reviewed in January of each year and changed in accordance with the published rate.

2142.7 <u>Insurance</u>. Proof of adequate insurance coverage for collision, personal injury, and property damage shall be required by the District of any employee using a personal vehicle in the performance of District work. Failure to maintain proper insurance coverage may result in the denial of reimbursement for vehicle-related expenses.



EMPLOYEE TRAVEL AND VEHICLE EXPENSE REIMBURSEMENT:

| Date: | Mileage: | Mileage Rate: | Airfare: | Transportation: | Rental Vehicle: | Lodging: | Meals & Tips: | Supplies: | Tolls & Parking: | Other: |
|---------|----------|---------------|----------|-----------------|-----------------|----------|---------------|------------|---------------------|--------|
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | 20.2 | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Totals: | | | | | | | | | | |
| | | | | | | | | Total Reim | bursement: | |

Approval:

| Requested By: | Signature: | Date: |
|------------------|---------------|-------------|
| Approved By: | Signature: | Date: |
| Amount Approved: | Check Number: | Check Date: |

Rubidoux Community Services District

POLICY TITLE: Expenses/Vehicle Costs Reimbursement POLICY NUMBER: 2142

2142.1 In accordance with California law, the District reimburses employees for all expenses that they incur directly in performing their job duties. In order to obtain reimbursement from the District, the employee must, as required by IRS regulations, submit a copy of the appropriate bill, receipts or other satisfactory evidence identifying the costs incurred to the Director of Finance and Administration. The employee must also complete the appropriate reimbursement request form and verify the amount of the expense, the date the expenses were incurred, and the reason why they were incurred. All reimbursement requests should be submitted within 30 days of incurring the expense.

2142.2 When an employee is authorized to use their personal vehicle in the performance of District work, they shall be reimbursed for the cost of said use on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of said usage.

2142.3 Use of personal vehicles shall not be authorized for the performance of District work if a suitable District vehicle is available and safely operational.

2142.4 Every attempt shall be made to coordinate work so that District vehicles are available and operational for the performance of said work.

2142.5 Proof of adequate insurance coverage for collision, personal injury, and property damage shall be required by the District of any employee using a personal vehicle in the performance of District work.

6. CORRESPONDENCE AND RELATED INFORMATION

A. Article from Riverside Press-Enterprise – Editorial – CEQA reform is still needed as much as ever

EDITORIAL

CEQA reform is still needed as much as ever

After more than a year of study, California's Little Hoover Commission has confirmed what many have long known: the California Environmental Quality Act needs reform.

The commission, which stands as an independent agency which investigates state policy issues and offers recommendations for reform, began holding hearings on CEQA in March 2023.

The commission credits the environmental protection law, which was signed in 1970 by then-Gov. Ronald Reagan, for offering important protections to the Golden State's environment.

However, the commission concluded, "it is also true that CEQA, like any law, can have damaging, often unintended, consequences. It is an expensive and lengthy process that can add years to project timeframes. It can be used for purposes that have little relationship to environmental protection. Its strong bias toward the status quo means that it can be used to block projects that would help improve the environment."

Hundreds of CEQA lawsuits are filed every year. While some might raise legitimate issues, many often don't and are intended to throw a wrench into planned developments.

A 2015 report by Jennifer Hernandez and David Friedman found that, "Sixty-four percent of those filing CEQA lawsuits are individuals or local 'associations,' the vast majority of which have no prior track record of environmental advocacy — and CEQA litigation abuse is primarily the domain of Not In My Backyard (NIMBY) opponents and special interests such as competitors and labor unions seeking non-environmental outcomes."

As frequently noted in these pages, there's a reason why Gov. Jerry Brown referred to CEQA reform as "the Lord's work." Brown recognized that reforming the law to prevent abuses of it was necessary, but also recognized that getting reforms through was a tall task. And so, to date, the Legislature has mostly stuck to incremental tweaks or just outright exempting specific projects or types of projects from the law.

The Little Hoover Commission also calls for targeted reforms to the law. This includes following Washington state's lead in exempting new housing within urban growth boundaries from environmental review. This would free much development from delays or legal threats.

"California will never achieve its housing goals as long as CEQA has the potential to turn housing development into something akin to urban warfare—contested block by block, building by building," the commission notes.

Other recommendations include strengthening standing requirements for those who wish to use the law to sue under CEQA, "establish clear parameters for significance thresholds and for analysis and mitigation of impacts," and improving processes to prevent "data dumps" and "late hits" against projects.

These are all worthy of consideration.

Indeed, it is time for the Legislature to not just talk about talking about CEQA. It is time for the Legislature to take seriously the need to reform the California Environmental Quality Act in a way that is fair and responsible. We can and should protect the environment without all the abuses of the law.

6. CORRESPONDENCE AND RELATED INFORMATION (continued)

B. Article from Riverside Press-Enterprise – Riverside – Council approves power line plan

RIVERSIDE

Council approves power line plan

In a 4-3 vote, majority rejects calls to run project underground instead of on 180foot towers

BY MADISON HART

MHART@SCNG.COM

Despite ongoing pushback on its plans to run power lines along 180-foot towers above the Santa Ana River, a majority of the Riverside City Council has given the long-awaited project its final approval.

The council voted 4-3 Tuesday evening to proceed with the power project as proposed, rather than scrap the plan and redesign it to bury the power lines, as officials from neighboring Norco and Jurupa Valley have urged.

Riverside officials have expressed concerns about power outages with the city's current connection to the power grid, and Southern California Edison has been developing plans for a second connection, or the Riverside Transmission Reliability Project, for years. The project ultimately would tie in near Jurupa Valley and carry power to Riverside with dozens of 180foot steel poles.

Norco City Councilmember Kevin Bash, who spoke at the council meeting Tuesday, criticized Riverside for fighting opponents of the planned above-ground power lines.

"This (project) needs to be undergrounded," Bash said.

In its push to see the power transmission lines buried, Norco and its supporters, including a bipartisan group of elected officials, have argued that wildfire risks and other conditions have changed in recent years, justifying changes to the project.

Caroline Choi, senior vice president of corporate affairs and public policy at Edison, said the project is critical to meeting Riverside's needs.

"Riverside's current system capacity is nearing its limit, Choi said, "with peak loads expected to exceed safe operating standards by 2029, or as early as 2026 with expected demand growth."

The majority of the Riverside council agreed, despite opposition from the majority of public speakers at the meeting Tuesday, saying it's time to get to work on a project two decades in the making.

"Based on the totality and what is best for the entire city," Councilmember Jim Perry said, "it is time to move on with this project."

Councilmembers Philip Falcone, Steven Robillard and Sean Mill joined Perry in voting for the project. Councilmembers Clarissa Cervantes, Chuck Conder and Steve Hemenway voted against it.

In October, the council left the decision on the project up to the California Public Utility Commission, which authorized Edison to construct the project as currently designed. With the council's vote Tuesday, the project's construction will essentially be in Edison's hands.

The transmission lines will run from the utility's Mira Loma Substation in Ontario to the Wildlife Substation in Riverside, along the Santa Ana River. Total project cost is estimated at \$730 million. The city's portion for the project is about \$208.8 million.

Officials say the transmission lines will be completed by 2029, unless opponents find a way to stop the project.

Reached Wednesday, Bash said the city of Norco has one option: "Fight."

Bash didn't explain further, but Norco officials in March said they were eyeing a legislative fix, working with Assemblyman Bill Essayli, R-Riverside, to introduce a bill that would suspend the power project until an updated environmental study is completed.

7. <u>REPORTS</u>

A. Operations Report (Second Meeting Each Month)

7. <u>**REPORTS**</u> (continued)

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

7. <u>REPORTS</u> (continued)

C. General Manager and Staff Reports / Updates

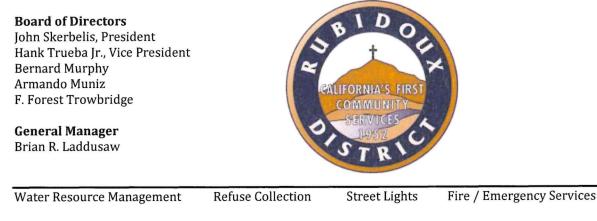
7. <u>REPORTS</u> (continued)

D. Committee Reports

8. ACTION / DISCUSSION ITEMS

A. DM 2024-45: Consider At-Risk Development Agreement for Tract 32721 and Tract 36947

Rubidoux Community Services District



DIRECTORS MEMORANDUM 2024-45

June 6, 2024

Weed Abatement

To: Rubidoux Community Services District Board of Directors

Subject: Consider At-Risk Development Agreement for Tract 32721 and Tract 36947

BACKGROUND:

The Rubidoux Community Services District ("District") Board of Directors ("Board") adopted the current Design and Construction Manual ("Manual") in 2005. This Manual requires in Appendix "F" that the Tract Map for the development be approved by the City of Jurupa Valley ("City"), as successor to the County in 2011 when the City was incorporated and recorded with Riverside County Recorder's Office ("County Recorder").

Within the City and District, two tracts of homes are under development by Lennar Homes of California, LLC, ("Developer") which are Tract 32721 and Tract 36947. The project, currently called Emerald Ridge North, includes a total of 204 detached single family residential lots and is located east of Murial Avenue, North of Canal Avenue and west of 28th Street. The Tract Maps for this development have not yet been approved by the City and therefore has not yet been recorded with the County Recorder. The Developer desires, however, to start construction on this project prior to approval and recording of the Tract Map. The City will soon permit the Developer to start grading the proposed streets and building pads and the next step in construction is to install the Water and Sewer Pipelines ("Pipelines").

As the District's Manual requires the Tract Map be recorded, technically the District cannot allow construction of the Pipelines at this time. Since the Manual is a legally adopted document by the Board, staff considers it appropriate to create an Agreement with the Developer to start construction and to bring the Agreement to the Board for approval before signing the Agreement. A similar agreement was considered and approved by the Board with a different developer (Tract 37211) on March 21, 2024, pursuant to Directors Memorandum 2024-25.

This Agreement is attached to this Director's Memorandum and includes provisions placing the Developer at their own risk in constructing the Pipelines in that the installation of the Pipelines does not create a vested

Street Lights

interest that the Tract Maps will be recorded in their present configuration and that if changes are made to the location of the streets wherein the Pipelines are placed the Developer will have to relocate the Pipelines at their own cost.

Coordination

Staff and District Counsel John Harper have coordinated with Lennar Homes of California in the development of the attached Agreement and recommend the Board of Directors consider its approval.

RECOMMENDATION:

Staff recommends the Board of Directors consider authorizing the General Manager to sign the agreement titled "AT RISK CONSTRUCTION AGREEMENT WATER AND SEWER SYSTEM IMPROVEMENTS TRACT NOS. 32721 and 36947 (Emerald Ridge North))" between the District and Developer.

Respectfully,

BRIAN R. LADDUSAW General Manager

Attachments:

AT RISK CONSTRUCTION AGREEMENT WATER AND SEWER SYSTEM IMPROVEMENTS TRACT NOS. 32721 and 36947 (Emerald Ridge North) "Agreement" between the District and Developer

AT RISK CONSTRUCTION AGREEMENT WATER AND SEWER SYSTEM IMPROVEMENTS

TRACT NOS. 32721 and 36947 (Emerald Ridge North) June 6, 2024

This Reimbursement Agreement Water System Improvements (this "**Agreement**") is made by and between the Rubidoux Community Services District, a public agency ("**District**"), Lennar Homes of California, LLC ("**Developer**"). District and Developer may also be collectively referred to herein as "Parties" and individually as "Party."

RECITALS

A. **WHEREAS**, Developer proposes the construction of Tract No. 32721 & 36947, a 204-lot single family residential development ("**Project**") located in the District's service area west of Canal Street and 28th Street in the City of Jurupa Valley, California (the "**City**") as shown in Exhibit A (the "**Tentative Tract Map**"); and,

B. WHEREAS, the Developer has obtained entitlement approvals through the City and as part of satisfying conditions of approval set by the City, the Developer must design, bid, and install to District standards, at Developer's sole cost and expense, certain water and sewer facilities in the Project as specified in Exhibit B, attached hereto and incorporated herein by reference ("Developer Improvements"); and

C. WHEREAS, the District also conditioned the Developer to build certain other water and sewer improvements identified in the District Master Plan to be reimbursed by the District to the Developer under a separate agreement which are also delineated in Exhibit B (the "District Requested Improvements"); as well as provide the District access to any temporary hydrants and meters installed at the Project;

D. **WHEREAS**, the District's 2005 Design and Construction Manual has been adopted by the District Board of Directors and requires the Tract Map be final, approved by the City and recorded with the County Recorder's Office before construction of the water and sewer facilities; and

E. **WHEREAS**, the Developer desires to start construction of the water and sewer facilities prior to the Tract Map being final, approved by the City and recorded with the County Recorder's Office; and,

F. **WHEREAS**, the Developer Improvements and the District Requested Improvements are hereafter jointly referred to as the "**Improvements**" as shown in Exhibit B; and, G. **WHEREAS**, the Developer agrees to construct the Improvements at its own expense, except for the expense of installing the District Requested Improvements which will be borne by the District under the terms of a separate written agreement; and,

H. **WHEREAS**, the Developer agrees to construct the Improvements at its own risk; and,

I. **WHEREAS**, it is the purpose of this Agreement to establish and memorialize the terms and conditions between the Parties regarding the installation of the Improvements; and,

J. WHEREAS, The Developer is the current Owner of Project; and,

K. **WHEREAS**, the District has requested that the Developer execute this Agreement as the owner and developer of the Project, .,

TERMS

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained the Parties agree to as follows:

1. Incorporation of Recitals

The Recitals are incorporated herein and made an operative part of this Agreement.

2. Construction and Installation of the Improvements

a. The Developer will construct the Improvements in Exhibit B at its own risk and understands that the construction of the Improvements will not ensure the Tract Map is ever approved by the City and subsequently recorded in the Official Records of the County of Riverside. The Developer also understands that construction of the Improvements does not create a vested right of the Developer in obtaining entitlements or approvals of the Tract Map.

b. <u>Prevailing Wages</u>. Developer is aware of the requirements of Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("**Prevailing Wage Laws**"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. The Improvements being funded by a Community Facilities District or by the Rubidoux Community Services District involve an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Developer shall fully comply with such Prevailing Wage Laws with respect to the Improvements. Developer shall obtain a copy of the prevailing rates of per diem wages at the commencement of the bidding of the Improvements from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at www.dir.ca.gov/dlsr/. In the alternative, Developer may view a copy of the prevailing rates of per diem wages at the District Office. Developer shall defend, indemnify, and hold District, its elected officials, officers, employees, and agents free and harmless from any claims, liabilities, costs, penalties, or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws with respect to the Improvements constructed by Developer.

3. Inspection and Improvements

a. Without modifying or limiting Developer's obligations under this Agreement, District will inspect and test the Improvements constructed by the Developer. The District will track costs incurred by the District for all expenses associated with inspection and testing of the Improvements. As the work associated with the District Requested Improvements is in the Public Right of Way, the District shall have access to the work site at all times during business hours to conduct tests or inspections. Any deficiencies in the Improvements noted by the District shall be corrected by the Developer at its sole cost and expense. Upon completion of the Improvements, to the satisfaction of District and once the Tract Map is final, approved by the City and recorded with the Riverside County Recorder's Office, the Improvements shall be presented to the District for acceptance.

Acceptance by the District of the Improvements constructed by the b. Developer shall be conditioned upon performance of the obligations set forth in this Agreement in regard to: (i) approval by District of the construction and installation of Improvements: (ii) lien free completion of construction of the District Requested Improvements; and (iii) acceptance of title to the Improvements by the District by way of the recordation of the applicable conveyance document in substantially the form set forth in Exhibit C attached hereto and incorporated herein by reference. District will assist Developer to the best of its ability in procuring the property rights necessary to construct, maintain, and operate the Improvements in the public right-of-way including without limitation obtaining appropriate licenses, easement deeds or other conveyances as necessary, but as the Tract Map is not yet final, approved by the City or recorded with the Riverside County Recorder's Office, this may not be feasible and, to the extent not feasible, the portion of the work impacted as such may need to be delayed until the Tract Map is recorded and the necessary access rights are obtained. District confirms that all of the District Requested Improvements shall be located within public right-of way once the Tract Map is final, approved by the City and recorded with Riverside County Recorder's Office if the District Requested Improvements are located as currently shown on the approved Water and Sewer Plans attached as Exhibit B and if the location of the lots and streets do not change from what is shown in the approved Tentative Tract Map attached as Exhibit A to what is shown in the final Tract Map as approved by the City and recorded with the Riverside County Recorder's Office. Notwithstanding the foregoing, to the extent any private third-party consents are required in order to construct the District Requested Improvements, the District shall be responsible for timely obtaining such consents, at no cost to Developer, and to the extent that any private third-party consents

are required in order to construct the Developer Improvements, the Developer shall be responsible for timely obtaining such consents at Developer's expense. Said activities by both Parties shall also be subject to the rights and obligations of the Parties under District rules and regulations as the same may be revised from time to time.

c. Within thirty (30) days after completion of construction of the Improvements and final inspection by District, District shall accept the Improvements as complete, subject to the provisions of this Agreement, provided such Improvements are constructed in accordance with approved District provided plans, specifications, and contract documents, and operates satisfactorily. Upon acceptance of any Improvements, Developer shall assign to District all of Developer's rights and remedies, including warranties, for such improvements as set forth in the approved contract documents. Developer shall be responsible for any accident, loss, or damage to said Improvements prior to acceptance by District. Developer shall require its contractors to warrant all work and materials for the Improvements to be free from all defects due to faulty materials or workmanship for a period of one (1) year from the date of acceptance by District. Upon acceptance of any of Improvements by the District, District shall assume all liability and responsibility for the operation, maintenance, use and ownership of those Improvements.

e. Nothing in this Agreement shall relieve Developer, its subsidiaries, partnerships, or any other entity from the requirement to pay all rates and fees which shall apply to the Project pursuant to the Rules and Regulations as the same may be revised from time to time. Further, nothing in this Agreement shall prevent the Developer from being reimbursed for the cost of the District Requested Improvements from CFD bond proceeds applicable to these improvements.

4. RESERVED

5. General Provisions

a. <u>Standard of Care and Safety</u>. Developer shall ensure that all work for the District Requested Improvements is performed in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals and contractors in the same discipline in the State of California. Developer shall procure the services of professionals and contractors skilled in the professional calling necessary to perform the District Requested Improvements work. All employees, contractors and subcontractors shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform such work and all such licenses and approvals shall be maintained throughout the term of their work. Developer shall ensure that it and its consultants and contractors execute and maintain their work to avoid injury or damage to any person or property. In carrying out their work, they shall at all times be in compliance with all applicable local, state, and federal laws, rules and regulations, and

shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

b. <u>Indemnification</u>. Each Party hereby agrees to indemnify, defend, save, and hold harmless the other Party and their respective officers, agents, servants, and employees, of and from any liabilities, claims, demands, suits, action, and cause of action to the extent arising out of or in any manner connected with any act or omission of such indemnifying Party, performed in connection with such Party's duties and obligations hereunder.

Successors and Assigns. This Agreement shall inure to the benefit of and C. be binding on each of the Parties and their successors and assignsThis Agreement shall not be assigned by Developer without the prior written consent of District, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, District's failure to disapprove of a proposed assignee in writing (any such disapproval shall specify the reasonable basis for such disapproval) within ten (10) days following written request for approval shall be deemed District's approval of and consent to such assignment as required hereunder. Without limiting the foregoing, it shall be unreasonable for District to withhold consent so long as the proposed assignee has the financial resources to undertake the work contemplated in this Agreement. District's consent hereunder does not require approval by the District's board. In the event of such an assignment, the assignees shall agree to be bound by all terms and conditions of this Agreement which accrue from and after the date of said assignment and may be required by District to enter into an assignment or other contractual arrangement to reasonably document said obligations.

d. <u>Effective Date of Agreement</u>. The Effective Date of this Agreement is the date last signed by the Parties.

e. <u>Term and Termination</u>. This Agreement shall expire upon completion of performance of this Agreement by both Parties. In the event either Party defaults in the performance of any of its obligations under this Agreement, the other Party shall have all rights and remedies available to them under the law, including without limitation, the right to terminate this Agreement upon written notice to the defaulting Party; provided, however, in the event a party seeks damages, it shall recover only actual damages (but not any consequential, incidental or punitive damages), and each party expressly waives its rights to receive consequential, incidental or punitive damages under this Agreement.

f. <u>Notices</u>. All notices permitted or required under this Agreement shall be deemed made when delivered to the applicable Party's representative as provided in this Agreement. Such notices shall be mailed or otherwise delivered to the addresses set forth below, or at such other addresses as the respective Parties may provide in writing for this purpose:

Rubidoux Community Services District

Rubidoux Community Services District 3590 Rubidoux Blvd. Jurupa Valley, CA 92509 Attention: General Manager Brian Laddusaw

Lennar Homes

Lennar Homes of California 4140 Temescal Canyon Rd., Suite 410

Corona, CA 92883 Attention: Matthew Gevergiz

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, certified mail, return receipt requested, to the party at its applicable address.

g. <u>Attorneys' Fees</u>. In the event any action is commenced to enforce or interpret any term or condition of this Agreement, in addition to costs and any other relief, the prevailing Party shall be entitled to its reasonable attorneys' fees, expert fees and other reasonable costs of defense.

h. <u>Entire Agreement; Amendment</u>. This Agreement contains the entire agreement of the Parties hereto with respect to the matters contained herein, and supersedes all negotiations, prior discussions and preliminary agreements or understandings, written or oral. No waiver or modification of this Agreement shall be binding unless consented to by both Parties in writing.

i. <u>Waiver</u>. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

j. <u>Invalidity and Severability</u>. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

k. <u>Governing Law</u>. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

I. <u>Labor Certification</u>. By its signature hereunder, Developer certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake selfinsurance in accordance with the provisions of that Code. Developer agrees to comply with such provisions and to require its consultants and contractors to comply with such provisions before commencing any work.

m. <u>Authority to Enter into Agreement</u>. The Parties warrant they have all requisite power and authority to execute and perform this Agreement. Each person executing this Agreement on behalf of their Party warrants they have the legal power, right, and authority to make this Agreement and bind their respective party.

n. <u>Counterparts</u>. This Agreement may be signed in counterparts, each of which shall constitute an original.

o. <u>Insurance</u>. For the period during which Developer or its contractor(s) controls the job site, Developer will require that the contractor provide, for the entire period of construction, a policy of Workers' Compensation Insurance and Commercial General Liability Insurance with coverage broad enough to include the contractual obligation it may have under the construction contract and having a combined single limit of liability in the amount of \$2,000,000 covering District's officers, employees and agents as additional insureds.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties hereto have executed this Reimbursement Agreement effective as of the last date indicated below.

RUBIDOUX COMMUNITY SERVICES DISTRICT

Brian Laddusaw Its: General Manager Date:

DEVELOPER

Lennar Homes of California, LLC, a California Limited Liability Company

By:

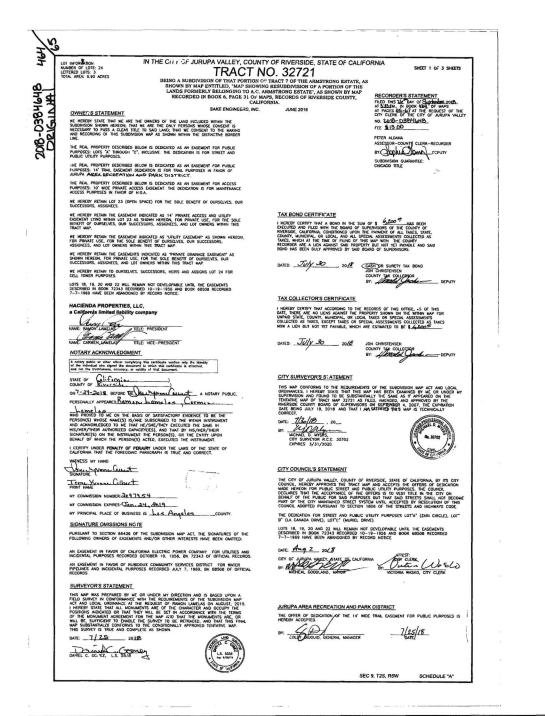
Signature

Print Name

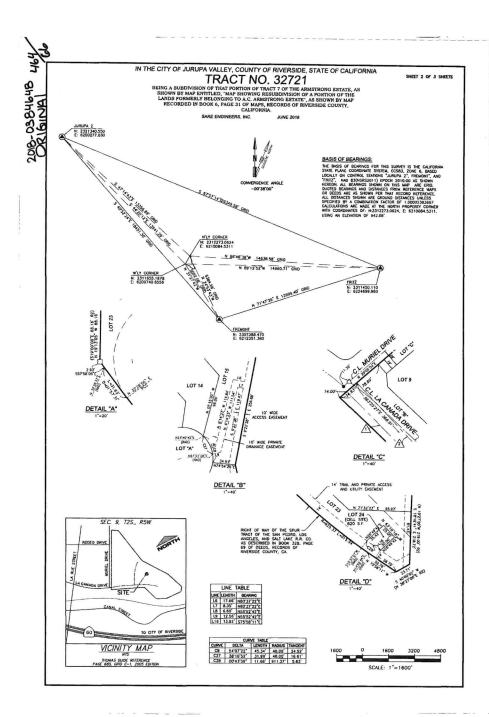
Title

EXHIBIT A

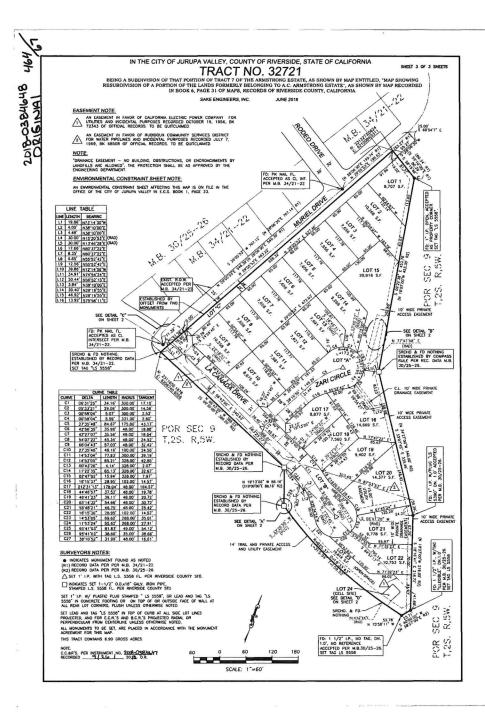
Tentative Tract Maps 32721 & 36947



This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

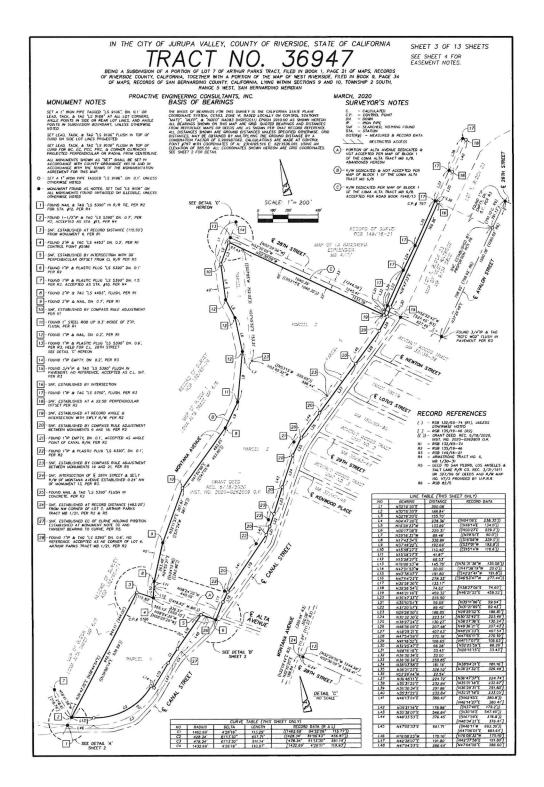
Requested By: chmaziar, Printed: 6/13/2019 10:42 AM

| MEREDIOIS: 200 IN THE CITY OF JURUPA VALLEY, COUNTY OF R TREPLOIS: TAREA: 33.23 ACRES BEING A SUBDIVISION OF A PORTION OF LOT 7 OF ARTHUR PARKS | 36947 TRACT, FILED IN BOOK 1, PAGE 21 OF MAPS, | RECORDER'S STATEMENT FILED THIS DAY OF 20 ATM IN BOOK DF MAPS, AT | |
|--|--|--|--|
| BEING A SUBDIVISION OF A PORTION OF LOT 7 OF ARTHUR PARKS RECORDS OF RIVERSIDE COUNTY, CALIFORMA, TOGETHER WITH A PORT BOOK 9, PAGE 34 OF MAPS, RECORDS OF SAN BETMANDINO COUNTY, DOWNSHIP 2 SOUTH, RANGE 5 WEST, SAN BI | ERNARDINO MERIDIAN | PAGES AT THE REQUEST OF THE CITY CLERK OF THE CITY OF JURUPA VALLEY. NO FEE | |
| PROACTIVE ENGINEERING CONSULTANTS, INC. | MARCH, 2020 | PETER ALDANA, ASSESSOR-COUNTY CLENK-RECORDER 81 DEPUTY SUBDIVISION GUARANTEE FIRST AMERICAN THEE COMPANY | |
| WHER'S STATEMENT INTERS'S STATEMENT RENERS'STATE THAT HE ARE THE OWNERS OF THE LAND INCLUED WITHIN THE SUBDIVISION SHOWN FROM THAT HE ARE THE OWNERS PERSONS WHOSE CONCENT IS INCLUSING TO PASS A CLEAR THE SAULUME. THAT HE CONSIST TO THE MANNER AND RECORDING OF THIS SUBDIVISION MAP AS SHOWN HIMIN THE DISTINCTIVE OBJECT HIM. IN THAT AND THE SUBJECT HE DECONTROL AND ALL STATUTI'S PARKE PARTY IS 'N THATOM Y', INCLUSIVE THE CEDICATION IS OR STREET AND PUBLIC WITHIN PHROBES SA SON HEREY THE DECORT TO THE CIT OF ARMA WALLET EASEMENT () AS SHOWN HEREON FOR BUILD CUTTLY PURPOSES | 1, , | HEEC DON AND IS BASED UPON A FELD SUPLY H UPDIVISION UMP ACT AND LOCAL GROWANCE AT N MARCH 2020 I HEBERY STAFE THAT ALL Y DE POSITIONS MORATE OF THAT THEY HALL MONNERT A GREEDON'T FOR THE MAP AND THAT MONNERT A GREEDON'T FOR THE MAP AND THAT SURVEY IS TRUE | |
| S A CONDITION OF DEDICATION OF LOTS 188, 189 AND 190 ABUTTING 2014 STREETS AND DURING CAN THE MALL HARE NO REATS OF ACCESS STREET? THE GENERAL RASSONT OF TRANEL, ANT MARCO OF ALLOWEDT ON MEDIT THAT HEALTS IN THE VALATION THEORY CANADIN ALL TRANSMET HAS STREAMEN AS TO THE PART WACARD. IN EALL PROPERTY DESCREDE BUZION IS DEDICATED TO THE OTT OF ARUPA VALLEY IN FEE. | CHARLES J. More | 4/10/2024 LS 9105 A DATE LS 9105 A | |
| IN THE CONCENT DESCRIPTION DELEVANDED TO THE OTTOM CONCENT AND ESTIMATED AS THE CONCENT OF THE CONCENT. | CITY ENGINEER'S STATEMENT (| NERED HE WIRP MAP, HAT HE SUBDINISON SHOW ON HE TRYLTATIE FACT MAP AND ANY APPROVE HE OF APPROVAL OF THE TRYLATHE MAP HAVE BEEN ME OF APPROVAL OF THE TRYLATHE MAP HAVE BEEN | |
| IE RUBIT TO USE THE LASEMENT AREA PROVIDED THAT OWERE SHALL NOT CONSTRUCT OR ERECT URDNOS, MASADARY MALS, MASONEY FORES AND OWNER STRUCTURES OR MARONEENEN; OR PLANT R OROW TREES OF SHRUES, OR CHANGE THE SHFACE GWADE OR INSTALL PRIVATELY-OWNED PELINES WITHOUT THE PRIOR WRITTEN CONSENT OF UISTRICT. H MERTER KESTINK TO DUNSELVES, OUR HERS AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF HERES AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF HERES AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF HERES AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF HERES AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND A STRUCTURES OF AND ASSINS EASEMENT (C) AS SHOWN HEREON TO DUNSE OF AND ASSINT ASSINTANT ASSINT ASSINT ASSINT ASSINT ASSINT ASSINT ASSINTANT ASSINT | CITY SURVEYOR'S STATEMENT | | |
| I where reserve to constlues, con here and associe easebut \bigcirc as shown hereon to e ledicate by subart instrument for the benefit of R.C.F.C.MICD. For maintenance and costs pupposes. I encoded by the second state of the second state of the second state of the second state of the cost of the second state state of the second state of a large of the second state of | L DENNES W. JAHDA, HEREDY STATE THAY I HAVE EXAM MAP IS TECHNICALLY CORRECT. DATE: 70 | INED THE WITHIN MAP, AND I AM SATISTIED THAT SAID | |
| L RUDGHEU BI SCHWARE HAINWEEH FOR ING BENEN OF GAANALU FON FOOD HAN RYSSES E NERGEN REINN LOIS 186, 187, 188, 189, 190, 193, 194, 193, 198, 199, 200 AS SHOM HEREDN RY RPHVIKE US FOR THE SOLE BENET FOR ONESENS GUN ASSISTERS AND ASSINCES. | DEDRIS W. JANDA, LS 6359 GTY SURVEYOR | | |
| OR PRIVATE USE FOR THE SOLE BLEEPT OF OURSELVES, DUA SUCCESSIONE AND ASSIGNEES. HIGHPOINTE EMERALD RIDGE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY | CITY COUNCIL STATEMENT THE CITY OF JARUPA NULLEY, COUNT OF RIVERSOE, STATE OF CALFORMA BY ITS CITY COUNCIL REBUT APROVIDES THE TIRG! THE WIN ON SHIT JARD ACCOUNTS THE OFFERS OF EDUCATION HARD ACCEPTANCE OF THE OFFERS IS SHILL IN THE COUNCIL APROVED THE OFFERS OF EDUCATION HARD ACCEPTANCE OF THE OFFERS IS SHILL IN THE COUNCIL APROVED THE OFFERS OFFERST BY THE STARTEST SHILL IN THE COUNCIL ADOPTED HARDANT TO JECTRIN HARD THE STREETS MON INFORMATIS COURCE. THE STREETS MON INFORMATIS COURCE UTILY PARADOME TO ANDALASH ACCEPTANCE OF ADDITION STREET ARD PAULIC UTILY PARADOME X, INCLUSIVE. THE CASENANT FOR STREET AND PAULIC UTILY PARADOME AT ANDALASH ACCEPTANCE OF ADDITIONS AND ACCESS ALONG 28th STREET AS SHOWN AND ACCEPTANCE OF FRANCE OFFERS OF DEDICATION MARE HEREIN OF ACCEPTED. SUBJECT TO IMPROVEMENTS M ACCEDARUME WITH CITY STANDARDS LOT THE AMO THE FORE STREET AND PAULIC AND ADDITED HEREIN IS ACCEPTED. SUBJECT TO ADDITION STREET AND PAULIC AND ADDITED HEREIN IS ACCEPTED. SUBJECT TO ADDITED AND ALL THE ADDITED AND ADDITED HEREIN IS ACCEPTED. SUBJECT TO ADDITED AND THE FORE AND PARPOSES, AS SHOWN AND OFFERD HEREIN IS ACCEPTED. SUBJECT TO ADMINIST M ACCORDANCE WITH CITY STANDARDS LOT THE AND THE FORE ARDIT PARPOSES, AS SHOWN AND OFFERD HEREIN IS ACCEPTED. SUBJECT TO ADMINIST M ACCESS THERE WITH CITY STANDARDS LOT THE FOR UTILY FURPOSES, AS SHOWN AND OFFERD HEREIN IS ACCEPTED. SUBJECT TO ADMINIST M ACCESS ADDITED WITH CITY STANDARDS LOT THE FORE AND ADDITED WITH THE ADDITED WITH ADDITED HEREIN IS ACCEPTED. SUBJECT TO ADMINIST M ACCESS ADDITED WITH THE ADDITED WITH ADDITED HEREIN IS ACCEPTED. SUBJECT IN ADDITED ADDITED WITH ADDITED WITH THE ADDITED HEREIN IS ACCEPTED. SUBJECT IN ADDITED WITH ADDITED WITH ADDITED WITH ADDITED HEREIN IS ACCEPTED. SUBJECT IN ADDITED WITH ADDITED WITH ADDITED WITH ADDITED WITH ADDITED HEREIN IS ACCEPTED. SUBJECT IN ADDITED IN ACCESS ADDITED WITH THE ADDITED WITH THE ADDITED HEREIN IS ACCEPTED. SUBJECT TO SUBJECT TO MONORCHING IN A ACCOMPACE WITH AND OFFERD HEREIN | | |
| ANE | | | |
| π.ε | DATE:, 20 CITY OF JURUPA VALLEY, STATE OF CALIFORNIA | ATTEST. CITY CLERK | |
| BENEFICIARY DO LAND, NCC. A CALIFORNIA CORPORATION, BENEFICIARY UNDER A DEED OF TRUST RECORDED JANE 18, 2020 AS BISTRUMENT NO. 2020-0282811 OF OFFICIAL RECORDS. Y | BY, CHIS BARAJAE, MAYOR ABANDONMENT NOTE PURSUANT TO SECTIONS 66434 AND 66499.20.2 AND RECORDATION OF THIS THACT MAP CONSTITU- THAT PORTRON OF ALLA ASHONG ON IN BOOK 6, PACE B, LYING WITHIN THE BOUNDAR | BY NETORIA WASKO, CITY CLERK OF THE SUBDIVISION MAP ACT, THE APPROVAL TES ANANDOWNENT OF THE FOLLOWING: THE MAP OF BLOCK I LOWA ALTA TRACT. FILED Y OF THIS TRACT MAP | |
| THE | DATE: 20 | AS BEEN CACUTED AND FILED WITH FRIEFESSE, CALFORMA, CONDITIONED UPON THE FRIEFESSE, CALFORMA, SUDDITIONED UPON THE CALFORD AND SAND BEEN THE SUBJECT OF THE ET PAYABLE, AND SAND BEEN THIS BEEN OUT Y | |
| DATE. DAY SKENDELS, PRESIDENT OF THE RUBDOUX COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS ITTEST | CASIOR SUBET TAX DOUD MATTHEW MANNEGS COUNTY TAX COLLECTOR BY, DEPUTY | | |
| DATE: DA | TAX COLLECTOR'S CERTIFICATE I HEREBY CENTRY THAT ACCORDING TO THE RECI ARE NO LENS AGAINST THE PROPERTY SHOW O HUNGINAL OR LOCAL TARES, OR SPECIAL ASSES OR SPECIAL ASSESSMENTS COLLECTED AS TARES ARE ESTIMATED TO BE | ORDS OF THIS OFFICE, AS OF THIS DATE, THERE IN THE WHAIN LAP FOR UNPAID STATE, COUNTY, SWEHTS COLLECTOR AS TARES NOW A LIEN BUT NOT YET PAYABLE, WHICH | |

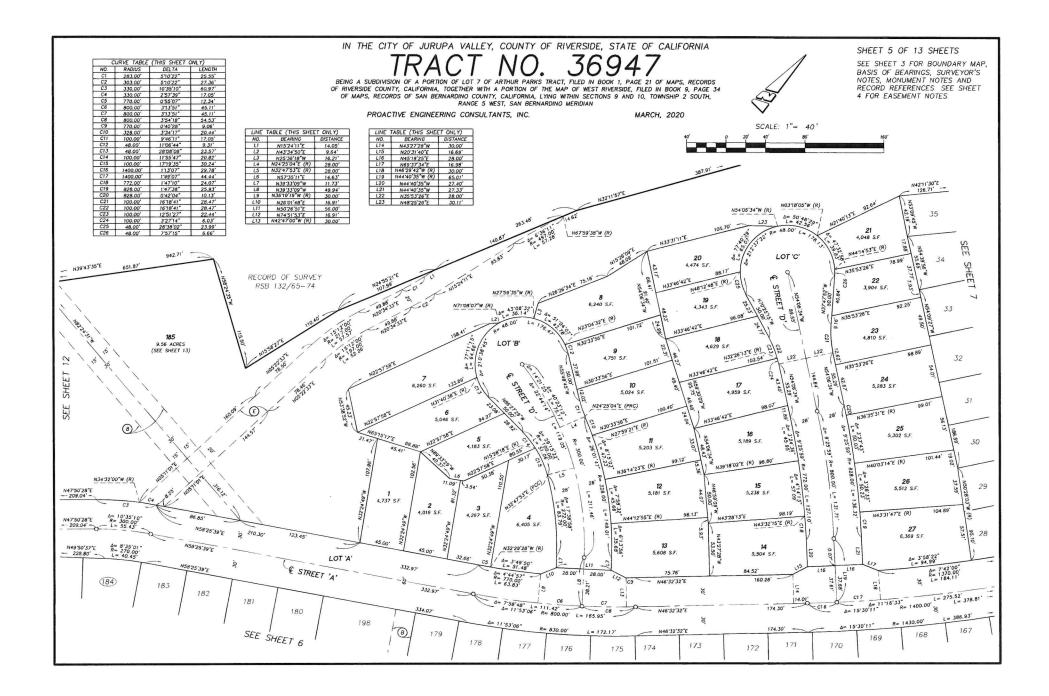
SEE SHEET 2 OF 13 FOR ADDITIONAL NOTARY'S AND SIGNATURE OMISSIONS.

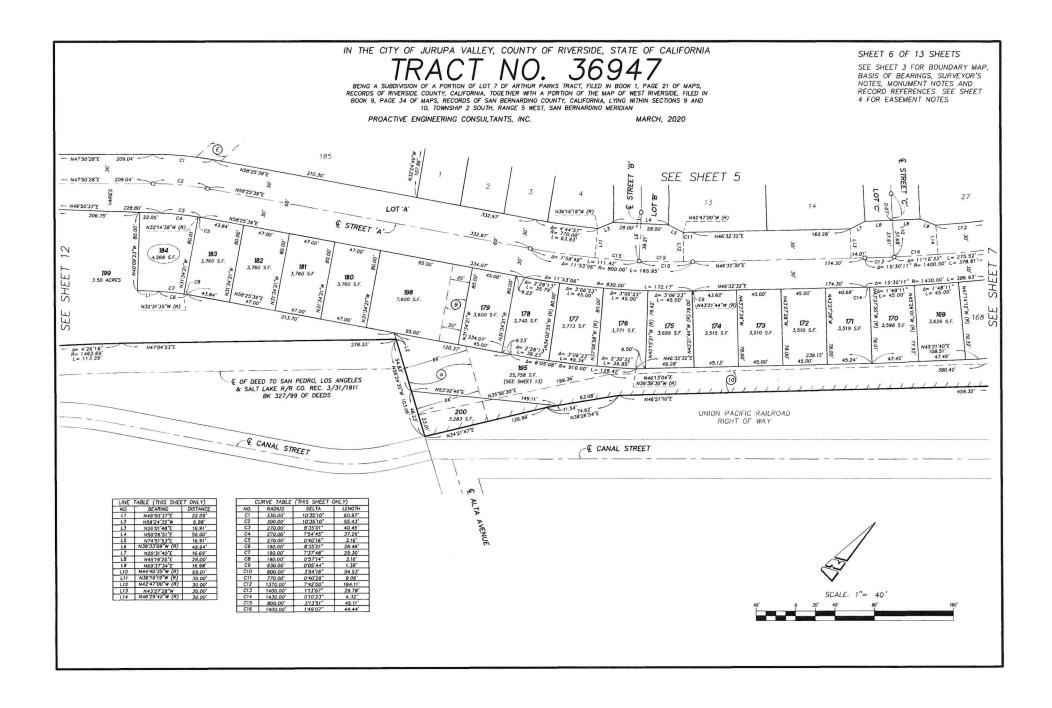
SCHEDULE "A" SEC. 9 & 10, T.2S., R.5W., SBM

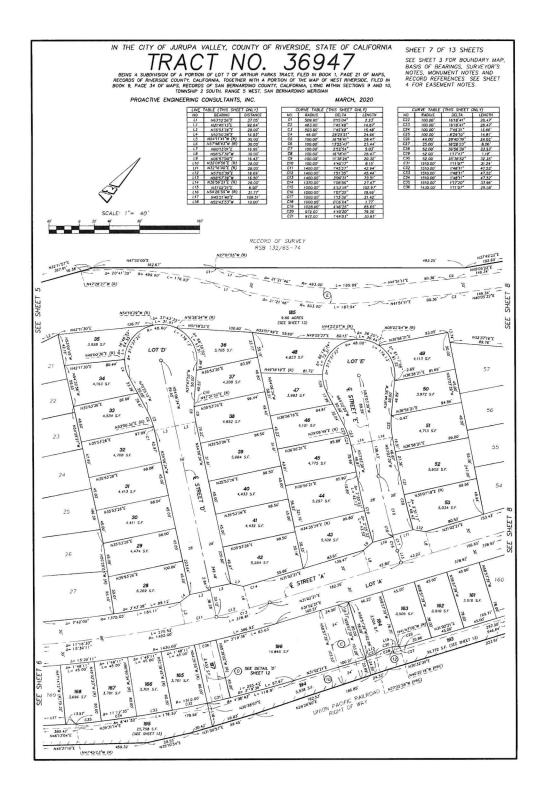
| BOOK | , PAGE 34 OF MAPS, RECORDS OF SAN BERNARDINO CO | PARKS TRACT, FILED IN BOOK 1, PAGE 21 OF A PORTION OF THE MAP OF WEST RIVERSIDE, DUNTY, CALIFORNIA, LYING WITHIN SECTIONS 9 | AND 10, 4 FOR EASEMENT NOTES. | - |
|--|--|--|--|----------------|
| | TOWNSHIP 2 SOUTH, RANGE 5 WEST, PROACTIVE ENGINEERING CONSULTANTS, INC. | SAN BERNARDING MERIDIAN MARCH, 2020 | | |
| NOTARY ACKNOWLEDGEMEN | | NOTARY ACKNOWLEDGEMENT | NO THE OFFICIATE REPORTS ONLY THE DEUTITY OF THE | - |
| | TING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE NCH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, | | ING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE CH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNES | .2 |
| STATE OF COUNTY OF ON BEFORE ME, |)) A NOTARY PUBLIC, | STATE OF COUNTY OF ONBEFORE ME, |)) A NOTARY PUBLN | |
| 000000000000000000000000000000000000000 | (INSERT NAME) | | (INSERT NAME) | |
| WHO PROVED TO ME ON THE BASIS OF S NAME(S) IS/ARE SUBSCRIBED TO THE WI HE/SHE/THEY EXECUTED THE SAME IN H HIS/HER/THEIR SIGNATURE(S) ON THE IN OF WHICH THE PERSON(S) ACTED, EXECU | ATERACTORY EVENENCE TO BE THE PERSON(S) WHOSE THE INSTRUMENT NOG ADVINITIONED TO ME THAT SYMENTTHER AUTHORIZED CAPACITY(ES), AND THAT BY TRUMENT THE PERSON(S). OR THE ENTITY UPON BEHALF RED THE INSTRUMENT. NORRE THE LAWS OF THE STATE OF CALFORNIA THAT THE RECT. | WHO PROVED TO ME ON THE BASIS OF SAI NAME(S) IS/ARE SUBSCRUED TO THE WITH ME/SHE/THEY EXECUTED THE SAME IN HIS, HIS/HER/THEIR SIGNATURE(S) ON THE HISI OF WHICH THE PERSON(S) ACTED, EXECUTE | INSTACTORY EUROPEE TO DE THE PERSON(S) MHORE IN INSTRUMENT AND ACROMEMECTOR TO ME THAT HER /TIMER AUTHORIZED CAPACITY[ES], AND THAT BY RUMENT THE (FRESON(S), OR THE EINITY UPON BEHALF D THE INSTRUMENT. D THE INSTRUMENT. D THE INSTRUMENT. | |
| | SICNATURE | | 500 L TUDE | |
| NAME PRINTED MY COMMISSION NO: | MY COMMISSION EXPIRES | NAME PRINTED MY COMMISSION NO. | SIGNATURE MY COMMISSION EXPIRES | |
| MY PRINCIPAL PLACE OF BUSINESS IS | COUNTY | MY PRINCIPAL PLACE OF BUSINESS IS | COUNTY. | |
| JURIPA LIND AND WATER COMPANY. 12, 1607 PURPOSE RECORNICS ALV 12, 1607 AND GRAVIED TO CONSERVE VIEW 12, 1607 AND GRAVIED TO CONSERVE VIEW 12, 1607 AND GRAVIED TO CONSERVE VIEW 12, 1607 AND RECORD CONSERVE VIEW 12, 1607 AND RECORD CON AVAILES AND SALT HERITI 10, 1619 A SECON SOL FACE APPRIL 10, 1619 A SECON SOL FACE CALFORMA ELECTRIC FORME COMPA- MANDESSECON SOL FACE CALFORMA ELECTRIC FORME COMPA- AND SOL FACE AND AND AND ADDININAL INSTRUMENT AND AND AND ADDININAL INSTRUMENT AND AND AND AND ADDININAL INSTRUMENT AND | W devisit (v)(X)(A)(-w) of the Subortison Map AC, the of A Subbits Anova of the Subortisets in we deni HOLDER OF AN EASEMENT FOR CAMIL AND REDEVITAL BY AN AND AND AND AND AND REDEVITAL SUBJECT OF AN EASEMENT FOR CAMIL AND REDEVITAL BY AN AND AND AND AND AND AND AND AND AND | COOFFICE FORT 6156 P. 201115246 P. 2011152 | Contract of the second s | 4394 07 980 |
| SNT, ESTABLISHED NULLY LINE LOT I | b | 199.36' ((1/34/45 (2 199.2))) 126.59' ((1/34/35 (2 69.6)) 27.69' (1/43/37 (2 72.4)) 27.69' (1/43/37 (2 72.4)) 27.69' (1/43/37 (2 72.4)) 7.286.64' (1/470/09'E 286.60) | ASIS OF BEARINGS DETAIL | 97 97 97 |
| SMF ISTABLISHED INFRACED INFRACED INFRACED INFORMATION INFORMATIO | Strangendo Alt ranger Strangendo Alt ranger Strangendo Alt ranger Strangendo Alt ranger Strangendo Alt ranger Strangendo Alt ranger | A State of the sta | NO SCALE | |
| 2.90° MARS | (170 100 32 W) (170 10 MAR) 10 10 24 50 PROPAG 105 AVEC15 4 PROP REPAIR (105 AVEC15 4) | A CONTRACT OF CONT | The second secon | Mur |

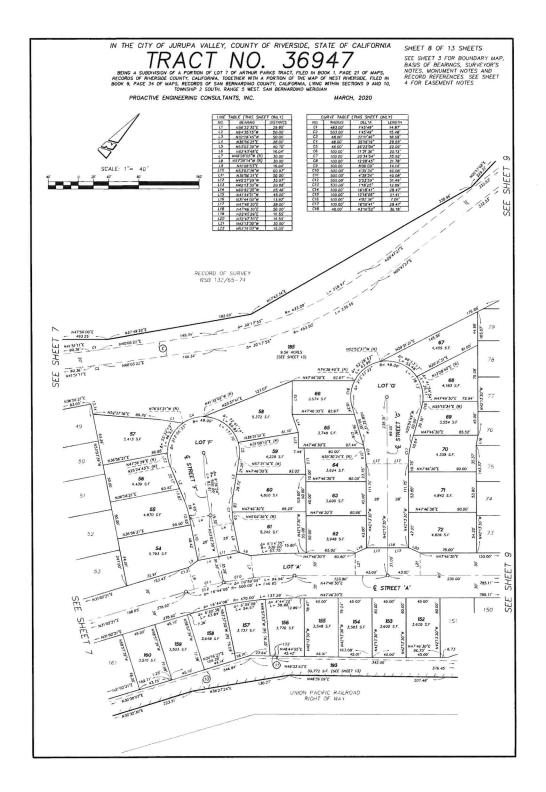


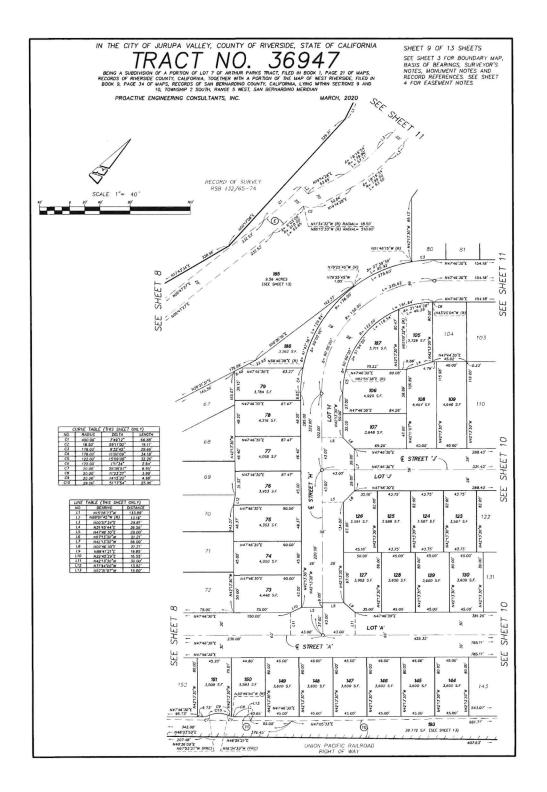


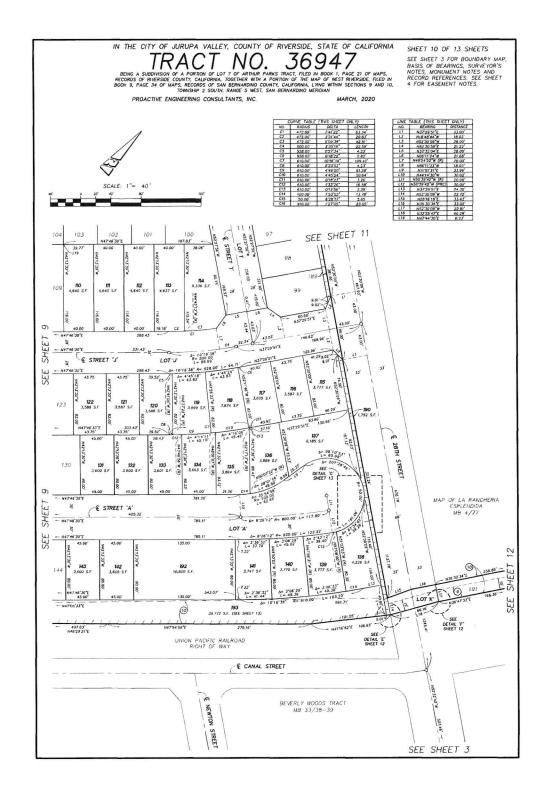


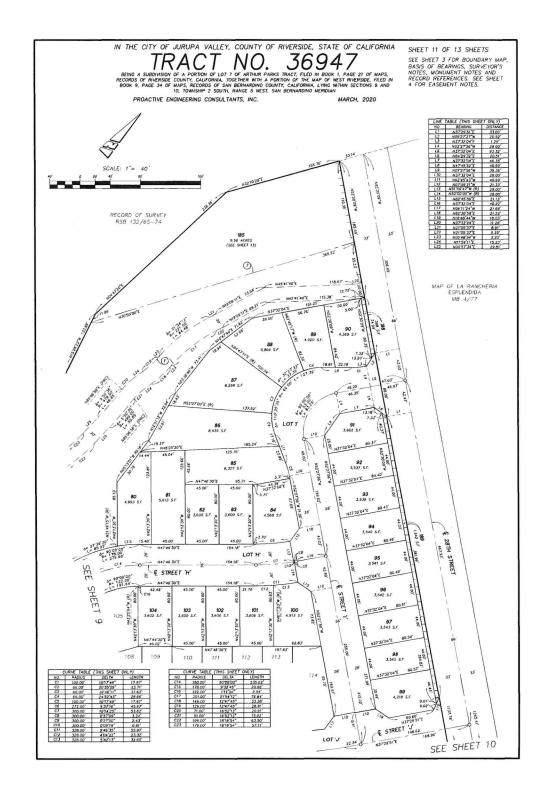


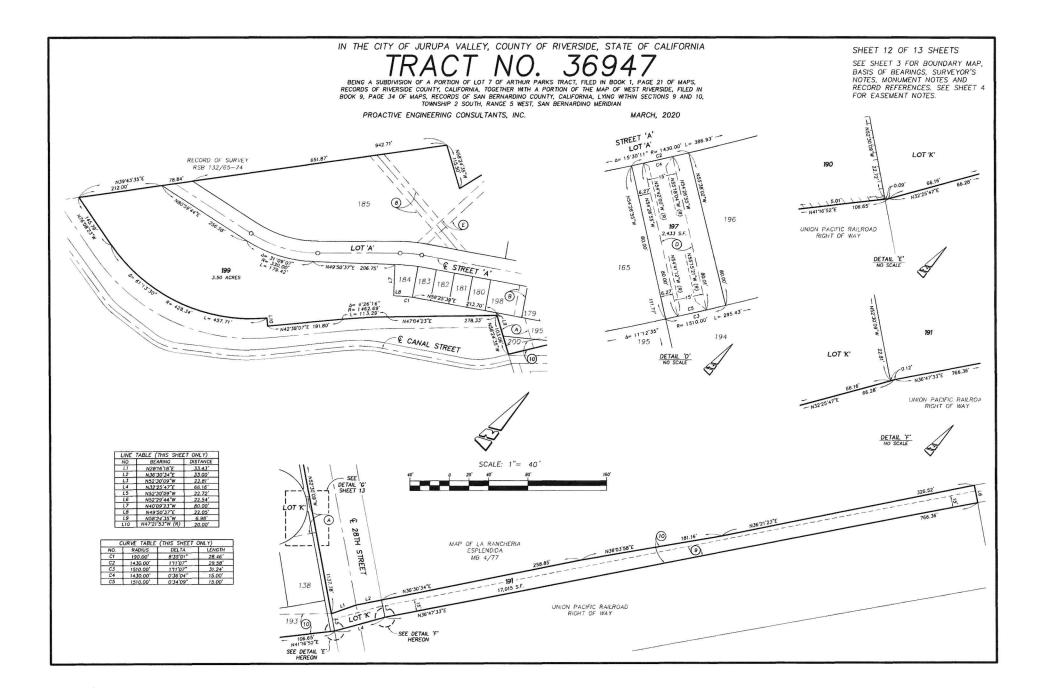












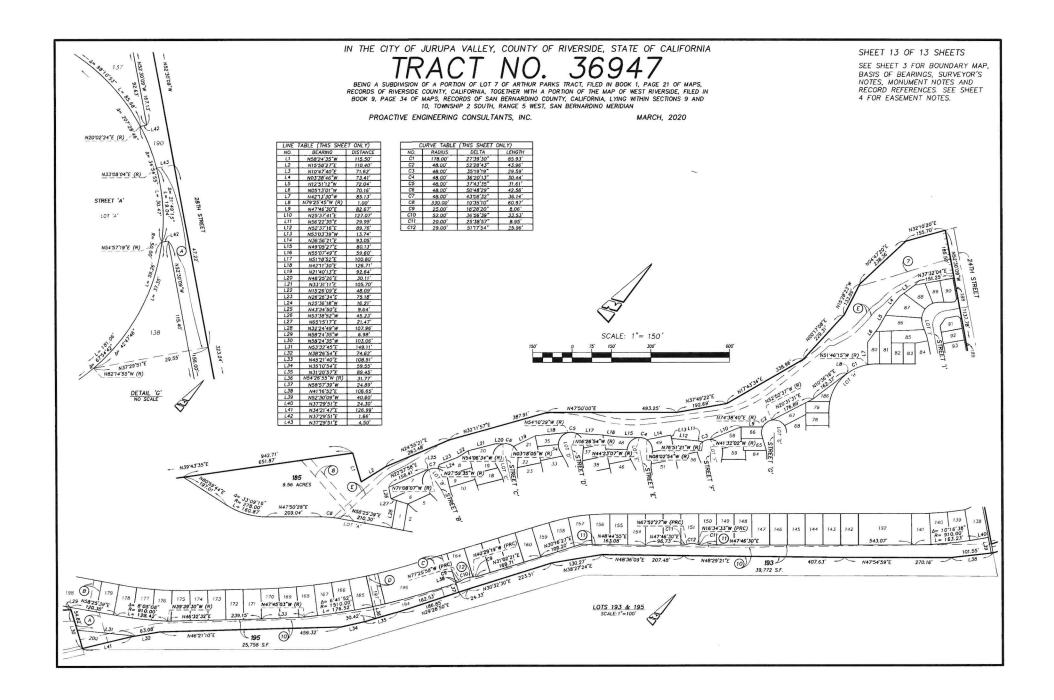
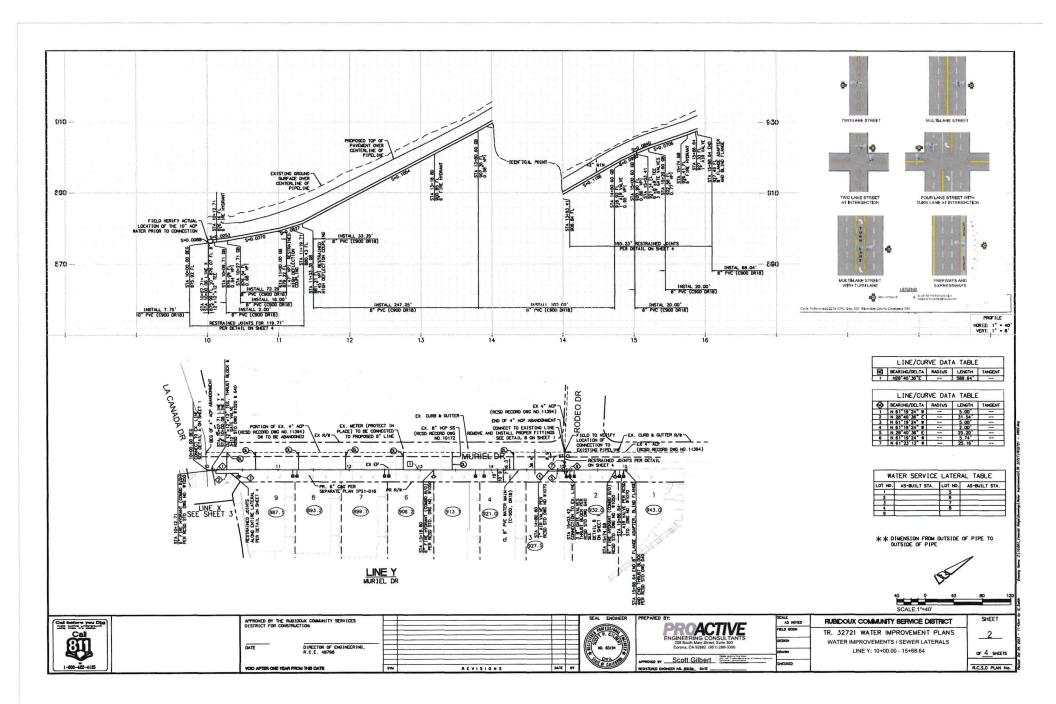
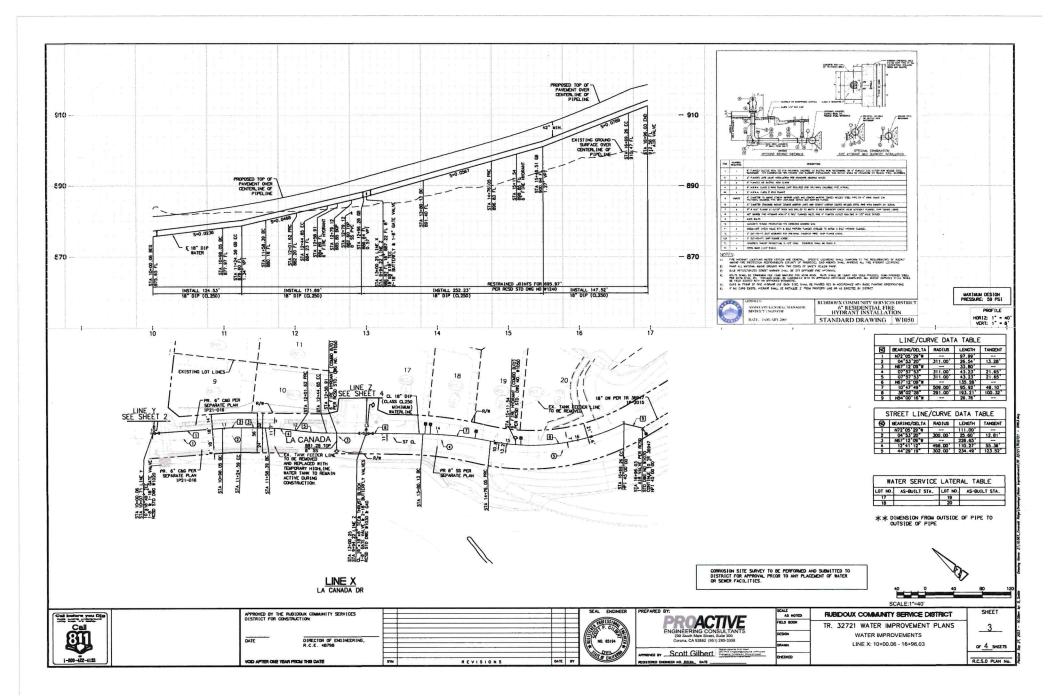


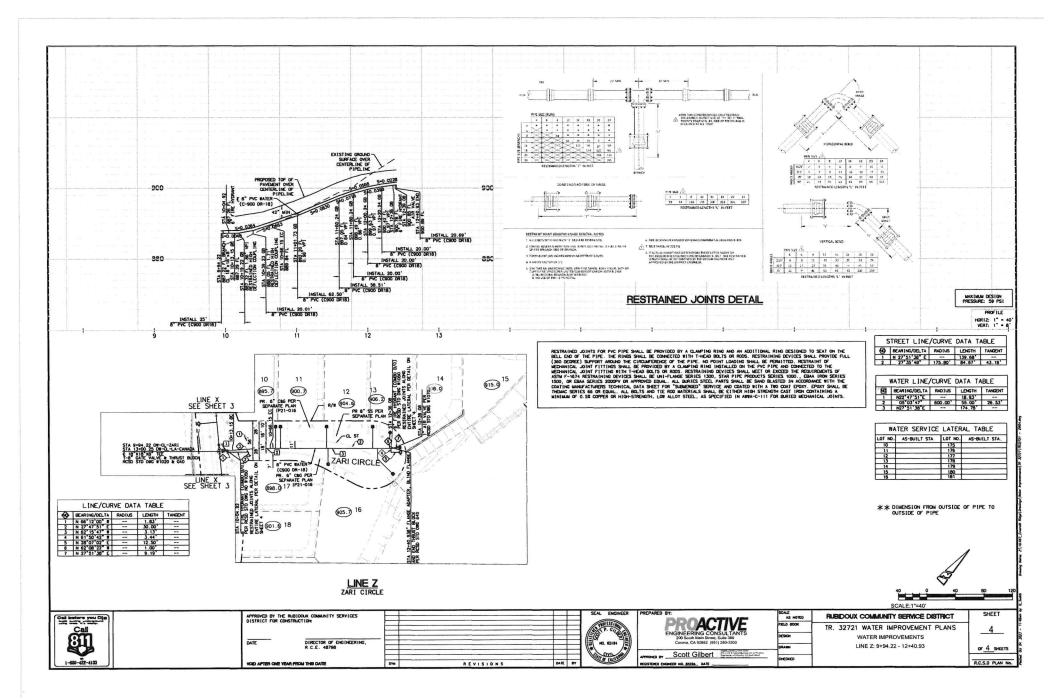
EXHIBIT B

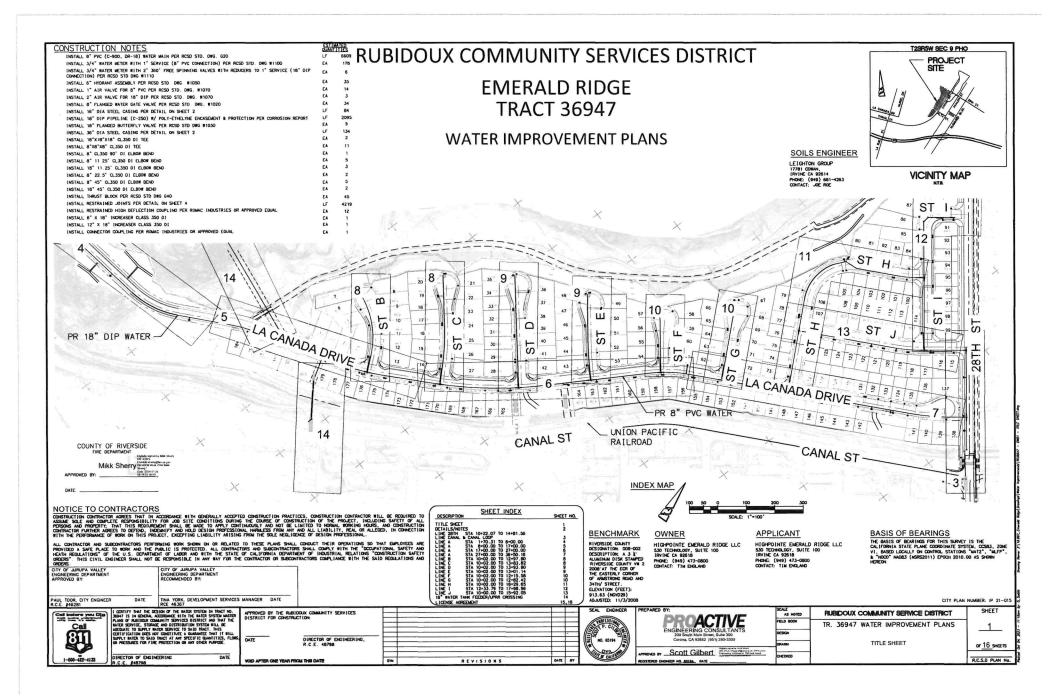
Approved Water and Sewer Plans

| ESTIMIED ESTIMATED | |
|---|---|
| CONSTRUCTION NOTES INSTALL 6" PC (C-900, 07-10) MATER WIN PER STD. G20 INSTALL 6" PC (C-900, 07-10) MATER WIN PER STD. G20 INSTALL 6" PC (C-900, 07-10) MATER WIN PER STD. G20 | PROJECT |
| | SITE |
| INSTALL 18" DIP PIPOLINE IF 696 OWNER | |
| INSTALL 4" FLANGED MATER GATE VALVE PER RCSD STD 11020 EA 2 | |
| 4140 TEXESCAL CANYON RD. SUITE 410 | MED AND SUGNITIED TO |
| | Sh F Store |
| INSTALL 18 FLOWED BUT BUT UND UND THE ASSUMPTION OF A CONSTRUCTION OF A CONSTRUCT WATTHEW GEVERALZ THAT HE G | the connection of the low |
| INSTAL 2" WITH WITH ASSERDED FOR 18" DIP PER RESS STD #1110 EA 4 APPLICANT FINAL ST WITH ASSERDED FOR 18" DIP PER RESS STD #1110 EA 4 APPLICANT BASIS OF BEARING | and the second sec |
| DE BASIS OF PERSING FO | R THIS SUBVEY IS THE |
| INSTALL 6 X6 X8 CLIGOD DI TEL EA I LENNAR | DORDINATE STSTEN, CCS83, ZONE |
| INSTALL 12"X12"X12" QL300 DI TEE EA 1 CORGNA, CA 92883 INSTALL 16"X16"X16" QL300 DI TEE EA 1 PHORE (SSI) 442-9427 WATER IMPROVEMENT PLANS |) EPOCH 2010.00 AS SHOWN |
| INSTALL THRUST BLOOK PER RCSD STD G40 PFA 7 CONTRCT: WITHER GUID/ HOERBIZ HERBERN | 3 1 |
| INSTALL RESTRAINED JOINTS PER DETAIL ON SHEET 4 | / 120 804 |
| INSTALL 18' 11.23' CLSSO DI ELGOP REDOC | VICINITY MAP |
| INSTALL 16" 45" CL350 DI ELGOR BODO EA 2 EARTH-STRATA GEOTECHNICAL INSTALL 76" 45" CL355 DI INGELSER INSTALL 76" 45" CL355 DI INGELSER EA 1 4219H REDUNDED AVE. | APN 177-070-001 177-070-008 |
| INSTALL 6" X 12" CLASS 150 DL INDREASER | |
| | NS LEGEND |
| INSTALL CONNECTOR COUPLING PER ROMAC INDUSTRIES OR APPROVED EDUAL EA | |
| INSTALL RESTRAINED HIGH DEFLECTION COUPLING PER ROMAC INDUSTRIES OR APPROVED EDUAL EA 6 | STREET CENTER LINE |
| | EX./PROP. RIGHT OF WAY |
| GENERAL NOTES | PROPOSED CLARS AND GUTTER |
| | EXISTING EASEMENT |
| | DAYLIGHT LINE |
| | PROPOSED STORM DRAIN |
| 3. CONSTRUCTION OF THE WITCH STATUS BALL NOT COMMONDE LUMTIL A FINAL WAY HAS BEDI RECORDED IN RIVERSITE DE COMMON AND THE DECLUPOR'S DELIERS HAS CERTIFIED COMMON AND AND AND THE DECLUPOR'S DELIERS HAS CERTIFIED COMMON AND AND AND AND AND AND AND AND AND AN | EXISTING SERER LINE |
| 4. PIPE, FITTINGS, VALVES AND APTORIEDWIDES SHALL BE DF THE PIPE PRESSURE CLASS (NOT T.T.F. CLASS) SHOW ON THE PHOPILE OF THESE PLANS. (NOTE: CAST THAN | PROPOSED SEWER LINE |
| FITTINGS SHUL NOT BE ALLORED.) | PROPOSED WATER LINE |
| | B92.5) PAD ELEVATION |
| | |
| | |
| | ENT PIPE O PROPOSED FIRE HYDRANTS |
| | DIS. NO. W1020 |
| S SHIL DE PRIVIDE EXTERTS DE MIN AND DIPER INSTITUTES STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STITUE TE STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET IN DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET INSTITUE COAT STAATURE OF DIE MATE AND SKEEL TIEN LET IN DIE MATE AND SKEEL TIEN DIE MATE AND SKEEL TIE DIE MATE AND | - PROPOSED STREET LIGHTS |
| DOWNLEWS STANDARD AS SOME OF REVENUES COUNTY STANDARD PLAN 609 MO RCSD STANDARD PRAINED BILLINET OF EXCEED THE REQUIREMENTS OF THE STATE OF CALIFORNIA, ODWILLING FOR LIGHTING FOR THE SHALL BE IN ACCOUNTY STANDARD PRAINED WILLING THE ACCOUNT STANDARD PRAINED WILLING THE ACCOUNT STANDARD PRAINED WILLING FOR THE ACCOUNTY STAN | PROPOSED STORM DRAIN MANHOLE PER ROFCHIED STD. DRGS. MH-252 & MH-254 |
| PRESENT. NO CONNECTIONS TO EXISTING MATERIAL ON PRIDATS. | PROPOSED STORM DRAIN CATCH BASIN |
| 11. IT SHUL BE THE RESPONSIBILITY OF THE DEVOLUTION OR CONTACTOR TO APPLY TO THE REVERSIDE COUNTY TRANSPORTATION OPARTMENT, FOMIT SECTION, FOR AN | O PROPOSED SETTER MANHOLE PER RCSD STD. DTG. NO. S2030 |
| 12 ALL SEMICE LATERAS SHUL BE LOCATED AT A TIONT MALESS TO THE WINI MALESS ON THE WINI MA | |
| SMUL DE PROTECTIO MAINST FLOTATION AT ALL TILE, OPEN DOS SMULL DE SALED AT ALL TILES DEPL COSTRACTION IS NOT IN PROGRESS. | PROPOSED AIR RELEASE VALVE |
| | MENT |
| | Save Profession NO. S2070 |
| I TEST BOTT ADDITIONAL AD ALLOSS RATING (L.E.: 150-225 FST (EST)). SINLE & LOGR CONTINUOUS INSPECTION, AND SHALL BE IN ACCORDANCE WITH | PROPOSED 1" SERVICE AND METER |
| USING SHARWAY PROCEEDINGS. | Dam 2004.01.35 27.45 (5.000 |
| 17. Service intermolections converse to a result of the contractor's operations shull be reconstructed by the contractor to the reconstructor to the reconst | CONNECT TO EXISTING METER BOX (MURIEL DRIVE) PER RCSD STD. DIRG, NO. WILLOO |
| 19. NITER LETERS TO BE LOCATED FOR PLAN, ANT REDOCATION SHULL BE APPROVED BY THE RCSD. A "" SHULL BE INFRIMED ON THE OXIG FACE AT EAch SERVICE LATERAL INDEX MAP | |
| 20 CONTRACTOR SHUL PARK INSULTO IN GLISSILIUT OPPORT LOAND HE STITH ALL CHOO MY FIRE TO ASSIST THIS HULD HERE LOAND HERE AND HERE LOAND HERE AND HE | ER'S NOTICE TO CONTRACTORS |
| 21. The Detection Statute moving one statute of Print's Southing at 1:45-9011/10 constitute of Statute of Statute Constitutes AND PRO LEVATIONS NOTES FOR DETAILS A & B top 50 0 100 200 300 PRIVATE ENGINE | |
| 22. AT EVISION TO TESS DOWING BED & APPORT IN BUTTLE OF THE DEDUCE DURING THE SPICE DURING TO THE DEDUCE DURING TO | WATE LOCATION OF ANY ONDERGROUND OTILITIES ON STRUCTURES SHOWN ON THESE PLANS ANY VALLABLE RECORDS. TO THE BEST OF OUR KNOWLEDGE, THERE ARE NO EXISTING UTILITIES OF |
| IP: NUTEX LETERS TO BE LICATED FOR FLAM, ANY RELOCTION SWL BE ANYTOND BY THE RESO, A TO SALL DE ANYTOND BY THE RESOL AND A SALE DE ANYTOND BY THE RESOL AND A SALE DE ANYTOND BY THE RESOL AND A SALE DE ANYTOND BY THE RESOL AND A SALEST THIT FUNDE CONTINUE OF SERVICE ATERAL COMMENTIONS AND A SALEST THIT FUNDE CONTINUE OF SERVICE ATERAL COMMENTS ANY TO THE ASSETTION TO SALEST THIT FUNDE CONTINUE OF SERVICE ATERAL COMMENTS AND A DATE OF ANY TO THE ASSETTION OF THE ASS | WHE LOCATION OF MY UNDERFOLDED UTLITIES ON STREEDNESS DREWN ON THESE PLANE ON WILLARE RECORDS. TO THE ESST OF CAR HOMERLOOP. THERE ARE NO EDISTING UTLITIES ON IN ON THESE PLANE. THE DEGISERE ASSAULTS NO LIABILITY AS TO THE EXACT LOCATION TIES ON TIMICATION LINES HORE LOCATIONS AND FOR SHOT SHOEN. THE CONTINUE OF SHOLL BE INTES ON TIMICATION LINES HORE LOCATIONS AND FOR SHOT SHOLL BE INST AFTERING THE SHOP WE BETHER OR HOT SHOEN, HOW FOR ANY DANAGE OF INST AFTERING THIS WORK, BETHER OR HOT SHOEN HEREON, MOD FOR ANY DANAGE OF |
| 25. contractor sul, unwantry ut, unar for 12 works where the fuel of Finul inserterion, NDTES NOTICE TO CONTRACTORS IN UNARCTORS (0) CF 10 and (11/10/10/10/10/10/10/10/10/10/10/10/10/1 | ALL UTILITE AND TRETGATION COMPANIES PRIOR TO NORK ON EXCAVATION TO DETERMINE INES AFFECTING THIS NORK, NHETHER OR NOT SHOWN HEREON, AND FOR ANY DAMAGE OF |
| NOTICE TO CONTRACTORS O DATE OF AND INFORMATION AND STATE CONTINUES AND STATE CONTINUES AND RECENT TO A DATE OF THE OFFICIATION AND RECENT TO A DATE OFFICIATION AND RECENT TO A DA | |
| CONSTRUCTION COMPLICTOR ADDRESS THAT IN ACCORDENCE WITH EXEMPTED 02. 10 APP TO BE READARDD 02 10 | . IN A LOCATION REQUEST TO UNDERGROUND SERVICE ALERT (U.S.A.) PHONE BII THO (2) GOING. NO CONSTRUCTION PERMIT ISSUED BY FUELIC HORKS DEPARTMENT SHALL BE VALID LITTES UNLESS THE APPLICANT HAS AN INDURY TO DEVITIFICATION NAMBER ISSUED BY U.S.A. |
| NOTICE TO CONTRACTORS O DAT TO TWO INFORMATION AND IN ACCORDANCE WITH GEORGIALLY ACCOPTED OF ALL ACCORDANCE OF ALL ACCORDANCE AND ALL ACCORDANCE OF ALL ACCOPTED OF ALL ACCORDANCE OF ALL AC | LITIES UNLESS THE APPLICANT HAS AN INQUIRY IDENTIFICATION NUMBER ISSUED BY U.S.A. |
| | ITY - FIRE DEPARTMENT |
| | NOTTIONS OF APPROVAL, THE WATER SYSTEM HAS BEEN DESIGNED TO BE CAPABLE OF PROVIDING TION AT A MINIMAM OF 20 PSI OPERATING PRESSURE. |
| | TION AT A MINIMUM OF 20 PSI OPERATING PRESSURE. |
| | BENCHMARK |
| | RIVERSIDE COUNTY DESIGNATION: 008-002 DESCRIPTION: A 3 % ALLIMINAN DISK STAMPED RIVERSIDE COUNTY WIZ 2008-AT THE ECR OF THE EASTERLY CORPERI |
| | DESCRIPTIONE & S & ALUMINUM DISK STAMPED RIVERSIDE |
| | COUNTY VI 2 2008 AT THE ECR OF THE EASTERLY CORNER (|
| | ARMSTRONG ROAD AND 34TH/ STREET. |
| TO BE WAD LIKE A BELLY IS PROTECTION ALL CONTENTIONS AND SECONTINCTORS AND SECONTINUE TO | ARISTRONG ROAD AND 34TH/ STREET. ELEVATION (FEET): 913.63 (NGVD29) ADJUSTED: 11/3/2 |
| PLOSE SHULL DEVELOPEND AND STRUCTURES WITH CONTROLOGY AND STRUCTURES AND TRANSFERRENCE OF A PROVIDE TIN PLOCE TO A PROVIDE TO A PROVIDE TIN PLOCE TO A PROVIDE TO | ABLSTRONG ROLD AND JATHY STREET. ELEVATION (FEET): 913.63 (NGV029) ADJUSTED: 11/3/3 SHEET INDEX. |
| TO DEPART OF THE LET IS PROTECTION ALL CONTINUED AND READED | ARSTRIAM RAD AND SATULY STREET. ELEVATION (FEET): 131.55 (NOVES) ADJUSTED: 11/3/2 SHEET INDEX. DESCREPTION SHEET NO |
| | ARSTRONG RAD AND 34TH STREET. CLEVATION (FEET) 13.6.5 (NR0523) ADJUSTED: 11/3/7 SHEET INDEX DESORPTION THE SET |
| TO LORG WAY THE MOLECUL, ALL DURING LIVE AND SALE IN ANY LIVE CONDICTION OF ANALY AND LIVE CONDICTION OF ANALY AND LIVE CONDICTION OF ANALY AND LIVE CONDICTOR SALE OF ANY AND ANALY CONTRACTOR SALE OF ANY ANALY CONTRACTOR SALE OF | ARSIMAR RAD AND 34TH STREET. ELEVATION (FEET): 191.6.5 (AND/STREET. 11/3/2 SHEET INDEX DESCRIPTION TITLE SHEET LIKS \$ \$1 AND 000 TO 15-184.64 LIKS \$ \$1 |
| | ARSIMAR RAD AND 34TH STREET. ELEVATION (FEET) 13.63 (MOX23) ADJUSTED: 1/3/2 SHEET INDEX DESCREPTION TITLE SECT LINE 571 10-00 00 TO 15-86.64 111E 571 10-00 00 TO 15-86.64 LINE 571 0-00 00 00 00 00 00 000 000 000 000 00 |
| | Авейтова Биол мо Злту Чтест. СЕХИТОН (ГСТ) 19.3.63 (1697627) АОЛБТЕЛ 11/3/ ОБОДИТОТ (ГСТ) 19.3.63 (1697627) АОЛБТЕЛ 11/3/ ОБОДИТОТ (ГСТ) 19.46 41 1 11.12 SACT 19.46 43 1 11.12 SACT 19.16 43 1 11.12 S |
| | ABSIMONG RAD AND 3414 STREET. CLEVATION (FEET) 131.65 (MOR29) ADJUSTED 11/3/. SHEET INDEX DESCRIPTION TILE SHEET INDE 3 33C403666 CLEVE STA 10-00.00 T0 15-08.64 LINE S STA 10-09.00 T0 15-08.64 STA 0-94.52 T0 12-09.03 STA 0-94.52 T0 12-09.0 |
| | ABSIMBLE RAD. AND SHT STREET. ELEVATION (FEET): 131.55 (INVOLVES): ADJUSTED: 1/3// SHEET INDEX: <u>OESORPTION</u> 3 33C403666 UNE STA 0+00.00 TO 15+08.64 UNE STA 0+00.00 TO 15+08.64 UNE STA 0+00.00 TO 15+08.64 LINE STA 0+00.00 TO 15+08.64 SHEET STA 0+00. |
| | ARISTRIAG RAD AND SHI'L SHEET. ELEVITION (FEET. INDEX SHEET INDEX OSCIPPTION 3 33C403666 ITRE SHEET INDEX SHEET INDEX SHEET INDEX DISCIPTION SHEET INDEX ITRE SHEET INDEX COMMUNITY SERVICE DISTRICT SHEET TR. 32721 WATER IMPROVEMENT PLANS 1 |
| | Allistics Rub Ard SHICT: ELEVATION (REF.) 1913.03 (MRX22) ADUSTED: 11/3/20 SHEET INDEX DESCRIPTION SHEET INDEX DESCRIPTION SHEET INDEX DESCRIPTION SHEET INDEX TITLE SHEET SHEET INDEX OF COLSPANDING SERVICE DISTRICT SHEET INDEX ANDEDOUX COMMUNITY SERVICE DISTRICT SHEET TITLE SHEET OF 4_SHEET |









GENERAL NOTES

- MILIMAL CICH OKE HPT SHALL BE GUINDESS NEO INE MATELIE DOCUMENTS AN OSTRACTION AND CROSSING OWNER ON THE OWNER OF CROSSING THE CARD IN THE MATELIE DOCUMENTS AN OSTRACTION AND CROSSING OWNER ROUTEBOOKS AND SHALL DOCUMENTS OF INCOMENTAL CONSTRACTION IN ACCORDANCE ROUTEBOOKS, OWNER OWNER OWNER OWNER OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER OWNER OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER OWNER ROUTEBOOKS, OWNER OWNER OWNER ROUTEBOOKS, OWNER R

- CONCETTORS TO ELESTING RCSD ANDER INS SPALL BE INFOLMANCE AND STRUCTURE TO ADDRESS OF CONSTRUCTS OF ADDRESS AND DISPECTORS OF CONTRACTOR TO APPLY TO THE ADDRESS OF CONSTRUCTS OF ADDRESS OF A

- 19. MATER METERS TO BE LOCATO FER PLAN, ANY RELOCATION SHALL BE APPROVED BY THE RSD. A "" SHALL BE LIMPRINED ON THE CURP RACE TACHES THE LOTANUL, METERS LOCATION. 20. COMPLETER SHALL PRACE INSLATED IN 66 SELID COPPER LOCATOR HER HITM ALL C-400 PMC PIPE TO ASSIST HITM 21. THE DEVELOPER SHALL PRACE INSLATED IN 66 SELID COPPER LOCATOR HER HITM ALL C-400 PMC PIPE TO ASSIST HITM 21. THE DEVELOPER SHALL PRACE INSLATED IN FORMED IN WITHING ALL "ASSISTING TO SOUTH ALL PROVINCE. 22. MAT REVISION TO HESE DAVIDERS MAST BE APPROVED IN WITHING ALL "ASSISTING COMMANT'S SOUTHORS AND THE DIAL PROVINCE. 23. MAT REVISION TO HESE DAVID SHALL THE FORM ON THIS PRACE INST HIM A COPFINED AIR STATES. 23. MAT REVISION TO HESE DAVID SHALL THE FORM ON THIS PRACE THAT HAD UNDER DOMING HIM A COPFINED AIR STATES. COLLIDENTAL AND HISTISTING FOR CODE.

- 2. CONTRACTOR SALL BRE REPORTED TO TO AN ALL REF AND ALL REFLECT OF VICEO AND ALL TO BALL THE A CALIFORM AND ALL STATUS COCC. 24 ALL PIC LARGE THAN 12° IN OLAREDE SALL RE INSPECTO BY VICEO AND AND ALL TO BALTERICADIOL 25. CONTRACTOR SALL BRANKING TALL REFER TO BALTER SALL REFLECT DE VICEO AND ALL REFERENCES

PRIVATE ENGINEER'S NOTICE TO CONTRACTORS

THE CONTRACTOR SHALL CALL IN A LOCATION REQUEST TO UNDERGROUND SERVICE ALERT (U.S.A.) PHONE 811 THIO (2) INDRVING DAYS PRIOR TO DIGGING, NO CONSTRUCTION PERMIT ISSUED BY PAULL REORGEODERATEDAT SHALL BE VALID INDRVING UNDERGROUND FACILITIES UNLESS THE APPLICATION HAS AN INDURY IDENTIFICATION NAMEER ISSUED BY U.S.A.

RIVERSIDE COUNTY - FIRE DEPARTMENT

IN ACCORDANCE WITH THE CONDITIONS OF APPROVAL, THE WATER SYSTEM HAS BEEN DESIGNED TO BE CAPABLE OF PROVIDING SOO GPM FOR 1/2 HOUR DURATION AT A MINIMUM OF 20 PSI OPERATING PRESSURE.

DATE

YOD AFTER ONE YEAR FROM THE DATE

NOTES FOR DETAILS A, B & C

Cal before you Dig

Call

-600-477-4133

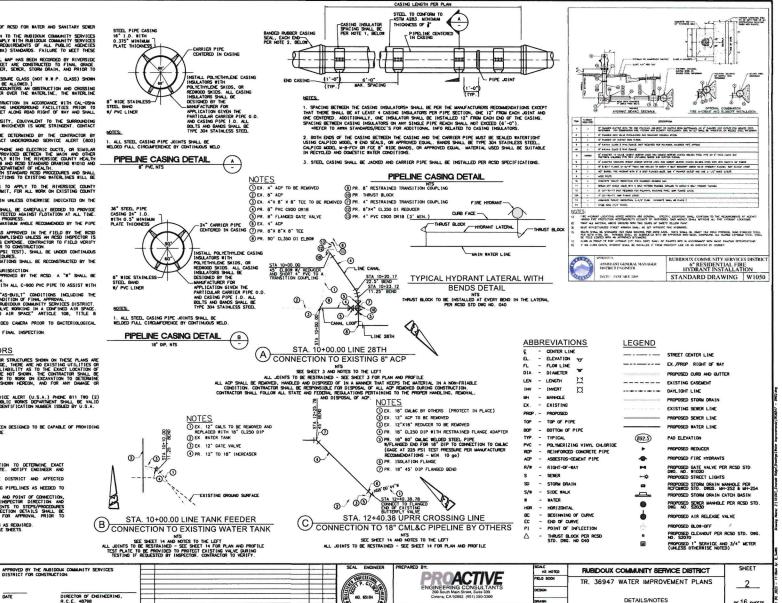
E

- 1 CONTINUED SMUL DOWNER, NO, DEPOSE DESIGNE FORM OF COMPACTION TO DETERMINE DAAT LOCATION, SIE NO INFERIEN. RECORD DOWNES SAY NOT BE ACCORD. ONLY TO DESIDE A MO DISTRICT OF ANY WAILTION. ANY ANTICIPATED STSTEM DOWNERS SALL DE COMDINATED WITH THE DISTRICT AND AFFECTED CASTORERS NOTFIED TO DISTRICTS ANTISACTION. 3 DISTRICT SALL THE CAMOUNT VALUES AND DEALTER THE EXISTING PIPELINES AS NEEDED TO

- DISTRICT SALL FIRST CASE ADACHT VALVES AND DEALING THE LISTING FURTHERS. EXCH CONSCITUTIONED. RECHT CONSCITUTIONED. RECHT CONSCITUTIONED. RECHT CONSCITUTIONED. RECHT RECHT RECENT AND ADACHT VALVES AND DEALING THE REPORT OF CONSCITUTION RECHT RECHT RECENT AND ADACHT RECHT RECENT ADACHT RECENT OF RECTOR RECHT RECHT RECENT ADACHT RECHT RECHT RECHT RECENT ADACHT RECHT RE

STM

REVISIONS



Scott Gilbert

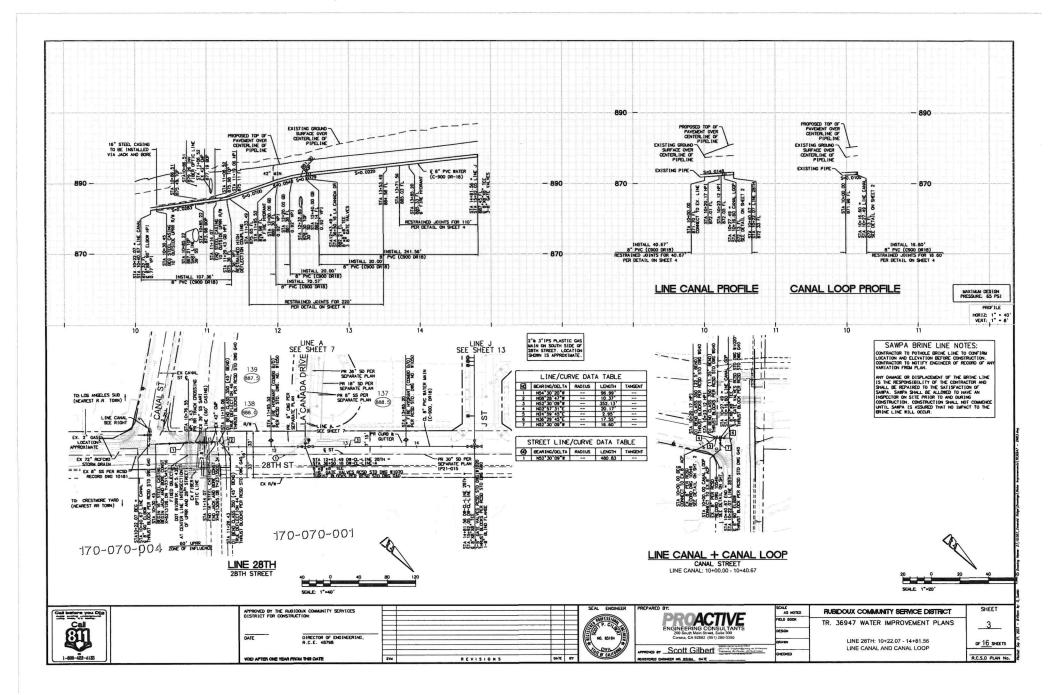
COSTORED ENGINEER NO. BALLAS DATE

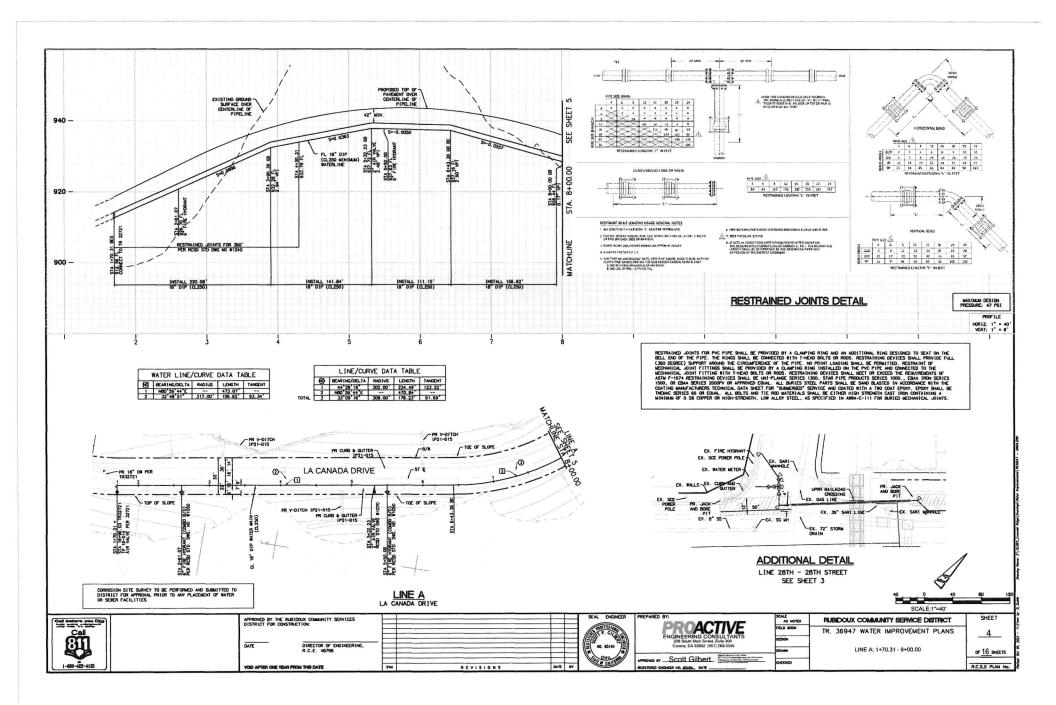
CIVIL OF CAULUR

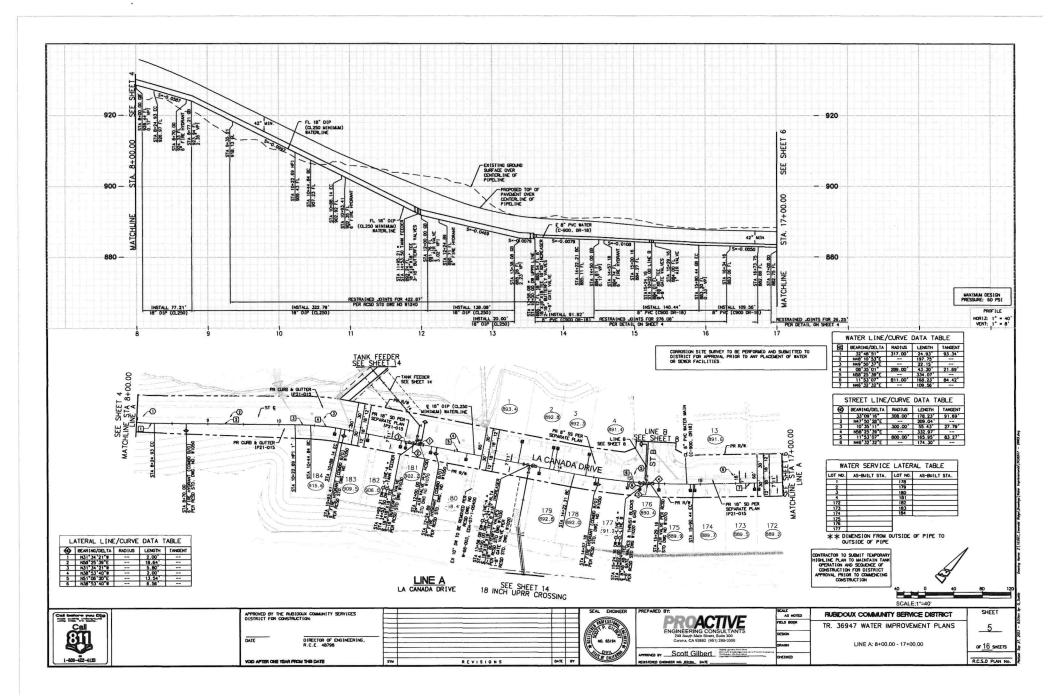
DETAILS/NOTES

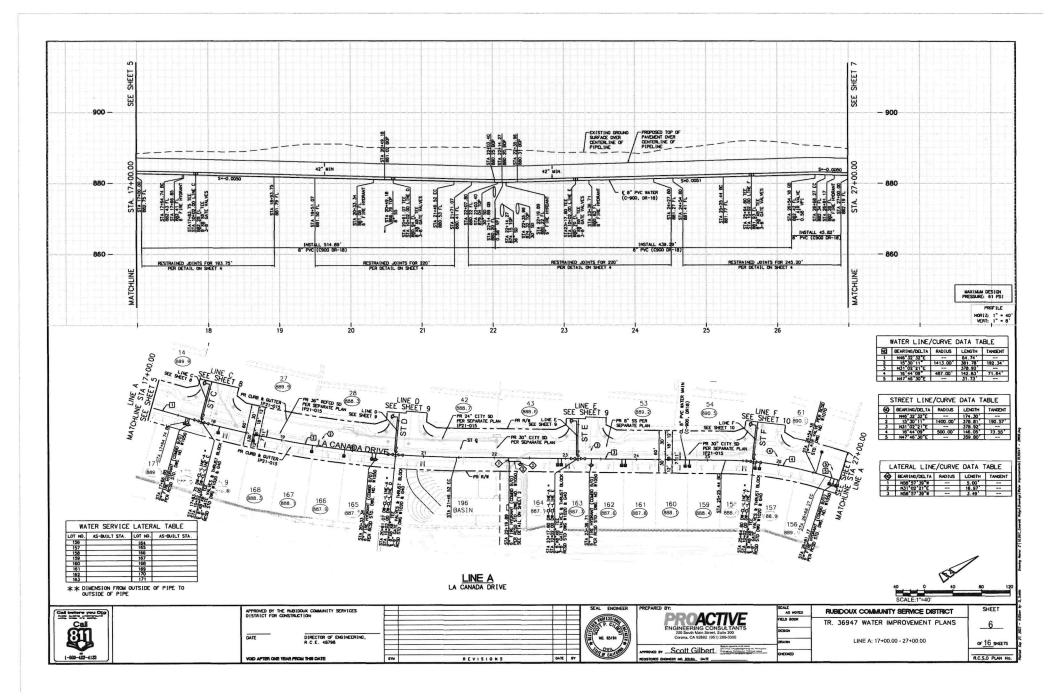
OF 16 SHEETS

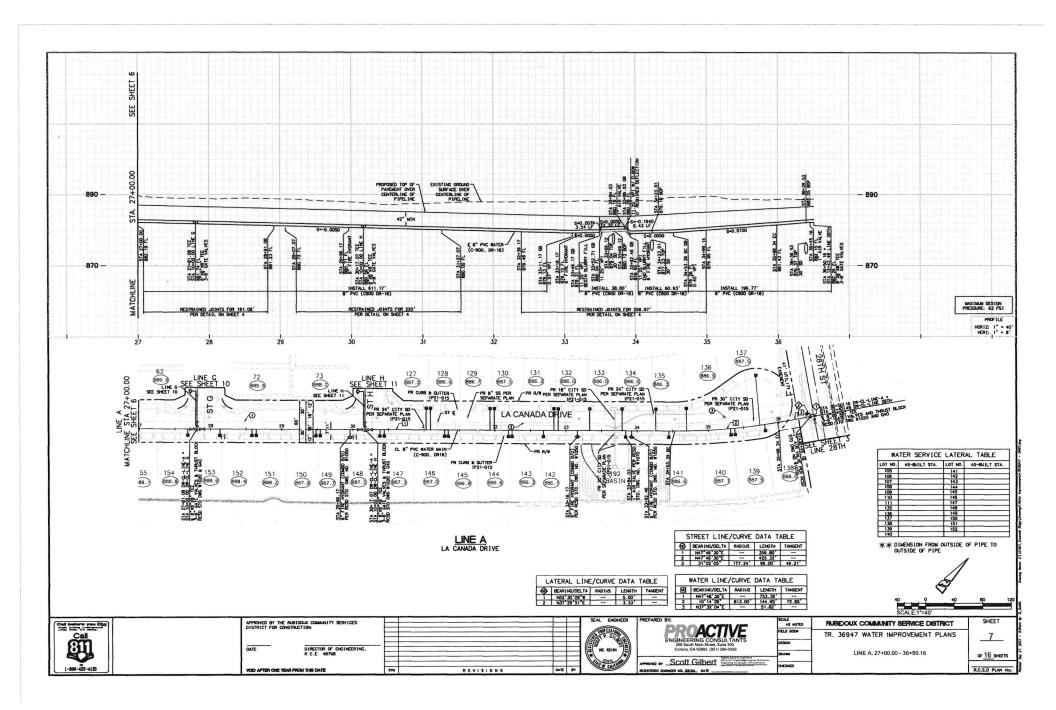
R.C.S.D PLAN

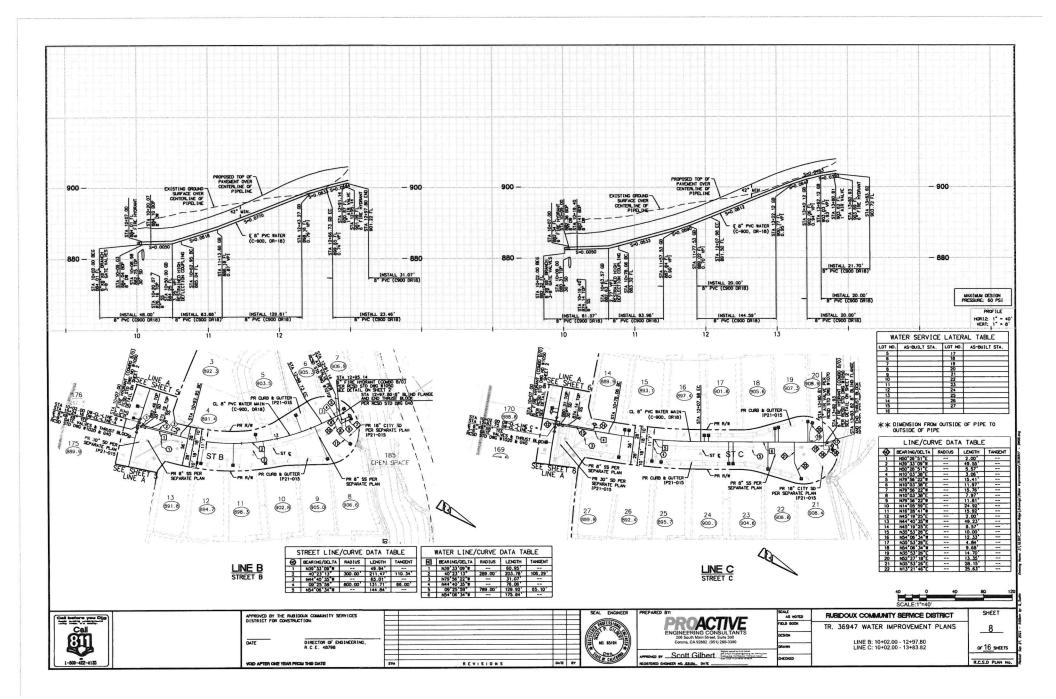


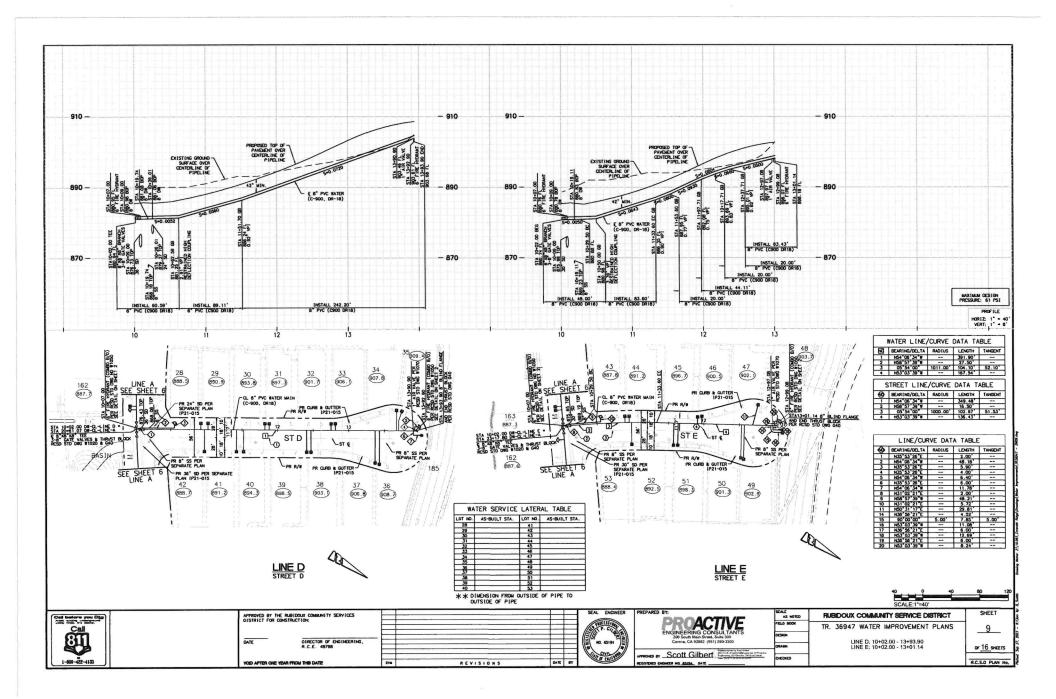


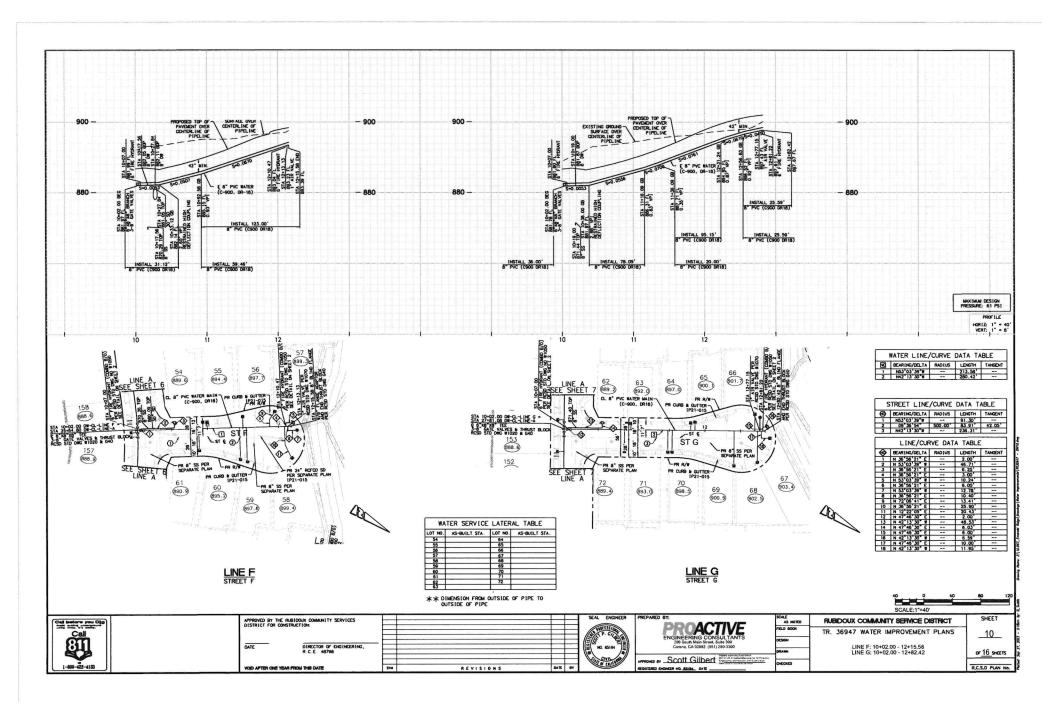


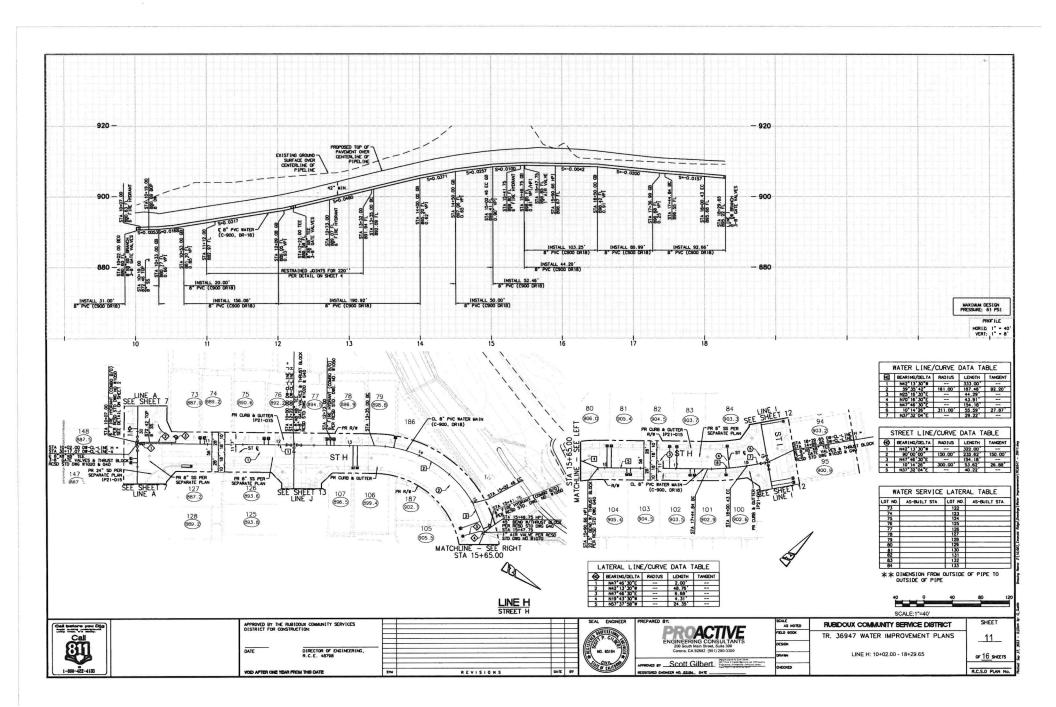


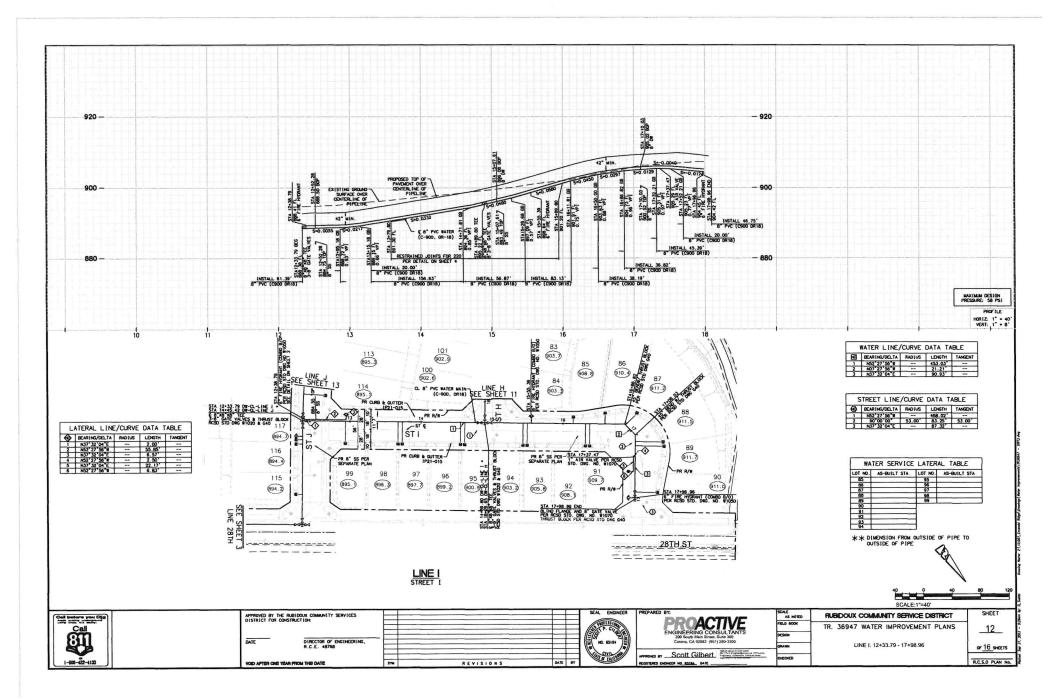


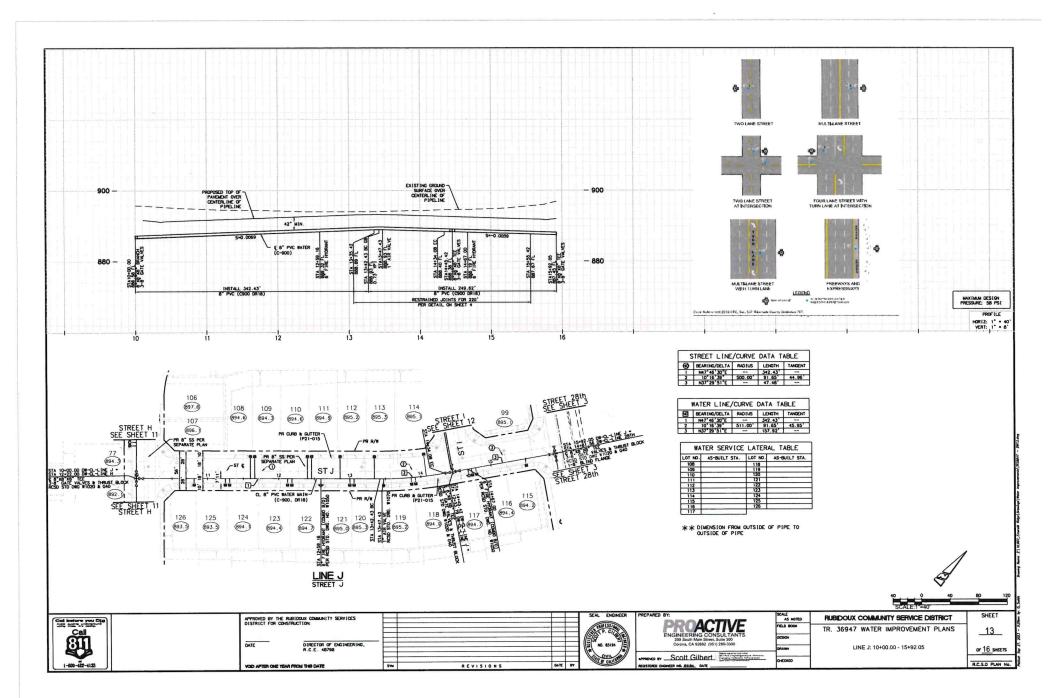


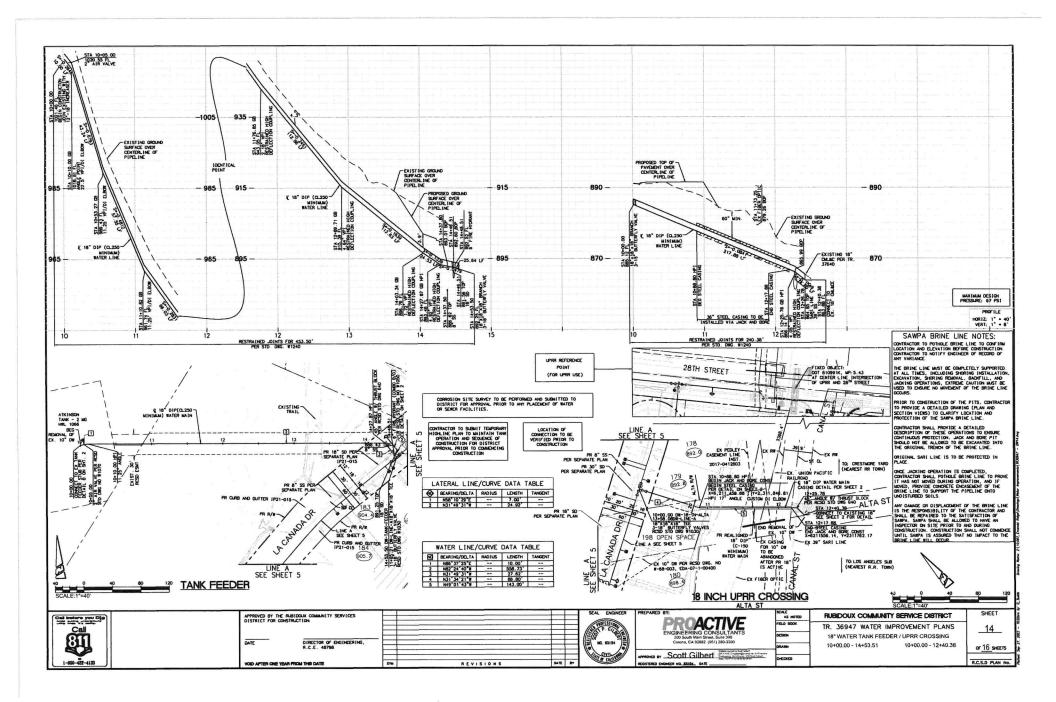












Pipelan Crossing 081808 Last Modified 06/05/18

January 20, 2022 Folder: 03308-62

RUBIDOUX COMMUNITY SERVICES DISTRICT 3590 RUBIDOUX BLVD REUPA VALLEY CA 92509

Proposed One (1) Eight Inch (8") Steel Pipe Cared In A Sixteen Inch (16") Steel Pipe Caring For An Underground Water Pipeline Crossing, Pipeleine Crossing of Raidwad Property at Mile Fort 542 on the Creation of Industrial Load at on mear Creatione Spin, Riverside Courty, California

Attached is an original of the agreement covering your use of the Railcoad Company's right of Please return the executed agreement via email. For any payment(s), please follow the sparying instructions.

An original copy of the fully-executed document will be returned to you, when approved and set by the Railcoal Commany

Payment in the annotat of Five Thousand Dullars (\$5,090.09) is due and payable to Union Pacific Radioad Company spen your execution of the agreement, Please include your payment, with Folder No. 039464, meeting on that document (Fyou capate Grandla Ulfar), you may consider this litter as a formal ball and that 94-6001323 is this Corperation's cortext Federal Taxoport Homitation Nimber

Raigood Protective Lability Insurance (RPLI) may be obtained from any insurance company which offers such coverage. Unice Pacific has also worked with a national leoker, Marah USA, to make a validable RPLI to you are your coefficient. You can find additional information, premium quartee, and application forms at (<u>uppr much com</u>)

If we have not received the executed documents within six months from the date of this letter, this proposed offer of an agreement is withdrawn and becomes null and void

If you have any questions, please contact me at fleddy@up.com

NON-FLAMMABLE LIQUID

PIPELINE

___O

PETRINI FAID OR SCI (RCALING TRACK

e outer + CUTCH

- 65.00.27

Toda minas

manana

Alle

[4] CONST. CONST. CONST. BOLLER. AND STATEMENT. B. ROYCLASS VI. BA LINGTH CONST. DWY, BD., 77. Incompare Market D., 77.

NOTES. 1) NAL ENVENENTIAL VERSIANED PERPENDICULAR TO THE CENTERLINE OF THICK 2) REFER TO ARENA VISIONE & COMPTER & PART'S, SECTION 5.1 Later between solar comparison and account of the second solar sol

Sincerely

Thomas Leddy Sr Analyst Real Estate

0

7

ŝ

2 168.

-4-CASING PIPE

-10.57

NORTH

Union Pacific Railcoad Real Estate 1400 Doudas Street Stop 1890 Omaka Netraska 65175-1650 h (462) 501-0340

- UN 1.3.4

ž z

A MARCE

PLAN

SECTION

AN THE

3052 11

. n. e.

. 8.11.

18.6

.50.77

DCROSSING DENCROACHMENT DBOTH

A CONE 1962 SECT SESSION SEC ACT HUMPLES STONE

- BRIDDEC

Ра 102 Ама 18548)

REAREST COTTA CRESTNORE SPUE ENC.: MOMO DATE: MANON

T-101

UNDER PA-

BUILDING AMERICA

ç

15

MARIN CONTRACT

= 0.

T.Z.

1.61.1 34.00048 1.005.1 -00440982 COUTERS 57.071 PROTESSEE CA

0

Falter No. 53108-67 Article 3. TERM.

PIPELINE CROSSING AGREEMENT

Mile Post: 5.42, Crestmore Industrial Lead Location: Crestmore Spur. Riverside County, California

IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS

A. In consideration of the bicarse fee to the paral by Lemmes et effect halow and in hierest excitations and generates the performed by Lemmes the constraints and generates the performance by Lemmes the constraints and generates or excited the second second performance of the performance of the second second

B. Locure represents and warputs that Locure's Facilities will (ii) only be used for each (if) steel pare could a a system ands (if) steel pays counts (in one workstrond warputs around and (iii) role to used to cover any other structure, any filter spect calles, of for any other use, whether such use a normally technologically possible, or whether such our may commute the structure damge the first of the Agrommetry and the structure of the structure damge the first of the Agrommetry and the structure damp the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the structure damge the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry and the structure damge the first of the Agrommetry damge and the structure damge the first of the Agrommetry damge the structure damge the first of the Agrommetry damge the structure damge the first of the Agrommetry damge the structure damge th

C. Licensee acknowledges that if at or its contractor provides Licensor with digital imagery depicting Licensel's Facilities ("Digital Imagery"). Licensee substrates Licensor to use the Digital Imagery in proparing Exhibit A. Licensee represents and warrands that the trough a License or otherwise, it has the right to use the Digital Imagery and to permit Licensor to use the Digital Imagery in soid marine

Upon execution of this Agreement, the Licensee shall pay to the Licensee a one-time License Fee of Five Thousand Dollars (\$5,000.00)

corporation, ("Licensor") and recontractory Connectory 3590 Rubidoux Bivd., Jurupa Valley, California 92509 ("Licen

Article 1 LICENSOR GRANTS RIGHT.

Article 2. LICENSE FEE.

THIS AGREEMENT ("Agreement") is made and entered into as of January 20, 2022, two Date") by and between UNION PACIFIC RAILROAD COMPANY, a Delaware ten, ("Licensed") and RUBHOUX COMMUNITY SERVICES DISTRICT, to be addressed at

This Agreement shall take effect as of the Effective Date first berein written and shall continue in full force and effect until terminated as provided in the "TERMINATION, REMOVAL OF LICENSEE \$ FACILITIES" Section of Exhibit B

Article 4. LICENSEE'S COMPLIANCE WITH GENERAL TERMS

Licerase represents and warrants that all work on Licerase's Facilities performed by Licerase or ortractors will strictly comply with all terms and conditions set forth herein, including the General and Conditiona, attached hereica an Edubat B and made a part hereof.

Article 5. INSURANCE.

A During the term of this Agreement, Licergree shall fully comply or easine as ecentractor() to comply with the invariance requirements described in **Exhibit** C, ansched hereto and made a part la Upon request only, Licenses shall send copies of all invariance documentation (e.g., ontific endocumentati, set to Licensor at the address lated in the 'NOTICES' Section of this Agreement.

If Licensee is subject to statute(s) limiting its insurance liability and/or limiting its ability to a insurance in compliance with Exhibit C of this Agreement, those statutes shall apply.

Article 6. DEFINITION OF LICENSEE.

For purposes of this Agreement, all references in this Agreement to Licensee will include For proposes of the Agreement, all references us the Agreement to Licence will lockbar licence's contrastical, subconstrainty, officience, again and enging-years, and other a string usate is or their andharity (collabority), a ¹²-Cantartist ¹. If a Contrast-is is lared by Licence to perform any work we work, then Licence will be provide a copy of the Agreement to the Contrast-type and persper in Contrast-type) to comply with all terms and conditions of the Agreement, including the indemntification contrast-type (advised), and a string and the Agreement in Contrast-type and Contrast-to to persons, defined, and indemntify Licence to the same strenge and Contrast-to to person, defined, and indemntify Licence to the same strenge and Contraster to to person, defined, and indemntify Licence to the same strenge and Contraster to the same strenge and to strenge. Similar to the same strenge and Contraster as

Article 7. ATTORNEYS' FEES, EXPENSES, AND COSTS.

If linguistion or other coast action or similar infjulcentary proceeding in undertaken by Lacensee or Lacenser to enforce its rights under that Agreement, all fere, coato, and expense, richidage, without limitations, researched actionary's feast and coast coast, of the prevailing Party routes attack and proceeding abail be reindorsted or paul by the Party agaret whose interest the polyment or decisions in reindeed. The provisions of the Archevistal survey to the transmission of the Agreement.

Article 8. WAIVER OF BREACH.

The waiver by Licensor of the breach of any condition, covenari or agreement herein contained to be kept, observed and performed by Licensee shall in to way impair the right of Licensor to avail itsel of any remedy for any subsequent breach director.

Article 3. TERM.

That Agreement shall take effect as of the Effective Date first herein written and shall continue in full force and effect until terminated as provided in the "TERMINATION, REMOVAL OF LICENSEE'S FACILITIES" Section of Exhibit B

Article 4 LICENSEE'S COMPLIANCE WITH GENERAL TERMS

Licensee represents and warrants that all work on Licensee's Facilities performed by Licensee or its contractors will structly comply with all terms and conditions set forth herem, including the General Terms and Corehicons, attached hereto as Exhibit B and made a part hereof

Article 5. INSURANCE.

A During the term of this Agreement, Licenses shall fully comply or cause its contractor(s) to fully comply with the insurance requirements described in Exhibit C, attached bretes and nade a part hereof. Upon request only, Licensee shall send copier of all insurance documentation (e.g., certificates, endorements, etc.) to Licensee at the address lated in the "NOTICES" Section of this Agreement.

If Lisensee is subject to statute(s) limiting its insurance liability and/or limiting its ability to guarance in compliance with Exhibit C of this Agreement, those statutes shall apply.

Article 6 DEFINITION OF LICENSEE.

For prepose of the Agreement, all references on this Agreement to Lestrace will include Listeney's constraints, advantation, efficience, agricus and supplyers, and others using which in or their Listeney's constraints, advantation, efficience and advantagent relations, maintenance, advantation Listeneys's Faculty and the second second second second second second second works, then Listeness that provide a copy of this Agreement to the Constraint(s) and require works, then Listeness that provide a copy of this Agreement to the Constraint(s) and require may extractive the second second second second second second second second second requirements to feedback and advantation the same sector and advect the same sectors and advect the same sectors and advect the same sectors and sector the same sector and advect the same sectors advect the same sectors and advect the same sectors advect the same sectors and advect the Licensee is required to release defend and indemnify Licensor her

Article 7 ATTORNEYS' FEES, EXPENSES, AND COSTS

If Ingation or other cost action or similar adjudicatory proceeding to undertaken by Lacensee or License to refere as rights under this Agreement, all feet, costs, and expenses, toobaling, without limitation, reasonable attorney' fee and a cost costs, of the prevarialing Party in such action, etc. or proceeding shall be reinhorsed or publy the Party agand whose sterens the judgment or decision to readered. The provision of this Archesheal survey the transmitton of that Agreement.

Article 8. WAIVER OF BREACH

The waver by Licenter of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by Licenzee shall in no way impair the right of Licenzee to avail itself of any remedy (for any subsequent hreach thereof

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the date

UNION PACIFIC RAILROAD COMPANY RUBIDOUX COMMUNITY SERVICES



five (3) days notice proof to the consistion of the need for a flagger. If five (3) days notice of evasion is not gener, licensee will still be required to poy flagging darges for the days the flagger was scheduled, even beneft flagging is no longer expression for that proof. An additional trac (10) days note must them be green to Lessnost of flagging services are needed again after such five day constants notice has been given to Licenseot.

Section 5. SAFETY.

A safety of personnel, property, rul operators and the polite is of paramostat importance in the protostans of any well on knalload Property performed by License et or contractor, and take precedence over any well on Licensel's Politaria to lo perform discusse et no contractor. Licensee shall be rosponsible for instanting, maintaining and toperroung all addy operations and programs that the properties of the protocol of the performance of the blow web address of the performance origin, with Licensee's performance of the performance of the blow web address of the contract of the Safety Standard's to ensure sub-contract, licensee and in order (Licensee's License's address of the performance of the performance of the performance of the Licenset's Safety Standard's to exact any non-standards for such et al. more Rainold Distance operator of Licenset's Safety Standards to such et al. more Rainold et al.

Union Facility Content Safety Requirements

B. Licenses shall keep the job site on Kailroad Property free from safety and health hazards and ensure that their employees are competent and adequately trained in all rafety and health aspects of

C. Licensee represents and warrants that all parts of Licensee's Facilities within and outside of the limits of Railroad Property will not interfere whatsoever with the constant, commonus, and uniterrupted use of the tracks, property, and facilities of Licenser, and horting shall be dame or suffered to be done by Licensee at any time that would in any manner impair the safety threeof.

D. Learner's generation and not performed by Literate's personal may can delay in the forener's of the disconter's backford interest average fain this backgoes and the set of the disconter backford interest backford interest backford interest backford interests and the set of the disconter backford interests and the disco

E. Licensor shall have the right, if it so elects, to provide any support of deems necessary for the safety of Licensor's operations and tacklage during Licensor's or its contractory construction, maintenance, repart, interval, molf-tackine, relacitont, reconstruction, or moving of Licensor's Facilities, in the event Licensor provides such support, Licensor shall movies Licensor, and Licensor Shellness, licensor as set forth in the 'LICENSEE's PAVIMENT OF SERVERSES' Sciences of the Khellnesh is the set of the

F Levenses may use summaned airstaft systema ('UAS') to rappet Levense's Facilities only upon the prior authention from and sucker the direction of Levenser's Facilities Levenser represent and warrants dur at use of UAS in Kalacold Property will comply out Licenser's then-scener Unnamed Arran's Systems Folory and all applicable laws, rules and regulators, melading any applicable Folder Arxing Ambinistation regulators and encontemp perturbation to UAS.

SHEET

Pipeline Crossing 96/05/18 Form Approved, AVP Law EXHIBIT B GENERAL TERMS AND CONDITIONS Section 1. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED

A Learner's Facility will be desped, contracted, sported, mantaned, repaired, renewed, modified, resorationation removed, or a bandword on place with kailood Property by Learness or to constants to Learness' or silonda and and sposifications, uncluding these for dearing and critical contractions. The second process of the second seco

A Licenses and its contractors are stirely probabiled from commensing any work associated with Licenses's Boalines writeout Licenses's writen approval that the work will be in strict compliance with the "EMORERNO REQUERRINGTN, FIEMAITS Section of this Lidoba III Upon Licenses' approval, Licenses shall contact beth of Linener's field representatives "Licenses' Field Representatives" in latent (10) Sub-year doct commensement and any work on Linenee Facilities.

A Following Licenser's notice to Licensor's Field Representatives required under the OTICE OF COMMENCEMENT OF WORK, EMERGENCES'S Section of this Exhibit B, Licenser and Lindom Licenser of Sdorfy Measures are required for preformance of the work by License er in structure en Rulenad Property: IS sledy Measures are required, no wark of any kind may be performed by License er in constructivity and anangements for the Safry Measures have been made and substructure en substructure term managements for the safry Measures have been made and the safry Measures and the safry Measures are required. by Lice scheduled If no Safety Measures are required. Licensor will give Licensee written authorization to

 $B_{\rm ev}=10$ any Jahry Manaces are preformed opervised by Lorence and budgets, Lioner MH III Listence or the scherest sectors the U-creater, and or Lioner and a field, and a schere schere schere schere schere schere schere schere fielder, date, or bodi gevennamtel entry Harles affective schere regardig the distances of each fielder, date, or bodi gevennamtel entry Harles and the schere regardig the distances of the Harles schere transmission and the schere schere schere schere schere schere schere schere Lioners en text schere schere

In a Landard to the chief on equipart of the properties of the semantical is not interpretent.
C. For lingung, the rate of properties of the chief and thering regularly assigned hours and overtime in consideration of the chief of

SEAL ENGINEER REPARED BY APPROVED BY THE RUBIDOUX COMMUNITY SERVICES RUBIDOUX COMMUNITY SERVICE DISTRICT AS NOTED Call before you Dip OACTIVE ELO BOOK TR. 36947 WATER IMPROVEMENT PLANS Call 15 SON 81 DATE DIRECTOR OF ENGINEERING, R.C.E. 48798 NO. 65194 LICENSE AGREEMENT OF 16 SHEETS Scott Gilbert SHILL ALUTER -600-422-4133 DATE O R.C.S.D PLAN N VOID AFTER ONE TEAR FROM THE DATE -REVISIONS CRED DAG

A. The foregoing grant is robject and subscriptions to the proor and continuing right and obligation. If Lisomer to use and maintain its entire properly including the right and power of Licomerts commercision, there exists a structure of the s

B. The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of Radroad Property) and the right of Licensee to renew and extend the same, and is made without overanit of title or for minit enjoyment. It shall be Licensee's sole obligation to feature such additional permission. Genera and grants necessary on accound 6 any sole heating that a second or the second or the second or the second or any sole heating that a second or the second or the second or the second or the second or any sole heating that a second or the second or the

- B Licensee shall keep the soil over Licensee's Facilities throughly compacte aintain the grade over and around Licensee's Facilities even with the surface of the adjacent group
 - If needed, Licensee shall secure, at Licensee's sole cost and expense, any and all emits required to perform any work on Licensee's Facilities

Section 3 NOTICE OF COMMENCEMENT OF WORK; EMERGENCIES

Section 2. ENGINEERING REQUIREMENTS, PERMITS

Decessory Definit

B Licensee shall not commerce any work until (1) Licenser has determined whether lagging or other special protective or safety measure ("Safety Measure") are required for performance of the work pursues to the "PLAGOD'S Section of the Lichhib B and provide Licensee written and/matanion to commerce work, and (2) Licensee has complied with the "PROTECTION OF FIBER OFFIC CABLE SYSTEMS' Section of the Lichhib B and provide License. Them are the License system of the License and the License system."

C. If, at any tane, an emergency arrive involving Licensee's Facilities, Licensee or it contractor shall immediately contact Licensor's Response Management Communications Center at (888 877-7267

Section 4. FLAGGING.

Section 6. PROTECTION OF FIBER OPTIC CABLE SYSTEMS

There are a system and beam of Radia Contact PARLEND There are a system and beam of Radia Contact PARLEND (a) system is of average of Radia Contact Particle Contact Particle Contact Particle Contact Particle Contact Particle Contact Particle Contact OF CAMBINCHMENT OF WORK, BABBORICE States of the EAble IL, Lorenze shall varie open STGD to complete and induct the traject form to determine if the regist calls is brend asystem on Radia Departy to be used by Literate shall be particle and the particle Contact Particle Contact Register on Radia Departy to be used by Literate. If it is, Literate shall be place telecaminetaneous comparignite involved and arming to a call location of a start and and telecaminetaneous optiqueties involved and range for a calle location related and the of comment of system is a shall be provided and the place of the place of the telecaminet only work on Radia Departy and and the place called and the location of the telecaminet only work on Radia Departy the place of the Department of the register of the telesconter of the system of the telesconter of the Department of the telesconter of the telesconter of the telesconter of telesconter of telesconter of the telesconter of the telesconter of the telesconter of telesconter of telesconter of telesconter of telesconter of the telesconter of telescon

Section 7. LICENSEE'S PAYMENT OF EXPENSES

Licensee shall bear the entire cost and expense of the design, construction, mainten, reconstruction, repair, renewal, revision, relocation, or removal of Licensee's Facilities modifie

Biolineani, retrainmain, rugin, intran, retrain, retrain, inclusive in more of leaster training of the property in correction with the contribution, maniferance, modification, reconstructions, rugar, mochanication, and and an experiment of hardwall Property in corrections with the contribution, maniferance, modification, reconstruction, rugar, mochanication, and and and an experiment of the second seco

C As set forth in the 'FLAGONG' Section of this Exhibit B, Licensor shall have the right, o elects, to provide any Safety Measures Licensor deems necessary for the safety of Licensor's cast and trackage during Licensor's or its construction's constraints, maintenance, modifications, institution, repart, reveal, revision, relation, or removal of Licensor's Scalifies, including, but not reconstruction, repair, remeas, revision, resonanto, or temposa on Locense's resummer, instante, on time limited to supervision, napsection, and flagging revisions. In the event licenser provides such Safety Measures, Licenser shall submit an etermized anxiete to Licenser's notice recepteral listed in the "NOTICES" Articles of that Agreement. Licenser shall pay to Licensor the total amount listed on such anxiete withan thirty (30) days of Licenser's recept of such monoice

Section 8 MODIFICATIONS TO LICENSEE'S FACILITIES

A This grazt is subject to Licensor's safe and efficient operation of its rulesod, and contrarate use and improvement of Katosah Property (collectively, "Katosah Use"). Accordingly, Licensee shall, at sub-solic ont and separation, modely, reconstruct, require, rense, rense

B Upon any Modification of all or any portion of Licensee'r Faculties to another location road Property, Licensor and Licensee shall execute a Supplemental Agreement to this Pipelin

EXHIBIT C INSURANCE REQUIREMENTS

In accordance with Article 5 of this Agreement, Licensee shall (1) procure and maintain at its soli cost and expense, or (2) require its Contractor(s) to procure and maintain, at their sole cost and expense the following insurance coverage

A <u>Commercial General Liability Insurance</u> Commercial general hability (COL) with a limit of not less than \$2,000,000 each accurrence and an aggregate limit of not less than \$4,000,000 COL, guarance must be written on ISO occurrence form CO 00 00 11 204 (or a substitute form providing). valent coverage)

The policy must also contagt the following endorsement, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE.

Contractual Liability Railroads ISO form Cd 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the Designated Job

B. <u>Business Automobile Coverage Insurance</u> Business auto coverage written on [20] Grans CA (2001) 10/01 (or a substitute form providing espiralant lability coverage) with a limit of not lens \$2,00,000 for each accelerate, and coverage must include liability arising out of any auto (including context), hired, and sum-control autos).

The policy must contain the following endorsements, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE

"Coverage For Certain Operations In Connection With Railcoads" ISO form CA 20701001 (or a substitute form providing equivalent coverage) showing "Union Facilie Railcoad Company Property" at the Designated lob Site

Workers' Compensation and Employers' Liability Insurance Coverage must include but not be hr

- · Licensee's statutory liability under the workers' compensation laws of the state(s) affected by this
- Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee

If Licensee is self-matried, evidence of state approval and excess workers' compensation coverage must be provided. Coverage must include labelay using can of the U.S. Longshermen's and Harbor Workers' Act. the Jones Act, and the Örter Convincential Shell Land Act, if applicable

Environmental Liability Insurance Environmental Legal Liability Insurance (ELL) bodby insury, property damage, including loss of use of damaged property or of property D <u>bavironmental Liability Instrume</u> Browcamental Legal Lubility Instrume applicable to boldy instrum, perceptual quantum contrast and expense anstruction the niverstanding dense, or stellments of claims, or compliance with statute, all in contention with any loss arrang from the insured 5 performance matter has Agreement. Except with Aprennet to document the Modification(1) to Lansaer's Fashinn on Railwad Property. If the Modifications result in Learnest' Fashinest merger of of Mathead Property, the Agreement will PERMINNTON. Relatively and Property Will Statistication of the Statistication of the Statistication of PERMINNTON. Relatively and Property will not elease Learnese from any Indulty or other elegances of Energy and Property will not elease Learnese from any Indulty or other elegances of Energy and Property will not elease Learnese from any Indulty or other elegances of Property Property and Property will not elease Learnese from any Indulty or other elegances of Property Property and Property will not elease Learnese from any Indulty or other elegances of Property Property Property and Property and Property Property Property Property Property and Property Property and Property Property and Property Property and Property Property

Section 9. RESTORATION OF RAILROAD PROPERTY.

in the event Licensee, in any manner moves or disturbs any property of Licensor in connection a construction, maintenance modification, reconstruction, repair, renewal, revision, relocation, or with the wass use construction, maintenance, modification, reconstruction, repair, renewal, revisión, relocation, or removal of Licensee's Facilitius, then, Licensee shall, as soon ar possible and at Licensee's sole cost and experses, restore. Licenses's property to the same condition as the same were before such property was moved or disturbed.

Section 10. INDEMNITY

Other Requirements

- A Definations As used in this Section
 - "Licensor" includes Licensor, its affiliates, its and their officers, directors, and employees, and other railroad comparises using Railcoad Property at or the location of Licensee's installation and their officers, directors, agent employees: 1
 - 2 *Licensee* includes Licensee and its agents, contractors, subcontractors, sub-subcontractors, employees, officers, and directors, or any other person or entity acting on tis behalf or under its control.
 - 3 "Los" includes clams, ruts, tuxei, loss, danages (including punitive damages, statutory damages, and exemplary damages), costo, charges, assessments, sudgments, settlements, hoce, demanda, actore, cause of actoric, finese, penalises, utaresut, and expenses of any nature, including coart costs, reasonable atterney's fees and expense, investigation costs, and appende expense.

B. Lorenee shall release, hefed, underneity, en dishamisa Lorenees from nod spannet any and all Lone, even if groundless, frankdied, et failes, data directly er indirectly niese oet of or a related to Lesneever, construction, manufastame, modificiation, reconstruction, repair, memory fersional, related or the conversion of Licensee's Facilities, unchalarg, but not limited for, any achiation of larged

this neverance must apply as if each named mused were the only named insured, and separately to the additional insured against which claim is made or suit is brought. Coverage shall be maritanised in an amount of at least \$2,000,000 prios, with an arranul aggregate of at least \$4,000,000 at least \$4,000

Licensee warnata that any retreactive date applicable to BLL meanance coverage under the palcy in the same as or precedes the Effective Date of this Agreement, and that contansous coverage will be manifastical for a partical difference of the same date was and the same of the same date of the completel of it overage to categolia difference on the policies estimated discovery period, if any, will be exercised for themasimum time allowed.

Be enclosed to the maximum numeric moves of the second se

F <u>Umbrella or Excess Insurance</u> If Licensee utilizes umbrella or excess policies, and these policies must "follow form" and afford no less coverage than the primary policy

G. All policy(in) required above (except humens automobile, worker's compensation and Endocriment (2014) insut usalidar. Licensor as "Additional Insured" usag 180 Additional Insured Endocriment (2012) 2014 (os statistics framis) providing comparison coverage). The coverage provided to Licensor as additional insured shall not be limited by Licenser's liability under the indemnity provinces of this Agreement BOHI LICENSOR AND LICENSEE EXPERT TIGHT LICENSOR WILL BE

FROUTED WITH THE BROADEST FOSSIBLE COVERAGE AVAILABLE BY OPERATION OF LAW UNDER ISO ADDITIONAL INSURED FORM CG 20 26

1 Lorenze waives all rights of recovery, and its mainten allow waive all rights or referequism of demages againet Lorenze and its agents, officers, directors and employees for damages covered by the worker's compensation and employer's halding or commonical undertail or access halding obtained by License required in this Agreement, where permitted by law. This waiver must be stated or the correlises of temporate.

K. The fact that insurance is obtained by Licensee will not be deemed to release or diminish

Purative damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of instance, unless licenses transparent or units in the denoted board for any ponitive damages that may arise under this Agreement, or (b) all purative damages are prohibited by all states in which this Agreement will be performed.

All maurance policies must be written by a reputable insurance company acceptable to or with a current Berr's Insurance Guide Rating of A- and Chass VII or better, and anthonized to as in the statist" in which the work is to be performed.

- Boshly hum or personal inpury (including any emotional inpury or disease) to, or the death of, any person(s), including, but not limited to, Licensee, Licenser, any telecommunications company, or the agents, contractors, subcontractors, sub-subcentractors, or employees of the foregoing.
- 2 Damage to or the database, losr, movement, or destruction of Raiload Property, including loss of use and dissustion in value, including, lost net limited to, any relectomunications systeme (1) or fider optics cables) on or near Kulinda Property, any property of Licensee or Licenser, or any property in the care, custody or octavil of Licensee or License.

3 Removal of person(s) from Railroad Property;

- 4 Any delays or interference with track or Raitoud's Use caused by Licensee's activity(ies) on Raitoud Property, including without humation the construction, maintenance, mobilitation, reconstruction, require, respect, respire, respir tent or machinery in
- 5 Right(s) or interest(s) granted pursuant to this Agreement,
- 6 Contents escaping from Licensee's Facilities, including without limitation any actual or allowed collution, contamination, breach, or environmental Loss;
- 7 Licensee's breach of this Agreement or failure to comply with its provisions, including, but not limited to, any violation or breach by Licensee of any representations and warranties Licensee has made in this Agreement; and
- 8 Violation by Licensee of any law, statute, ordinance, governmental administrative order, rule, or regulation, including without limitation all applicable Federal order, rule, or regulation, includin Railroad Administration regulations

THE FOREODESI ORLIDATION SHALL APPLY TO THE PULLESE ENTERIO THE THE ADDRESS OF THE ADDRESS OF THE PULLESE ENTERIOR FORM THE TAY TO THE INSTITUTION OF THE SECOND ADDRESS OF FORM THE TAY THE INSTITUTION OF THE SECOND ADDRESS OF PRODUCE LOSSING ADDRESS OF THE INSTITUTION OF THE SECOND ADDRESS OF PRODUCE LOSSING ADDRESS OF THE INSTITUTION OF THE SECOND ADDRESS OF PRODUCE LOSSING ADDRESS OF THE INSTITUTION OF THE INSTITUTION THE INSTITUTION OF THE INSTITUTION OF THE INSTITUTION OF THE PRODUCE LOSSING ADDRESS OF THE INSTITUTION OF THE INSTITUTION THE INSTITUTION OF THE INSTITUTIO

Section 11. TERMINATION; REMOVAL OF LICENSEE'S FACILITIES.

A litizations does not use the right herein granted on Lacenset's Facilitates for our (11) year, or other containers in default in the performance of any provision of this Appenent for a period of or dry the second in order of the second second second second second second second second second 'NOTICES' Article of this Appenent. The Appenent will not veminate usual License complete with Pagraphis C[®] and the other second seco

B In addition to the provisors of Paragraph "A" above, this Agreement may be ritten notice given by enther party, without cause, upon thirty (30) days written notice to writting party at the address lated in the "NOTICES" raticle of this Agreement. This Agree must sturial Learnese complete with Paragraphs "C" and "D" of this Section found below ent may be terminate not terms

C Inter to be defined des of any termination handhed in the bottom. Listene had before any experiment to the definition of the definiti

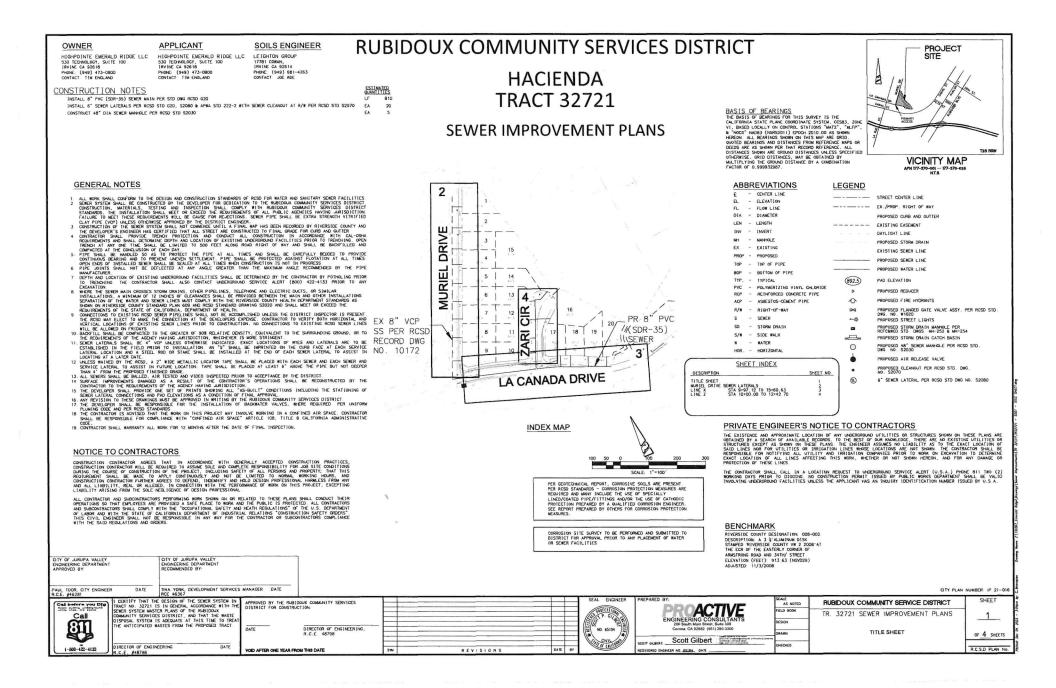
Property not songwed by readbed and/or taxLage ("Content Document"). Lacensee shall then restore the impacted Ralmad Property to the same or reascouldy smallar condition as it was prior to Learnnee's installation of Licensee' Facilitaes: For paperses of this Stechon, Licensee's (1) performance of the Removal Abandement Work, and (ii) restoration work will heremative be collectively referred to as the "Restoration Work".

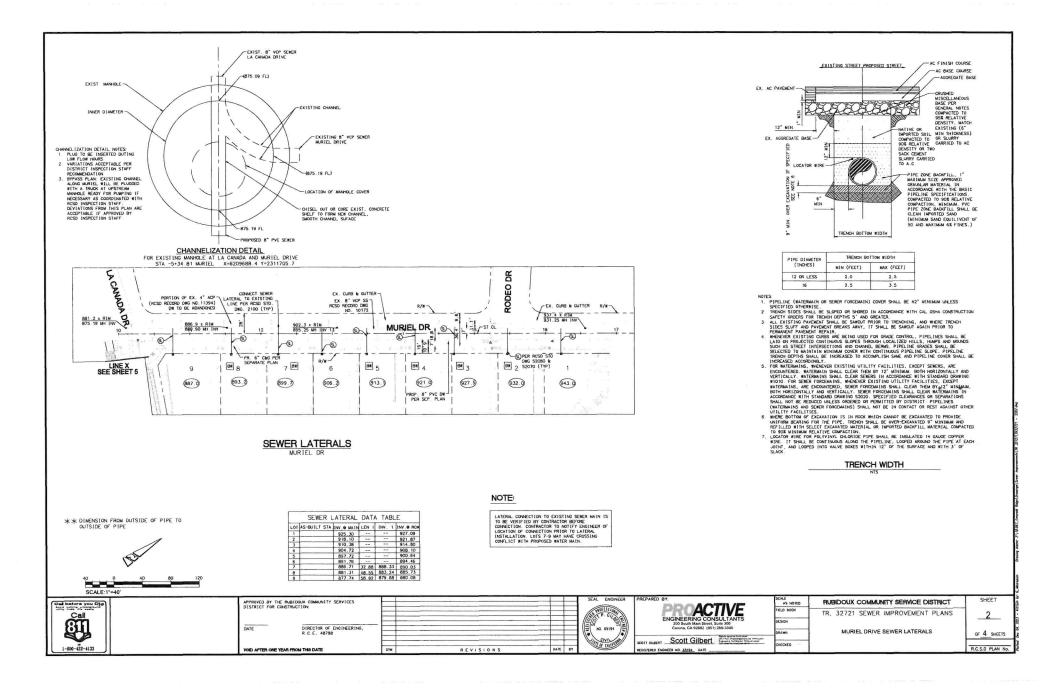
D Following Licenser's completion of the Restoration Work, Licenser shall provide a writine conflication little to License at the disfers listed in the "NOTICIS" Article of this Agreement effects with the Distribution With the host completion listed are the second bases of the second second and the Distribution With the Distribution of the Second Second and the Distribution of the Second Second Second Second Second Second and Second Second Second Second Second Second Second Second Provide Second Second Second Second Second Second Second Second Interfacion to License shall maintee any and all removel, commendial and restoring attements that metasatism to restore the property of a enginal, associationation of advection the Second Second Metasatism of the Second Second Second Second Second Second Second Second Licenser's responses to the solution listed in the "NOTICIS" Article of the Agreement the Licenser's responses to Licenser's restoration completion certifications, fair Agreement with seminate

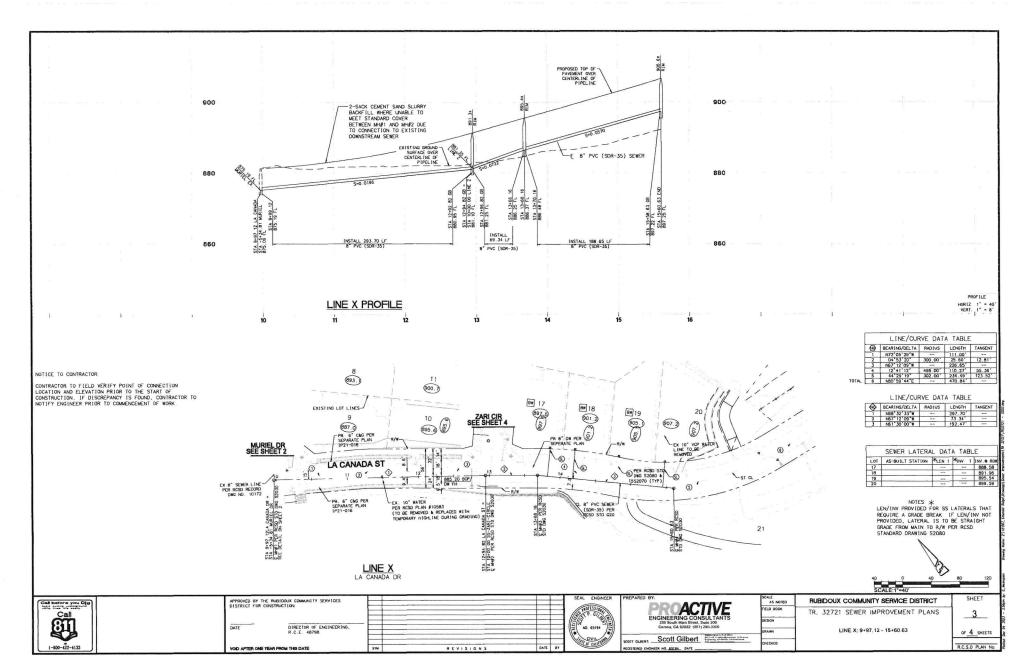
E In the event that Lacensee fash to complete any of the Restoraton Work, Licensor may, but a not obligated, to perform the Restoraton Work. Any make work statually performed by Licensor will be at the out and acquere of Licensee. The event that Licenser perform any of the Restoraton Work, Licensee that relates Licenser from any and all Locs (defined in the "RDIEBNIT" Section of this Exhibit B) avies of or related 15 License's performance of the Restoration Work.

F Termination of this Agreement for any reason will not affect any of rights or obligations of the parties which may have accred, or liabilities or Low (defined in the "INDENSITY" Section of this Exhibit B), accreder or thereview, which may have arisen prior to such termination.

| respect to the limits of unsurance, and | d any rights or duties specifically arrighed to the first named insured, | Agreement. Damages recoverable by Licensor from Licensee or any t amount of the respired insurance coverage | hird party will not be limited | by the | | | | | | 2 |
|---|--|--|--------------------------------|-----------|---------|-------------------|--|-------------------|-------------------------------------|------------------|
| Call balance your Dip | | APPROVED BY THE RUBIDOLIX COMMUNITY SERVICES DISTRICT FOR CONSTRUCTION | | | | SEAL ENGINEER | PREPARED BY. | SCALE AS NOTED | RUBIDOUX COMMUNITY SERVICE DISTRICT | SHEET |
| Call | | | | | | SALE P. CILLER | ENGINEERING CONSULTANTS | FIELD BOOK | TR. 36947 WATER IMPROVEMENT PLANS | _16 |
| 🛅 | | DATE DIRECTOR OF ENGINEERING. | - | | | 100 MD 85194 | ENGINEERING CONSULTANTS 200 South Main Street, Suite 300 Corona, CA 92882 (951) 280-3300 | DEBON | | |
| | | R.C.E. 48798 | | | | 14 14 | ATTROVED BT Scott Gilbert | ORANN | LICENSE AGREEMENT | OF 16 SHEETS |
| 1-609-422-4133 | | VOID AFTER ONE YEAR FROM THE DATE | ราน | REVISIONS | GATE BT | CIVIL BY CALIFORN | APPROVED BY SECON CONDENS OF A CONTRACT OF A | 05030 | | R.C.S.D PLAN No. |

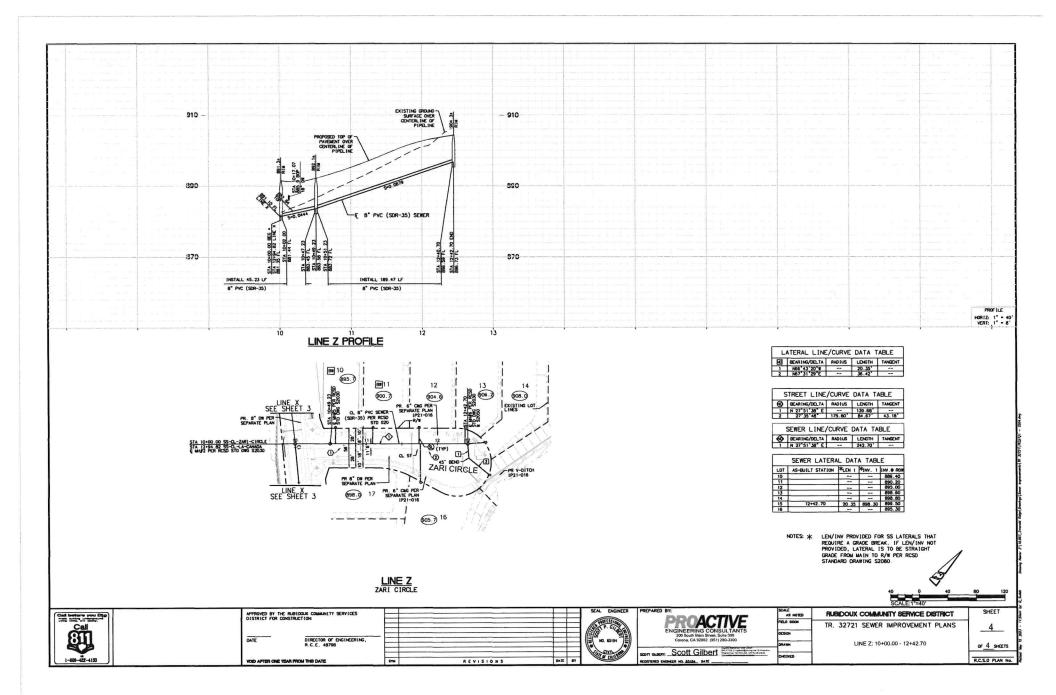


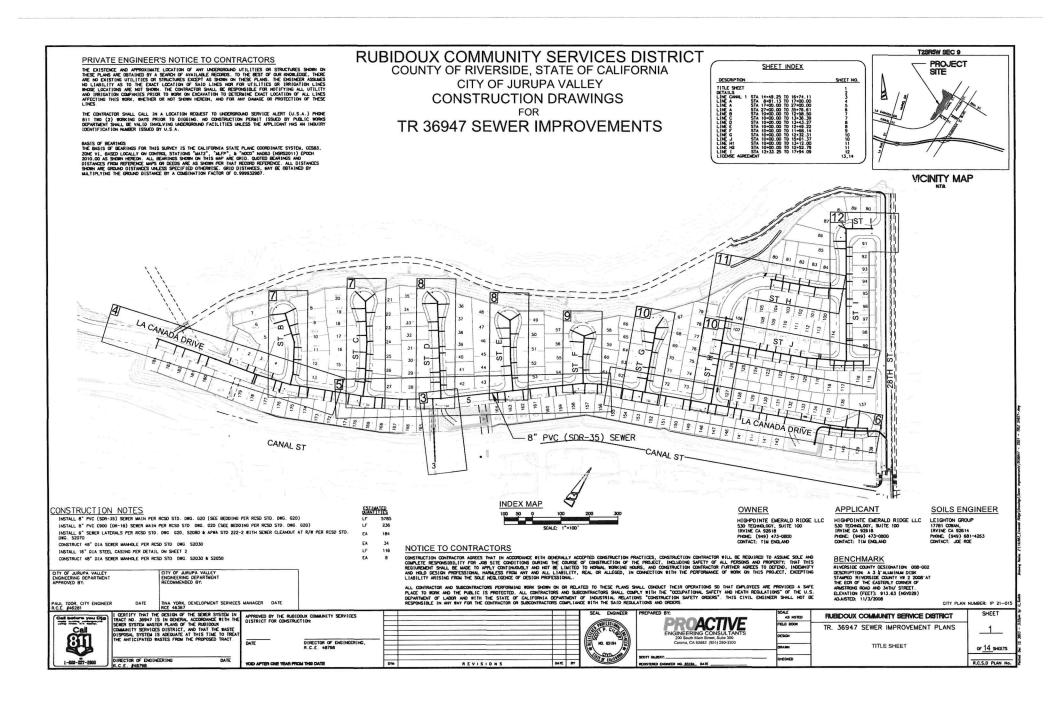


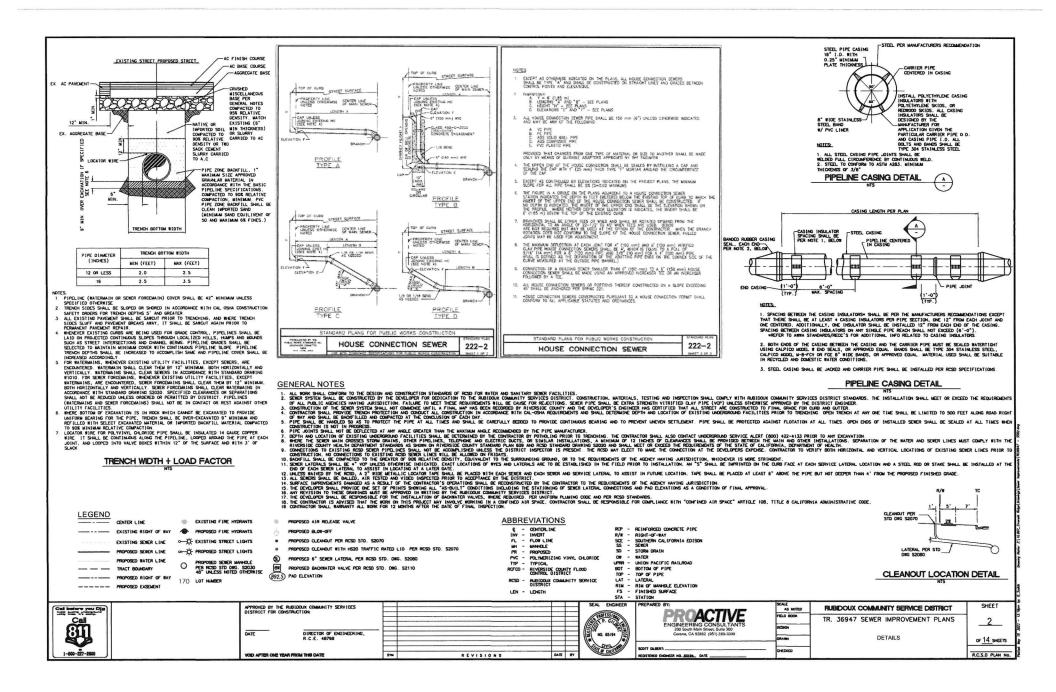


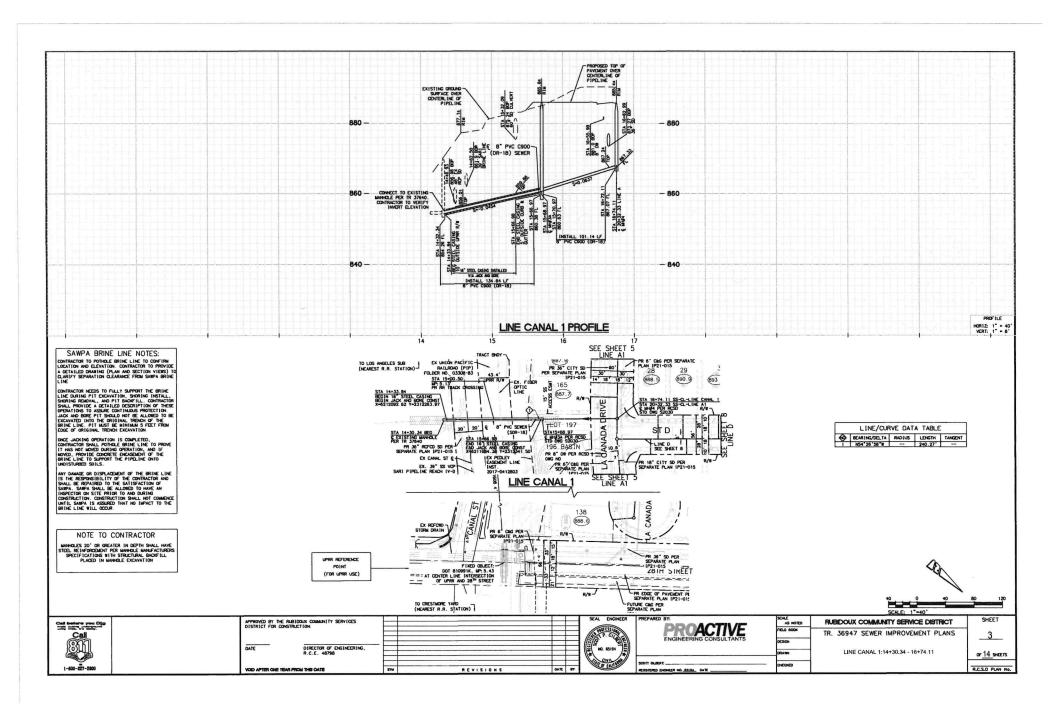
.

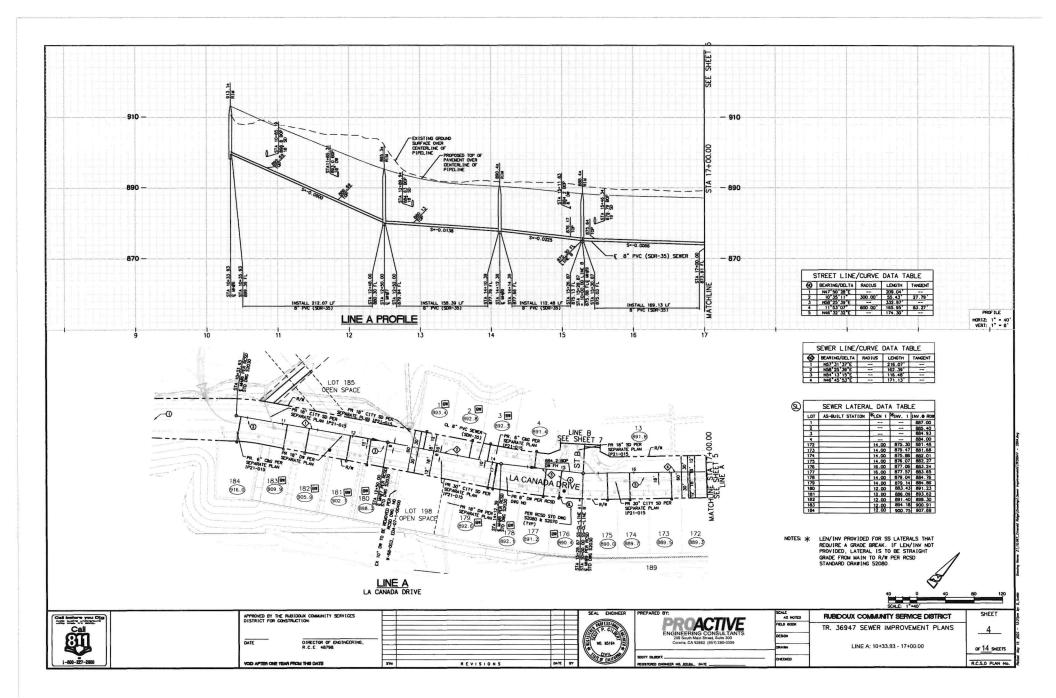
1. I monthly and summaries interaction of the set of the set

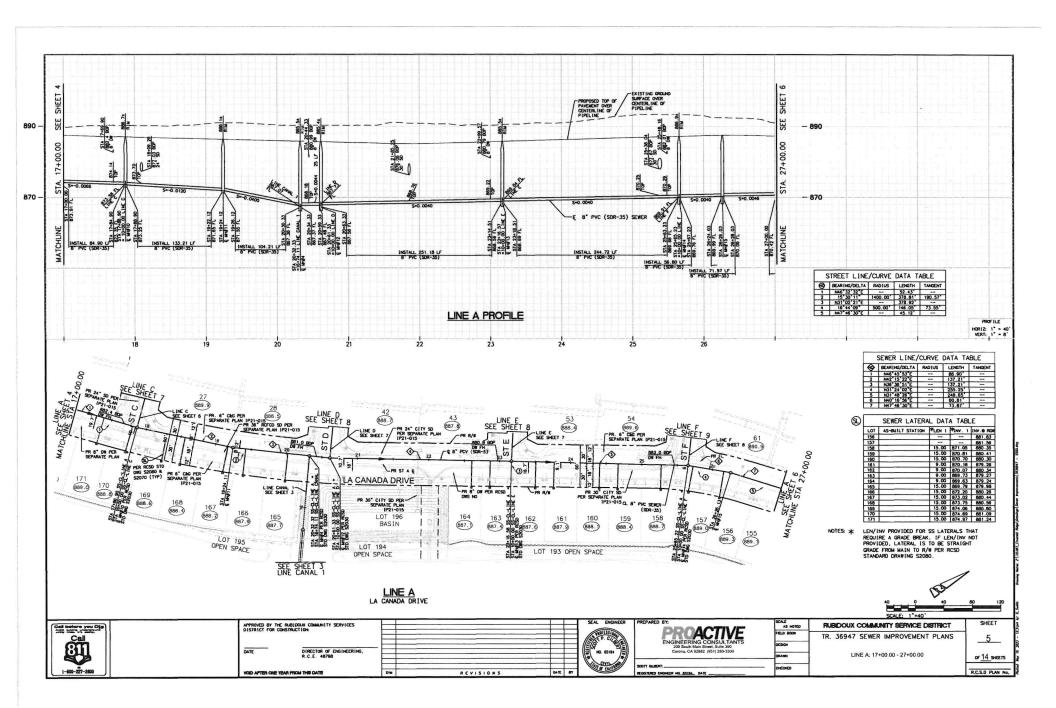


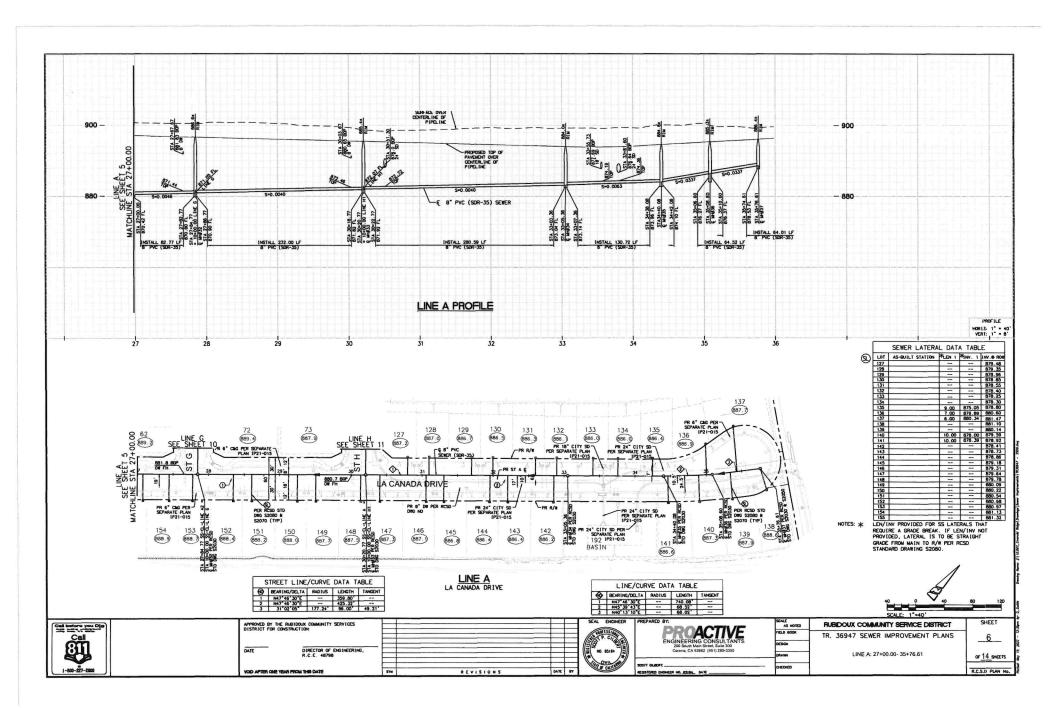


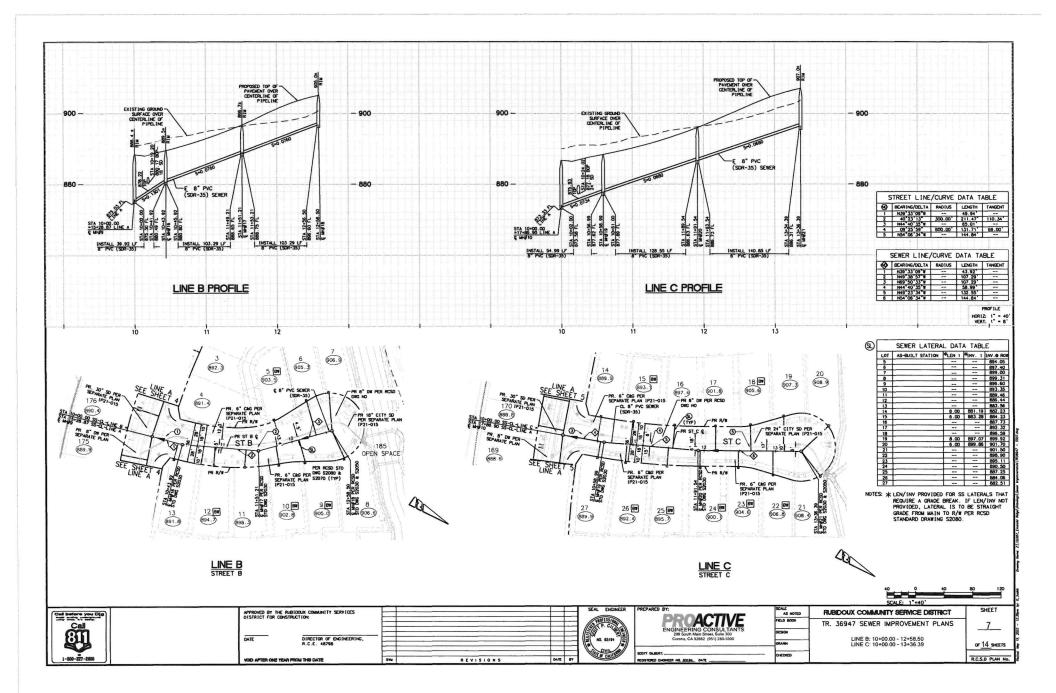


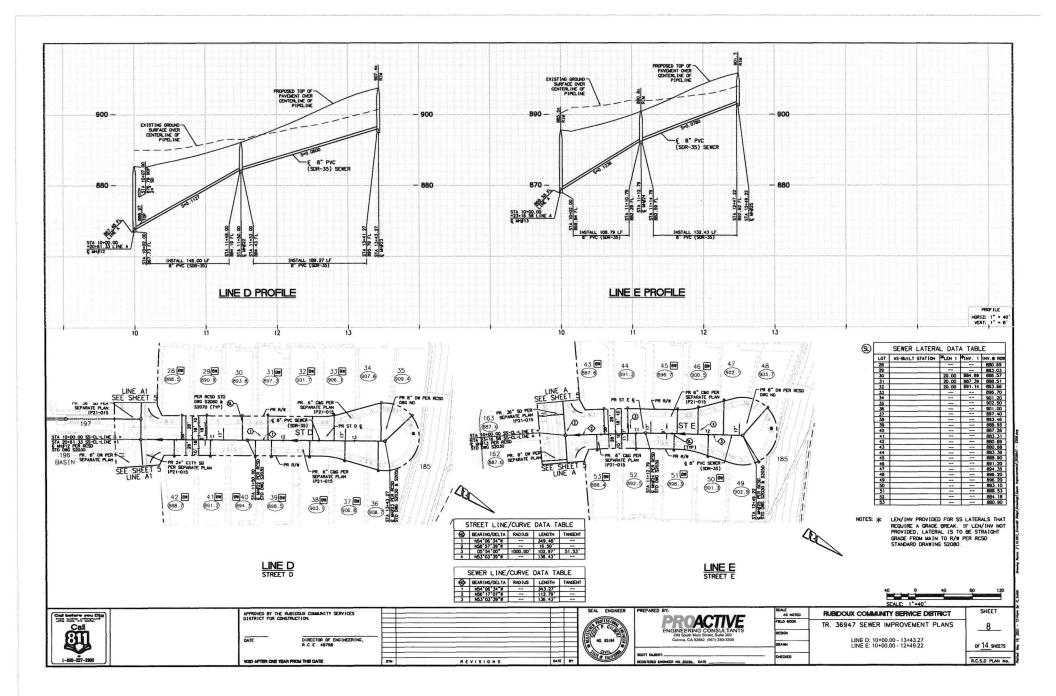


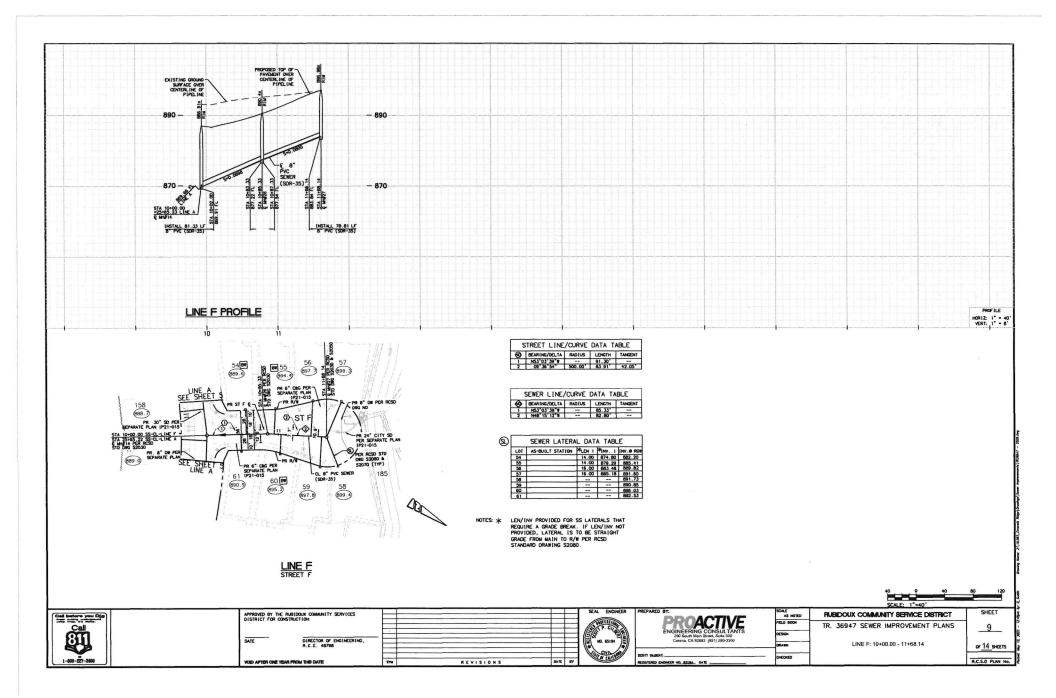


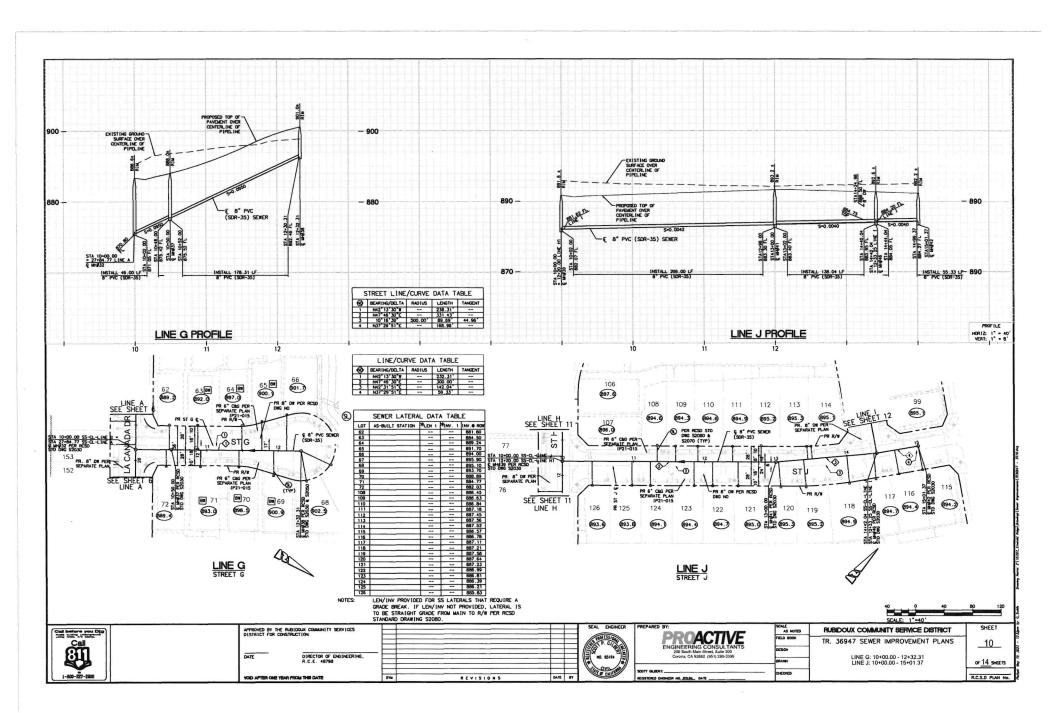


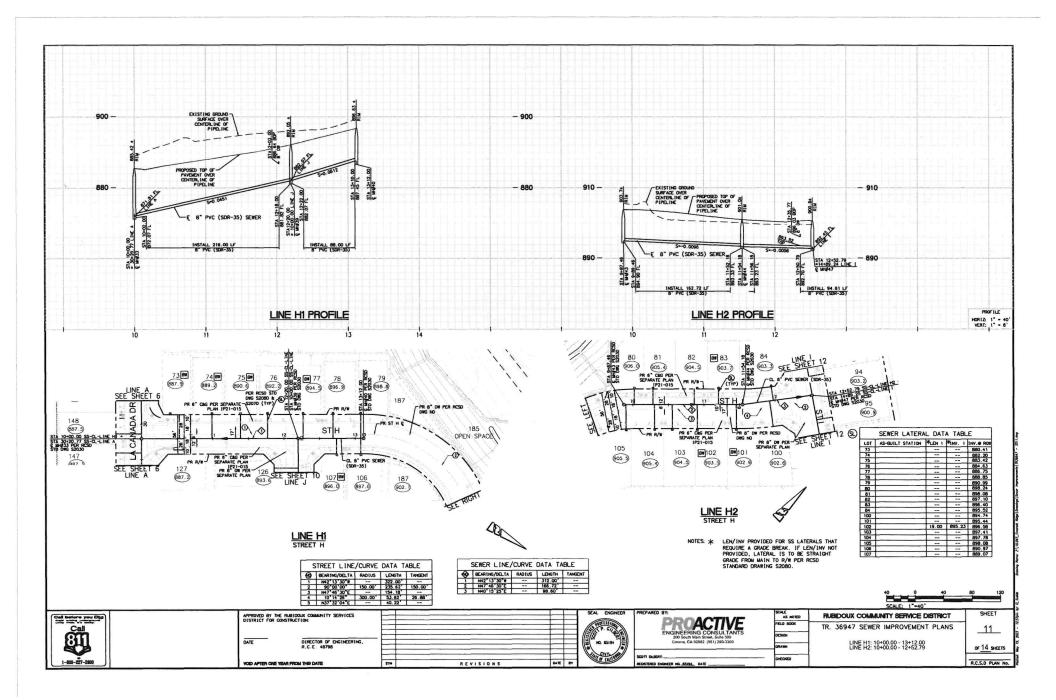


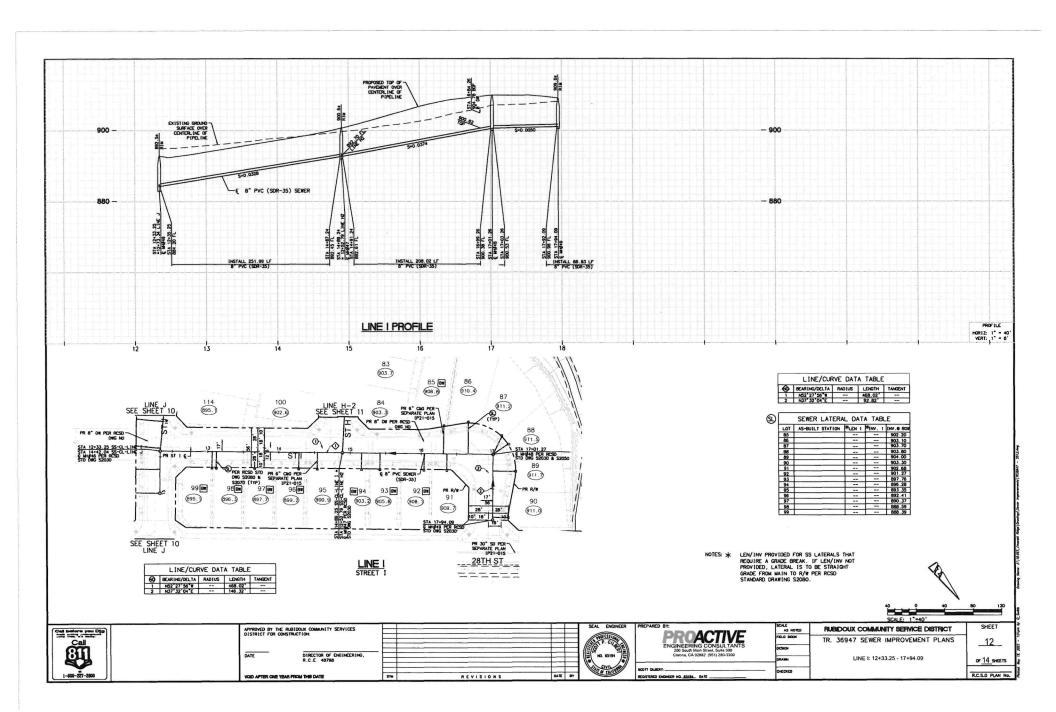












Typeline Convergential Law Meditled Bolts (L Lives Approved, AVP-Law

PIPELINE CROSSING AGREEMENT

Mile Past: 5.12, Cresenore Industrial Lead Subdivision Exertion: Crestenore Spar, Riverside County, California

THES AGRE/MART ("Agreement") is made and celered into its of Federary 23, 2022, ("Dictione Date") I: can between UNION FACIFIC RAILBOAD COMPANY, a Delevane opportune ("Lawes") and RHINDOX COMMINISTY SERVICES INSTRUCT, to be addressed at 1980 Robidians Blod, herpo Valley, Cabilionia 92509 ("Lawnor").

IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS: Arnde I. LICENSOR GRANTS RIGHT

A In consideration of the borne free to be paid by Lacenev we keep below and be further to the pair of the correction o

B. License represents and warrate the License's Facilities will (i) only be tread for our (j) oph needs (27) placic encode in a sisters field (16)) tree pipe casine for its callengewood stream pipeline casine, for its rule to some any other strategies, can filte stree caller, for its rule sources any discussion caller, and the filte effect of the strength strategies of the street strength strategies of the street strength strategies of the street street strength street s

C. Lecurse acknowledges that if it or its centrator provide. License: with dipital isoapary depicing: License4: facilities ("Dipital Imagery"). License4: and/actes License4: the Dipital Imagery in proparing Radific A. License4: endowlens and securits that the through a forcese or ellevistics in this for spite one the Edipital Imagery and re-period License4 to use the Dipital Imagery in said unsense.

-

Article 2. LICENSE FEE

0

Cal before you Dig

Î

1-600-227-2800

Upon execution of this Agreement, the Locense shall pay to the Locenser a one-time License Fee of Six Thousand One Hundred Ninety Dollars (36,190.00).

NON-FLAMMABLE LIQUID PIPELINE

50 . (1

Article J. TERM

Padder No. 13388-81

CROSSING ENCROACHMENT BOTH

This Agreement shall take effect as of the Effective Date first inveits written and shall continue in re and effect until terminated as provided in the "TERMINATION; REMOVAL OF LICENSEL'S care. FACILITIES" Section of Exhibit B

Article 4 LICENSEE'S COMPLIANCE WITH GENERAL TERMS.

Licensee represents and warrants that all work on Licensee's Facilities performed by Licensee or practors will strictly comply with all terms and conductors set forth herein, including the General and Conditions, ratched herein on Lishoft Band made a port Netrof.

Article 5. INSURANCE.

A. During the term of thin Agreement, Licensee shull fully comply or came its contractor(s) to fully couply with the insurance requirements described in Eshibit G, estatched hereto end made a part hereor. Upon response only, Licensee shall send copies of all insurance decumentation (e.g., cutilicate, endocrements, icea licearies) address fitted in the "NOTICES" Socious of this Agreement.

If Licensize is subject to statistic() finishing its momence fieldility and/or familing its ability to simulation in compliance with Exhibit C of this Agreement, those statutes shall apply.

Article 6. DEFINITION OF LICENSEE.

The property of this Agreement, all references in this Agreement to Licensee will include License of contrastents, independences, officient, spinst and supported to the second s

Article 7. ATTORNEYS' FEES, EXPENSES, AND COSTS.

If fidgation or other court section or similar adjusticatory proceeding is undertal on by Licensec or License to enforce in right notion this Agreement, all fees, conta, and expense, including, without limitation, encounted notions? Secan adjust court exists of the prevailing Party in such actions, tail, or proceeding shall be reinstrated or paid by the Party appliest values literest the judgment or declinest in endowed. The provides all fusions of this Article and any second party for each action.

The waiver by Licensor of the breach of any condition, covenant or agreement herein contained to be kept, obsarved and performed by Licensee shall in no way impair the right of Licensor in avail itself of any remersity for any subsequent baseh thereof.



4. Learner duli net avija dui Agenerat, in vlada ori jugit, er opi (glit horito) parati, vlada du i vlada du i vlada ori pagas du i valigi ple karate, du su supervente er anempet tanafe ar di ha Agenerat ar any et fle right, herie granet, sleda er obrait, jugit er obrait, and tana er obrait i la bada and verda and neu yezali in Lécanat, semantaria of his Agenerat prevento to the "UTRADATIONE IEMOVAL OF UZPELES FACULTS"-sission affection.

Upon Licenset's written crostent to any assignment, this Agreement will be binding upon and are to the benefit of the parties therein, successors, heirs, and assigns, executors, and administrators.

Arush 10. SEVERABILETY.

Any provision of this Agreement which is detormined by a court of component ionisaliction to be involded or unextinenable shall be invalid or unenforceable only to the extent of and determonation, which shall not involded are offeneric resolver interforce any other provisions of this Agreement

Article 11. NOTICES

Easys Linearch reconcentration of work solved to tapolity of under Eddall III. All other outbra-liquides by dis Agreement and las in straining and () personality person dyou the influence allowers proves and a followed Equere Competition and a straining of the eddall down of the eddall down of the eddall down of the eddall of the eddall down of the eddall down of the eddall down of the eddall down of the down of the eddall down of the eddall down of the eddall down of the work of the eddall down of the eddall down of the eddall down of the work of the eddall down of the down of the eddall down of the eddall down of the eddall down of the eddall down of the down of the eddall down of the eddall down of the eddall down of the eddall down of the down of the eddall down of the down of the eddall down of the eddall down of the eddall down of the eddall down of the down of the eddall down of the down of the eddall do

If to Licensur: Union Parific Railwad Company Ame Analysis - Real Estate USBies (Folder No. 03)06-85) 1405 Despise Street, MS (1990 Onalis, Nebraka 69179)

If to Licensee: RUBIDOL'S COMMUNITY SERVICES DISTRICT 3590 Rubidons Blvd. Jurope Valley, California 92509

Article 12. SPECIAL PROVISION - CONSTRUCTION OBSERVATION,

Licensor requires Licenses to provide monitoring of tracks and construction elsevation through user approved observer named helper during all construction and installation work. Licensee is to thy coordinate services with the named impertor:

Railpros Field Services Email: RP.1 film straigen Phone (682)223-5271

IN WITHESN WHEREOF, the parties herein have natural this Agreement to be executed as of the date first herein written

UNION PACIFIC RAIL ROAD COMPANY RUBBOUX COMMUNITY SERVICES

Uy: Ted Beckwith By: C Name Printed: Tod Beckwith

Craig O. Benson Manager - Reci Estate Union Pacific Raikoad Company Title. Director of Engineering

First (1) days noise gales as the resultion of the next for a Bagger H for (3) days noise of eventors in and green, known, will will be required for any Bagger denyer. For the days for the Bagger was statisfield, even Bangh Bagger, as a longer appoint for the public. An additional text (10) days statistic and the given to Licenser. If Bagging services are model apin after each five day consistent noise for the results.

A. Safety of prosends, property, not operations and the public is of preasured imputative in the proceedings on two routs. Inclusion: Fortbink is the probability larger on it constraints. However, resolutions with a subscription of the public larger or its constraints. However, resolutions with any soft on the public larger or its constraints. However, resolutions with any soft on the larger of the public larger of the pub Toperty

B. Licence shall keep the job site on Rahoud Property free from safety and health boards, aroung that their exployees are competent and adeparticly troined in all safety and health aspects of the work.

C. Licence represents and warrants idea all parts of Licence's Facilities within and excision of the finant of Railmost Property will not interface whateverve with the eventual, continuous, and emissionary and a set of the lacks, perpensive of foculities of the resource and using while the data or a suffered to be done by 1 increase at any line; that would in any memory insplicit the safety thereof.

D. License's operations and south performed by License's presented may new objects in the second second

E. Licenser shall have the regle, if it so elects, to provide any surpart it denot acclassary for the step of Licenser's operations and lackage during Licenser's or its contrastive's constraintion, anotherance, report, neural modifician criteriana, neuranziani, and second of Licenser's Fastilities in the event Licenser provide, such support Licenser shall invoice Licenser, and Licenser shall be licenser as as for the the 'LICENSER's PAVIANE OF URPORTS' Strategies of the Third Bulk.

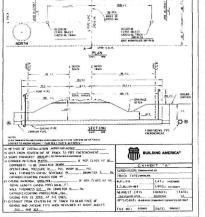
F Leense may use construct astronic systems (*UAS*) to impact Leenser's Facilities only upon the prior antibustant from and under the direction of Elesser's Field Representatives. Elessere represents and warrans that in use of UAS on Balando Property uil comparis, while the out-ther accurate literature and resident and and applicable literature and walls, including an applicable Ford Avaina Administration regulators and common performing to UAS.

SHEET

13

OF 14 SHEETS

R.C.S.O PLAN N



A.g. The frequency guar is subject and subsolution to the point and continuing right and logistics of License to me and makina in orders prosphil subject of glast angle word licenses the contrast, makina, replic revers, use, specific, shapes, modify or relocat random license, regul, memory, and angle state of the angle state of the state B. The foregoing grant is also subject to all octatanding superior rights (including three in facure of fiscences and lensees of Raineas) Property) and the right of 1 increase to renew and extend the same, and is much websist coversant of title or for quiet rejuytocit. It shall be Licensee's tole obligation to obtain such diddinial permitsion, license and prain necessary on account of any such risting rights. Section 2 ENGINEERING REQUIREMENTS, PERMITS.

EXHIBIT B

Section 1. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED.

A Income Tacitistic will be dragind, constructed, operated, maintanet, repaired, reaswards confided, recovery a needful or a shardneed in picts on Railous Will Operating and the draging of the dragi

B. Licensre shall keep the soil over Licensee's Facilities thoroughly compacted, and maintain the grade over and around Licensee's Facilities even with the surface of the adjacent ground.

C If needed, Licensee shall secure, at Licensee's sole cost and expense, any and all any permits required to perform any work on Licensee's Facilities.

Section 3. NOTICE OF COMMENCEMENT OF WORK, EMERGENCIES.

A Lacensee and its custations we briefly preliabled from commencing any work associated with Lacense's Facilities without Lacense's writen approval that the work will be in advict compliance with the "EXORENCI REQUERTMENTS, TERMITS" Section of this Calabia (1) Upon Lacense's approval, Lacense: shall contact toth of Licensee's field approximative's field Responsibility" and lacenta (1) Upon Memory Facility.

• relations for the second second

B. If any Safety Mounces or performed to perioded by Lineaux including the tot bandwide through the set of the safety and t

D Reinkaction to the deciman will be reported evening the full sight-hour day during the largest is franked, taking the flaggers to the required for the particular day during the largest is appendixed in other than the flaggers are be required for the particular day during which the flagger is majority of the flaggers following the flaggers and particular day of the day during which are particularly and the flaggers following the flaggers and particular day of the day of the flaggers in appendixed to the flaggers following the flaggers and particular day of the day of the substrated the flaggers is the strategiest of the strategiest of the strategiest of which are constant of the strategiest of strategiest of the strategiest of strategiest of the strategiest of strategiest of

Section S. SAFETY

B. Licensee shall not connecte any work unit: (1) Licenser has determined whether flagging worken special practices or airly measure ("Sider Measures") are required for performance of the work parasets to the '11A/ERR/CS Scientor thin Erhabit the rad periodic Eraces written antionzonian to compare used: and (2) Licensee has complied with the "PROTECTION OF PHDPR OFFIC CORE: STYLESS' Scientor difficient Erhabit B. C. If, at any time, an entergracy arites involving Licensee's Exclusive, Licensee or its contractor shall immediately contact Licenser's Response Managoneet Communications Center at (888) 877-7267 Section 4. FLAGGING.

GENERAL TERMS AND CONDITIONS

End Lecture a not releved al any of resploymentation of mutanto structure in the Application.
C. To relevant a structure in the answer of any one of the end of the angle of the

Article 8. WAIVER OF BREACH.

AS NOTED FIELD BOOK

RUBIDOUX COMMUNITY SERVICE DISTRICT APPROVED BY THE RUBIDOUX COMMUNITY SERVICES ENGINEERING CONSULTANTS TR. 36947 SEWER IMPROVEMENT PLANS NORSON 200 South Main Street Corona, CA 92882 (95 DATE DIRECTOR OF ENGINEERING, R.C.E. 48798 NO. 6519 CIVIL IN CAUTOR OVED BY __ STAD OHT MORE RARY SHO RETEN CION STM DATE BY REVISIONS STERED ENGNEER NO. ALLAS DATE

Section 6. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

Take upic calle systems may be hered on Ralavial Pospethy. Protection of the filter spec calle paragraphic calls are seen and poster is additional posterior. The second system and the second system (COMMINGENERT) of WORK EMPERICIPATION (Second to the self-filtering are required under the "NOTICE (COMMINGENERT) of WORK EMPERICIPATION (Second to the self-filtering are required under the "NOTICE of the second system and postering and the segment laws to determine of the spectra calls is herein a construction of the second system and the second system and the second system demonstration of the protection of the filter spectra calls and the location, the second system relations or adar protection of the filter spectra calls and the location sheet complete system second systems and the system and the location between the location sheet complete system second systems and the location sheet complete second systems and the location sheet complete system second systems and the location second system is been and the location sheet complete systems and the location second systems and the location sheet complete second systems and the location sheet complete systems and the laws and the location second system of the location sheet complete second second systems and second systems and the location second system of the location sheet complete second sec

Section 7. LICENSEE'S PAYMENT OF EXPENSES.

Licensee shall bear the entire cost and expense of the design, construction, mainten econstruction, renain, reviewal, revision, relocation, or removal of Licensee's Facilities maktic

analysis and consistent of the second sec

projects is locate at some termine the ALGGINC Section of this EMBID R. Lecensor shall have the right, if a so cleact, so provide any 3400 Manuers Licensor dense measures for for attrift of Licensor quantum and tracking location (Licensor dense measures) for the ratif of Licensor handle in appendixe, supporting a single provide the intervention of the single provides and Manuers, Licensor guidal unders and height provides. In the event Licensor provides and Steffyr Auranes, Licensor guidal unders and intervention limited to Licensor height single single

Section 8. MODIFICATIONS TO LICENSEE'S FACILITIES

A This grant is subject to Licenso's vole and efficient operation of its tailwood, and continued use and incrementant of Railmood Penetry (cellectively, "Railwood"). UserIndingly, Licensee that it is used ress and expense, modily, resolution (granic russes, revised as er traves (advirbabil), "Modification", or collectively, "Modification") all or any period of Licensol's facilities as Licenson may designate or identify in such discretion, their interfaces of Railwood Tute.

B Upon any Modification of all or any portion of Licensee's Facilities to another local on Railroad Property Licensor and Licensee shall execute a Supplemental Agreement to this Pipe

EXHIBITC INSURANCE REQUIREMENTS

In accordance with Arricle 5 of this Agreement, Licensec shall (1) procure and maintain at its sole out and expense, or (2) require its Contractor(5) to procere and maintain, at their sole cost and expense, the following insurance coverage:

A. <u>Commercial General Liability Immerance</u> Commercial general liability (CGL) with init of nucleus than \$2,200,000 resh occurrence and an aggregate limit of set less Wan \$4,000,000. Limits are used to written on 150 occurrence form CG 00.01.12.04 (or a substitute form providing valued coverage).

The policy must also contain the following endementent, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE.

Contractual Liability Rathouds ISO fourn CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Union Pricific Railroad Company Property" as the Designated Job

Basiness Automobile Coverage Insurance. Business anto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing expandent liability coverage) with a limit of not less \$2,000,000 for each accident, and coverage must include liability arising out of any anto (including owared, hired, and nun-covered autos).

The policy must ensure the following endorsements, WHICH MUST BE STATED ON THE CERTIFICATE OF INSURANCE:

"Coverage For Certain Operations In Connection With Italihuads" ISO form CA 20.70 10.01 (or a substitute form providing equivalent covorage) showing "Union Pacific Raihuad Company Property" as the Designated Job Site.

Workers' Compressition and Employers' Liability Insurance. Coverage must include but not be lim

Lacensee's statutory hability under the workers' compensation laws of the state(s) affected by this

Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Licensee is self-insured, evidence of state approval and excess workers' compensation coverage must be provided, Coverage must include liability arriving out of the U.S. Langthurement's and Harbor Workers' Act. The Jones Act. and the Unter Continened Shelf Lind Act. if applicable.

1. <u>Environmental Linksfor Instrument</u>: Environmental Legal Cabelity Instrumental Legal Cabelity Instrumentation Instrumentation Instrumentation Instrumentation Instru

Agreences to decement the Modification() to License? Facility on Ralloud Property. If the Modifications reach in License? Facilities more set of the set of the set of the set of the Plantament of the set of the Plantament of the Markov III (Markov III) and the set of the set of the set of the Modification(s) of a failed Plantament of the set of the set of the set of the Modification of the Markov III (Markov III) and the Modification of the Markov III (Markov III) and Markov III) and Markov III (Markov III) and Markov IIIII (Markov III) and Markov III (Markov

Section 9. RESTORATION OF RAILROAD PROPERTY.

In the event Lucence, in any non-mer moves or databation property of Licenser in contraction with the construction, maintenance, modification, reconstruction, repair, transvol, revision, relaxation, or removal of Licenser's Facilities, that, Licenser shall, as and a tilt success's sole or and response, restore Licenser's projectly in the state tendriton as the same were before with property use moving of movies.

Section 10. INDEMNITY.

A Definitions As used in this Section

- 1 "Licensor" includes Licensor, its affiliates, its and their officers, directors, agents and employees, and editer railwad companies using Railwad Property at or near the location of Licensee's installation and their officers, directors, agents, and employees.
- "Licenses" includes Licensee and its agents, contractors, subcontractors, sub-subcontractors, employees, officers, and directors, or any other person or entity acting on its behalf or under its control
- "Loss" includes claims, suits, taxes, loss, damages (including punitive damages. "Loss: includes claims, soin, taxee, toos, damages (inclusing pontive camages tatatory damages, and ceremplary damages), costs, charger, assessmenti-judgments, suffements, liens, demands, actions, causes of action, fines, penalities interest, and expenses of any autre, including court outs, reasonable attorneys fees and expenses, investigation costs, and append expension

II Licenser shall release, televal, indexnify, and tablenatios Licenser (and painters) and a state of a state of a state of the stat

- Bodily barm or personal injury (including any emotional injury or disease) to, or the death of, any person(6), including, but not limited to, Licenson, Licenson, any telecommunications company, or the agents, constantors, subcentractors, sub-subcontracture, or employees of the foregoing;
- 2. Damage to or the disturbance, loss, insvenient, or destruction of Railload Property, including loss of use and dimination in value, including, to this with the set of the

this insurance must apply as if each named insured were the only named insured, and separately to the additional insured against which claim is made or sult is brought. Coverage shall be maintained in an amount of at least \$2,000,000 pc loss, with an named aggregate of at least \$4,500,000.

Licensee warants that may rotrostive date applicable to ELL instances coverage under the policy in the anne as or preceder, the Effective Date of this Agerement, and that continuous overage will be minimized for a point of first (3) yours beginning from the first date with a Agerement on completed or if overage in cancelled for any reasons the policies statuted interventy period, if any, will be accurated for the association and another and the statute of the agerement of the statute of the transmism that attraverse and the statute of the transmisment of the statute of the transmisming that any other and the statute of the transmisming that any other and the statute of the transmisming that attraction and the statute of the statute of the transmisming that the statute of the statute of

Be executed to the discussion in the automatic and the execution of the discussion of the discussio

F Unitedia or Excess Insurance. If Licensee utilities underella or excess policies, and these policies must "follow form" and afford no less coverage than the primary policy.

Other Requirement

II. All principies) pagend above (score) houses nanomable, wriver compensation and perdopers limiting and matchic Economics on "Additional barrood" wing 500 Additional Insued Enderstance ICG 20 26 on additional formed by Locome's Tables (such de la double) provides learness and allocation instead dual tools (score). Tables (such de la double) provides the second statistical PEOPIDED WITH THE INFORMATION FOR ICCO 2015 Additional statistical PEOPIDED WITH THE INFORMATION ST INFORMATION OF LAW INFORMATION OF LAW INFORMATION OF LAW INFORMATION ADDITIONAL INFORMATION ADDITIONAL INFORMATION OF LAW INFORMATIONAL STATISTICAL STATISTICS.

H. Ponitive damages exclusion, if any, must be deleted (and the deletion indicated on the entitlicte of instance), unless (a) instances eventage may not landidly be obtained for any ponitive damages that may arise under this Agreement, or (b) all positive damages are probabilited by all states in statich this Agreement with he performed.

1. Lecense waves all rights of recovery, and its instructs also waive all rights of suborgation of damagin against Licensor and its raputs, officers, directors and employees for duringues covered by the waves' compansion and an outpaper's libitity or construct and underlate a execut lishing obtained by Licenster required in this Agreenent, where premitted by law. This waiver must be started on the coefficient of immance.

J. All insurance policies must be written by a reputable insurance company acceptable to Licensor or with a current Bert's Insurance Guide Rating of A- and Class VII or better, and authorized to do bosiness in the state(s) in which the work is to be performed.

K. The fact that unsurnace is obtained by Lacenser will not be decound to release or diminish the bability of Licensec, isoluding, without imitation, liability under the indecomity provision of this Agreement. Damage recoverable by Licenser from Licensee of any third party will not be limited by the moves of the required insurance coverage.

APPROVED BY THE RUBIDOUX COMMUNITY SERVICES SEAL ENGINEER SHEET ENG RUBIDOUX COMMUNITY SERVICE DISTRICT AS NOTED Call before you Dig ENGINEERING CONSULTANTS at and FIELD BOOK TR. 36947 SEWER IMPROVEMENT PLANS 14 NORDO DIRECTOR OF ENGINEERING, R.C.E. 48798 DATE NO. 65194 LICENSE AGREEMENT OF 14 SHEETS CALL OF CALLER APPROVED BY _ HOUR RCSO PLAN 1-600-227-2600 VOID AFTUR ONE YEAR FROM THIS DATE 5114 REVISIONS CATE BY EOSTERED ENGNEER NO. ESISA_ DATE _

3. Removal of persones) from Ratificial Property.

- 4. Any delays or inserference with track or Bailenal's the caused by Licenses's architectures and thend Prepares, including without building without building to a sense of the sense inserts and the sense in the sense of the
- 5. Right(s) or interest(s) granted personant to this Agroement
- Contents excaping from License's Facilities, including without finitation any actual or attegod pollution, contamination, beach, or environmental Uses.
- Licensee's breach of this Agreement or failure to comply with its provisions, methology, but not finited to, my violation or breach by Licensee of any representations and vortanties Licensee has made in this Agreement; and
- 8 Violation by Licensee of any law, statistic ordinance, governmentel administrative order, rule, or regulation, including without funitation all applicable Federal Railanal Administration regulations.

C THE FORECOME ONLIGATIONS SIMIL APPLY TO THE RELITIEST EXTENDED THE ADDRESS OF T

Section 11. TERMINATION; REMOVAL OF LICENSEE'S FACILITIES.

A III Lissner does not use the right herms posted on Lissner's Exolition for an CII year, or II Lissner exolutions in definition of the predictions of the Appendix IE a posted of the Lissner exolutions in definition of the Appendix IE and the Appendix IE a posted of the list of defaulties, module this Appendix Will not formative that Defaulties with "Approprise" 42 will default defaulties with an effective with the Appendix III and the "Approprise" 42 will default defaulties with the Appendix Will not formative util Licence completes with Papagoins ("2 will default default appendix III and the Appendix Will not formative util Licence completes with Papagoins ("2 will default default appendix III and the Appendix Will not formative util Licence completes with Papagoins ("2 will default default appendix III and the Appendix Will not formative util Licence completes with Papagoins ("2 will default default appendix III and The Appendix Will not formative util Licence Completes with Papagoins ("2 will default default default appendix III and The Ap

B. In addition to the provisions of Paragraph "A" above, this Agreement any be terminated riters notice given by either party, without cause, sport hinty (10) days written rotects to the non-sing party at the address lated in the "POTULE" A matrix of this agreement will ministe usual Licensee resuptors with Paragraphy "C" and "D" of this Section found before.

C. This is de effective due of our termination dearthed in this Section, Lessone hand matrix an applications to Lesson's based on the Section of The Sect

Property not scenario by mothed and/or trackage ("Control Document"). Licence shall then reduce the imposed Relinous Property to the user or reasonably similar condition as it was point to Licence's imposed Relinous Programs. Functions: For purposes of this Science. Removal Advancement Work, and (ii) restantion work will hereindare be observinely referred to as the Restantiation of Licence.

Auroment will forminate

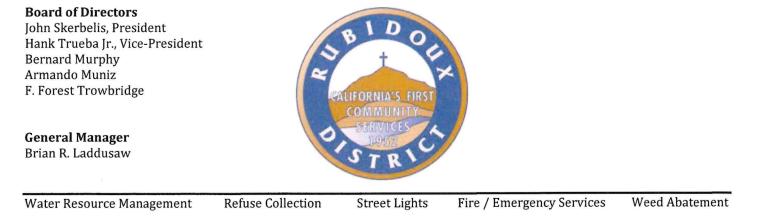
E. In the event that License fails to complete any of the Rystemion Work, Licenstor may, but is not obligated, to perform the Rysteation Work. Any such work statually performed by Licenser will be at the cost and exposer of Licenses. The event that Licenser performs any of the Restantion Work, Licenser fail more than the second status of the restantian the second status of the Ristmann Work. Licenser form any and all toos (defined in the TMDRARTIY' Section of this Riskhall thy arising and of a related to License's performance of the Restantian Work.

F. Termination of this Agreement for any reason will not affect any of rights or obligations of the partice which may have accred, or habilities or Loss (defined in the "INDENNITY" Section of hits Exhibit ID, accrued or adjective, which may have arises prior to such reminatore of the u

8. ACTION / DISCUSSION ITEMS (continued)

B. DM 2024-46: PUBLIC HEARING – Second Reading and Adoption of Ordinance No. 2024-136, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Monthly User Charges for the Collection, Treatment, and Disposal of Wastewater

Rubidoux Community Services District



DIRECTORS MEMORANDUM 2024-46

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: PUBLIC HEARING Second Reading and Adoption of Ordinance No. 2024-136, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Monthly User Charges for the Collection, Treatment, and Disposal of Wastewater

BACKGROUND:

On May 2, 2024, at the regularly scheduled Rubidoux Community Services District ("District") Board of Director's ("Board") meeting, the Board directed staff to prepare draft Ordinance No. 2024-136 and schedule its introduction (First Reading) at the May 16, 2024 regularly scheduled Board meeting. The proposed Ordinance will adjust certain monthly charges for the collection, treatment, and disposal of wastewater. The proposed adjustment is based on the fully noticed year two (2) rate of the 5-year defensible rate plan adopted by the Board on December 15, 2022.

As stewards of the community's infrastructure and environmental health, it is imperative that the District ensures the sustainable management of its wastewater system.

- 1. **Infrastructure Maintenance and Upgrades**: The District's wastewater treatment facilities and infrastructure require continuous maintenance and periodic upgrades to remain operational and compliant with regulatory standards. Aging pipelines, treatment plants, and equipment demand significant investment to prevent system failures, mitigate environmental risks, and ensure the uninterrupted delivery of essential services to District customers.
- 2. Compliance with Regulatory Standards: Regulatory agencies impose stringent requirements on wastewater treatment and discharge to safeguard public health and the environment. Failure to comply with these standards can result in substantial fines, legal liabilities, and reputational damage to the organization. Increasing operational costs associated with regulatory compliance necessitate

adjustments to the District's rates to uphold its commitment to environmental responsibility and regulatory compliance.

- 3. **Population Growth and Increased Demand**: Population growth and urban development exert pressure on the District's wastewater infrastructure, leading to higher treatment volumes and operational expenses. As the community expands, so does the demand for wastewater services. To accommodate this increased demand and maintain service reliability, it is imperative to invest in capacity expansions, infrastructure enhancements, and technology upgrades, all of which require additional funding.
- 4. **Financial Sustainability and Long-Term Viability**: Maintaining a financially sustainable wastewater system is crucial to safeguarding the interests of the District's stakeholders and ensuring the long-term viability of the organization. Adequate funding through appropriate rate structures is essential to cover operating expenses, capital investments, and reserve funds for contingencies. By implementing a rate increase, the District can secure the financial stability necessary to support its mission and deliver high-quality wastewater services to its customers.

The proposed wastewater rate increase is a necessary and prudent measure to address the challenges facing the District's wastewater system, including infrastructure maintenance, regulatory compliance, population growth, environmental resilience, and financial sustainability.

During the First Reading of draft Ordinance No. 2024-136 on May 16, 2024, no Board members provided alterations or comments as it pertained to draft Ordinance No. 2024-136. At the conclusion of the First Reading, the Board directed staff to schedule a Public Hearing and Final Reading (Second Reading) of draft Ordinance No. 2024-136 at the June 6, 2024, regularly scheduled Board meeting.

This afternoon's Public Hearing for Ordinance No. 2024-136 was posted at the District's office, on the District's website, and noticed in the Press-Enterprise no less than 10 days prior to today.

As of the writing of this Memorandum, District staff received no comments, oral or written, from members of the public as it pertains to draft Ordinance No. 2024-136.

At the conclusion of this afternoon's Public Hearing and Final Reading, District staff recommend the Board consider adoption of Ordinance No. 2024-136. The Ordinance will have an effective date no earlier than thirty (30) days from today or July 6, 2024.

<u>RECOMMENDATION</u>:

The General Manager recommends the Board of Directors consider the following:

1. Adopt Ordinance No. 2024-136 with an effective date of July 6, 2024.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attach:

- 1. Draft Ordinance No. 2024-136
- 2. Notice of Public Hearing
- 3. Press-Enterprise Newspaper Publication Confirmation

ORDINANCE NO. 2024-136

AN ORDINANCE OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS SETTING CERTAIN MONTHLY USER CHARGES FOR THE COLLECTION, TREATMENT, AND DISPOSAL OF WASTEWATER

WHEREAS, the Rubidoux Community Services District owns and operates gravity sewer pipelines and force mains, sewer lift stations and pump stations, and conveys its wastewater to the City of Riverside for treatment; and,

WHEREAS, the Rubidoux Community Services District has wastewater Capacity Rights (Capacity Rights) in the City of Riverside's Regional Wastewater Treatment Plant totaling 3.055 million gallons a day (MGD) of primary, secondary and advance wastewater treatment capacity; and,

WHEREAS, pursuant to the agreement entitled "Agreement for Regional Advanced Wastewater Treatment between the City of Riverside, Jurupa Community Services District, Rubidoux Community Services District and Western Municipal Water District," dated December 1, 1976, and "Agreement for Regional Primary and Secondary Wastewater Treatment Between the City of Riverside, Jurupa Community Services District, Rubidoux Community Services district and Western Municipal Water District", dated May 4, 1978, (the Regional Agreements), stipulate that the parties shall pay for the operation and maintenance costs of wastewater delivered to the regional plant; and,

WHEREAS, Government Code Section 61,000, et seq., stipulates that Community Services Districts may charge an operating fee reflecting the actual cost of providing certain services, including among other things wastewater treatment, conveyance, and disposal costs; and, WHEREAS, in May 2019 the Board of Directors adopted a 5-year rate plan allowing for adjustments to the District's monthly wastewater rates beginning July 1, 2019, with allowable increases every July 1 through 2023; and,

WHEREAS, in 2022 the Rubidoux Community Services District conducted a Comprehensive Cost of Services Study (COSS) to determine if the District's 2019 rate plan was sufficient to meet current and future operational costs, system improvements, and to adequately fund reserves target levels; and,

WHEREAS, at their June 6, 2024, regular meeting the Rubidoux Community Services District Board of Directors noticed, called, and conducted a Public Hearing for said charges pursuant to Proposition No. 218; and,

WHEREAS, subsequent to the Public Hearing, a majority protest did not exist, which requires 50% plus 1 protests of affected parcels for the rates to not be considered by the Board and "not take effect"; and,

WHEREAS, on December 15, 2022, the Board considered and adopted the new 5-year rate plan commencing July 1, 2023, with allowable increases every July 1 through 2027; and,

WHEREAS, during preparation of the District's Fiscal Year 2024/2025 wastewater operating and capital fund budgets, the Board determined rates must be adjusted to the fully noticed year two (2) rates of the new 5-year rate plan; and,

WHEREAS, the Board of Directors directed staff to prepare Ordinance No. 2024-136 and set a Public Hearing for June 6, 2024, on such proposed wastewater charges.

NOW THEREFORE BE IT ORDAINED AS FOLLOWS:

- 1. That the foregoing recitals are true and correct.
- 2. The Notice of Public Hearing and Protest Vote were compliant to the Requirements of Proposition No. 218.
- Residential and non-residential customers including each additional dwelling unit (DU) will be billed a monthly fixed charge of \$31.62 for the collection, treatment, and disposal of their wastewater as identified in Exhibit "A".
- Non-residential customers will be billed a monthly variable charge of \$2.55 per unit for water consumption over 7 units as identified in Exhibit "A".
- Ordinance No. 2024-136 shall supersede Ordinance No. 2023-134 in its entirety and the above assessments shall take effect July 6, 2024.

INTRODUCED on the 16th day, May 2024, **ADOPTED AND APPROVED** on the 6th day, June 2024, upon the following roll call vote:

AYES:

AWAY:

NOES:

Continued - Ordinance No. 2024-136, Page 4

ABSENT:

ABSTENTIONS:

John Skerbelis, President Rubidoux Community Services District

(SEAL)

ATTEST:

Brian R. Laddusaw, General Manager-Secretary Rubidoux Community Services District

APPROVED TO FORM AND CONTENT:

John R. Harper, District General Counsel

RUBIDOUX COMMUNITY SERVICES DISTRICT WASTEWATER MONTHLY RATES EFFECTIVE JULY 6, 2024 ORDINANCE NO. 2024-136 EXHIBIT "A"

| Customer Class | Existing (Effective September 2023) | Proposed (Effective July 2024) | | | |
|--|--|-----------------------------------|--|--|--|
| Fixed Charges (\$/month) | | | | | |
| Residential | \$29.55 | \$31.62 | | | |
| Non-Residential (water meter size) | | | | | |
| 5/8" | \$29.55 | \$31.62 | | | |
| 3/4" | \$29.55 | \$31.62 | | | |
| 1" | \$29.55 | \$31.62 | | | |
| 1 1/2" | \$29.55 | \$31.62 | | | |
| 2" | \$29.55 | \$31.62 | | | |
| 3" | \$29.55 | \$31.62 | | | |
| 4" | \$29.55 | \$31.62 | | | |
| 6" | \$29.55 | \$31.62 | | | |
| Additional Dwelling Unit (DU) Charge (\$/DU/month) All Customers \$29.55 \$31.6 | | | | | |
| Variable Rates (\$/HCF*) Non-Residential** | \$2.38 | \$2.55 | | | |

* 1 HCF is 100 cubic feet, or 748 gallons of water.

** Variable Rates for Non-Residential customers are charged per HCF of water consumed over 7 HCF.

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

on Street Lights

Fire / Emergency Services

Weed Abatement

NOTICE OF PUBLIC HEARING

OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-136, AN ORDINANCE SETTING CERTAIN MONTHLY USER CHARGES FOR THE COLLECTION, TREATMENT, AND DISPOSAL OF WASTEWATER

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-136 which authorizes the Board of Directors to set certain monthly user charges for the collection, treatment, and disposal of wastewater.

A draft copy of Ordinance 2024-136 is available for download at the District's website www.rcsd.org. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M-F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge.

BRIAN R. LADDUSAW General Manager

May 23, 2024

The Press-Enterprise

3512 14th Street Riverside, CA 92501 Willoughby, OH 44096 951-368-9222 951-368-9018 FAX

> RUBIDOUX COMM SERV DIST 3590 RUBIDOUX BLVD RIVERSIDE, CA 92509

.

Account Number: 5209178

Ad Order Number: 0011669960

Customer's Reference Significant Noncompliance Notification (SNC) / PO Number:

Publication: The Press-Enterprise

Publication Dates: 05/23/2024

Amount: \$379.12

Payment Amount: \$0.00

Invoice Text: NOTICE OF PUBLIC HEARING

OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-136, AN ORDINANCE SETTING CERTAIN MONTHLY USER CHARGES FOR THE COLLECTION, TREATMENT, AND DISPOSAL (WASTEWATER

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-136 which authorizes the Board of Directors to set certain monthly user charges for the collection, treatment, and disposal of wastewater.

A draft copy of Ordinance 2024-136 is available for download at the District's website <u>www.rcsd.org</u>. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M- F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge. BRIAN R. LADDUSAW

General Manager May 23, 2024

Published The Press-Enterprise May 23, 2024

The Press-Enterprise

3512 14th Street Riverside, CA 92501 Willoughby, OH 44096 951-368-9222 951-368-9018 FAX

5209178

RUBIDOUX COMM SERV DIST 3590 RUBIDOUX BLVD RIVERSIDE, CA 92509

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: Significant Noncompliance Notification (SNC)

PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside. State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice. of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

05/23/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct:

Date: May 23, 2024. At: Riverside, California

Legal Advertising Representative, The Press-Enterprise

Legal No. 0011669960

Ad Copy:

NOTICE OF PUBLIC HEARING

OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-136, AN ORDINANCE SETTING CERTAIN MONTHLY USER CHARGES FOR THE COLLECTION, TREATMENT, AND DISPOSAL OF WASTEWATER

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-136 which authorizes the Board of Directors to set certain monthly user charges for the collection, treatment, and disposal of wastewater.

A draft copy of Ordinance 2024-136 is available for download at the District's website <u>www.rcsd.org</u>. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M-F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge.

BRIAN R. LADDUSAW General Manager

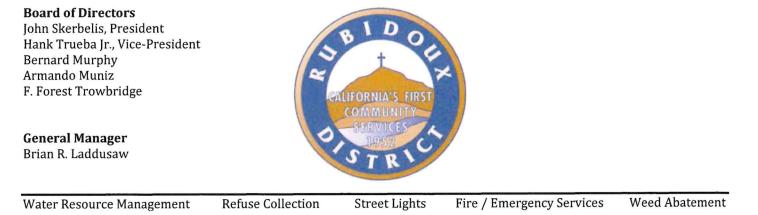
May 23, 2024

Published The Press-Enterprise May 23, 2024

8. ACTION / DISCUSSION ITEMS (continued)

C. DM 2024-47: PUBLIC HEARING – Second Reading and Adoption of Ordinance No. 2024-137, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Water Rates for the Delivery of Potable Water to Residential, Commercial, and industrial Customers

Rubidoux Community Services District



DIRECTORS MEMORANDUM 2024-47

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: PUBLIC HEARING Second Reading and Adoption of Ordinance No. 2024-137, An Ordinance of the Rubidoux Community Services District Authorizing the Adjustment of Certain Water Rates for the Delivery of Potable Water to Residential, Commercial, and Industrial Customers

BACKGROUND:

On May 2, 2024, at the regularly scheduled Rubidoux Community Services District ("District") Board of Director's ("Board") meeting, the Board directed staff to prepare draft Ordinance No. 2024-137 and schedule its introduction (First Reading) at the May 16, 2024 regularly scheduled Board meeting. The proposed Ordinance will adjust certain monthly charges for the delivery of potable water to residential, commercial, and industrial customers. The proposed adjustment is based on the fully noticed year two (2) rate of the 5-year defensible rate plan adopted by the Board on December 15, 2022.

As guardians of the community's water resources and infrastructure, it is incumbent upon the District to ensure the sustainable management of its water system.

- 1. **Infrastructure Maintenance and Rehabilitation**: The District's water distribution infrastructure, including pipes, pumps, and treatment plants, is aging and in need of regular maintenance and rehabilitation. Failure to address infrastructure deterioration can lead to leaks, breaks, and service disruptions, resulting in costly repairs, water loss, and customer dissatisfaction. Increasing investment in infrastructure maintenance is essential to preserve the reliability and efficiency of the District's water system and mitigate the risk of system failures.
- 2. **Compliance with Drinking Water Standards**: Regulatory agencies set stringent standards for drinking water quality to protect public health and safety. Ensuring compliance with these standards requires continuous monitoring, testing, and treatment of the water supply. As regulatory requirements evolve

and become more stringent, the costs associated with water treatment and quality assurance escalate. A rate increase is necessary to cover the expenses associated with maintaining compliance with drinking water standards and safeguarding the health of District customers.

- 3. Resilience to Climate Change and Extreme Weather Events: Climate change poses significant challenges to water management, including more frequent and severe droughts, floods, and extreme weather events. Building resilience to climate change requires investments in adaptive infrastructure, water storage, and emergency preparedness measures. By increasing water rates, the District can generate the revenue needed to enhance the resilience of its water system, minimize the impacts of climate-related risks, and ensure the continuous delivery of safe and reliable water services to District customers.
- 4. **Financial Sustainability and Long-Term Viability**: Maintaining a financially sustainable water system is essential to support the District's mission, meet customer expectations, and fulfill its obligations to stakeholders. Adequate funding through appropriate rate structures is indispensable for covering operating expenses, debt service obligations, capital investments, and reserve funds for contingencies. A responsible and transparent approach to rate setting will enable the District to achieve financial sustainability while upholding its commitment to delivering high-quality water services to District customers.

The proposed water rate increase is a necessary and prudent measure to address the challenges facing the water system, including infrastructure maintenance, regulatory compliance, water conservation, climate resilience, and financial sustainability.

During the First Reading of draft Ordinance No. 2024-137 on May 16, 2024, no Board members provided alterations or comments as it pertained to draft Ordinance No. 2024-137. At the conclusion of the First Reading, the Board directed staff to schedule a Public Hearing and Final Reading (Second Reading) of draft Ordinance No. 2024-137 at the June 6, 2024, regularly scheduled Board meeting.

This afternoon's Public Hearing for Ordinance No. 2024-137 was posted at the District's office, on the District's website, and noticed in the Press-Enterprise no less than 10 days prior to today.

As of the writing of this Memorandum, District staff received no comments, oral or written, from members of the public as it pertains to draft Ordinance No. 2024-137.

At the conclusion of this afternoon's Public Hearing and Final Reading, District staff recommend the Board consider adoption of Ordinance No. 2024-137. The Ordinance will have an effective date no earlier than thirty (30) days from today or July 6, 2024.

RECOMMENDATION:

The General Manager recommends the Board of Directors consider the following:

1. Adopt Ordinance No. 2024-137 with an effective date of July 6, 2024.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attach:

- 1. Draft Ordinance No. 2024-137
- 2. Notice of Public Hearing
- 3. Press-Enterprise Newspaper Publication Confirmation

ORDINANCE NO. 2024-137

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT AMENDING AND SETTING CERTAIN USER CHARGES FOR THE DELIVERY OF POTABLE WATER TO RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

WHEREAS, the Rubidoux Community Services District (District) is empowered to provide a reliable potable source of water for the health, welfare and safety of the community and its residents; and,

WHEREAS, new and on-going treatment requirements, energy costs, treatment media, water quality monitoring, infrastructure maintenance and replacement, disinfection requirements, exterior and interior reservoir coatings, and personnel costs have increased and consequently add to the production, treatment, and delivery costs of providing potable water to District residents and customers; and,

WHEREAS, recently enacted State Water Resources Control Board water quality requirements will result in significant additional capital improvement, infrastructure, and treatment operating costs by the District, including additional operating costs associated with new PFAS treatment improvements; and,

WHEREAS, in May 2019 the Board of Directors adopted a 5-year rate plan allowing for adjustments to the District's monthly potable water rates beginning July 1, 2019, with allowable increases every July 1 through 2023; and,

WHEREAS, in 2022 the Rubidoux Community Services District conducted a Comprehensive Cost of Services Study (COSS) to determine if the District's 2019 rate plan was sufficient to meet current and future operational costs, system improvements, and to adequately fund reserves target levels; and,

WHEREAS, Government Code Section 61000 et seq., a community services district must charge for the actual cost of providing certain services or improvements,

Continued – Ordinance No. 2024-137, Page 2

including among other things potable water, pumping facilities, reservoir structures, pipeline conveyance, energy charges, personnel costs, treatment facilities, debt and other operational and maintenance costs associated with but not limited to the extraction, storage, delivery, transmission, and treatment of potable water; and,

WHEREAS, to ensure the District has a safe and significant ground water source of potable water for present and future customers and residents, the Board of Directors determined the District's 2019 rate plan was not adequate to meet the District's future financial obligations and approved a new 5-year cost-of-service rate plan; and,

WHEREAS, pursuant to Proposition No. 218, the Rubidoux Community Services District Board of Directors at their October 20, 2022, regular meeting authorized a special mailing of a "Notice of Hearing and Right to Protest" sent to all affected property owners and tenants providing an opportunity to protest against adjustments to the District's monthly potable water charges; and,

WHEREAS, at their December 15, 2022, regular meeting the Rubidoux Community Services District Board of Directors noticed, called, and conducted a Public Hearing for said charges pursuant to Proposition No. 218; and,

WHEREAS, subsequent to the Public Hearing, a majority protest did not exist, which requires 50% plus 1 of affected parcels for the rates to not be considered by the Board and "not take effect"; and,

WHEREAS, on December 15, 2022, the Board considered and adopted the new 5-year rate plan commencing July 1, 2023, with allowable increases every July 1 through 2027; and,

WHEREAS, during preparation of the District's Fiscal Year 2024|2025 water operating and capital fund budgets, the Board determined rates must be adjusted to the fully noticed year two (2) rates of the 5-year rate plan; and,

Continued – Ordinance No. 2024-137, Page 3

WHEREAS, the Board of Directors directed staff to prepare Ordinance No. 2024-137 and set a Public Hearing for June 6, 2024, on such proposed potable water charges.

NOW THEREFORE BE IT ORDAINED AS FOLLOWS:

- 1. That the Foregoing recitals are true and correct.
- 2. The Notice of Public Hearing and Protest Vote were compliant to the Requirements of Proposition No. 218.
- 3. The potable water charges for residential, commercial, and industrial users are more specifically outlined in Exhibit "A" and made a part of this Ordinance.
- 4. Ordinance No. 2024-137 shall supersede Ordinance No. 2023-135 in its entirety and the above assessments shall take effect July 6, 2024.

INTRODUCED on the 16th day, May 2024, **ADOPTED AND APPROVED** on the 6th day, June 2024, upon the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Continued – Ordinance No. 2024-137, Page 4

John Skerbelis, President Rubidoux Community Services District

(SEAL)

ATTEST:

Brian R. Laddusaw, General Manager-Secretary Rubidoux Community Services District

APPROVED TO FORM AND CONTENT:

John R. Harper, District General Counsel

RUBIDOUX COMMUNITY SERVICES DISTRICT POTABLE WATER MONTHLY RATES EFFECTIVE JULY 6, 2024 ORDINANCE NO. 2024-137 EXHIBIT "A"

| Customer Class | Existing (Effective September 2023) | Proposed (Effective July 2024) | | |
|--|--|-----------------------------------|--|--|
| Fixed Charges (\$/month) | | | | |
| Residential (meter size) | | | | |
| 5/8" | \$34.33 | \$36.22 | | |
| 3/4" | \$39.97 | \$42.17 | | |
| 1" | \$51.24 | \$54.06 | | |
| 1 1/2" | \$79.41 | \$83.78 | | |
| 2" | \$113.22 | \$119.45 | | |
| Non-Residential (meter siz | e) | | | |
| 5/8" | \$34.33 | \$36.22 | | |
| 3/4" | \$39.97 | \$42.17 | | |
| 1" | \$51.24 | \$54.06 | | |
| 1 1/2" | \$79.41 | \$83.78 | | |
| 2" | \$113.22 | \$119.45 | | |
| 3" | \$220.29 | \$232.41 | | |
| 4" | \$378.07 | \$398.86 | | |
| 6" | \$755.61 | \$797.17 | | |
| | | | | |
| Additional Dwelling Unit (DU) Charge (\$/DU/month) | | | | |
| Residential | \$23.06 | \$24.33 | | |
| Non-Residential | \$23.06 | \$24.33 | | |

RUBIDOUX COMMUNITY SERVICES DISTRICT POTABLE WATER MONTHLY RATES EFFECTIVE JULY 6, 2024 ORDINANCE NO. 2024-137 EXHIBIT "A"

| Existing | | Proposed | |
|--|------------------------------------|--|----------------------------------|
| Customer Class | (Effective September 2023) | Customer Class | (Effective July 2024) |
| Variable Rates (\$/H | CF*) | Variable Rates (\$/HCF* | <u>*)</u> |
| Single-Family Residential | | Single-Family Residential | |
| Tier 1 (0 - 13) | \$2.37 | Tier 1 (0 - 13) | \$2.51 |
| Tier 2 (14 - 24) | \$2.41 | Tier 2 (14 - 24) | \$2.55 |
| Tier 3 (25+) | \$2.60 | Tier 3 (25+) | \$2.75 |
| Multi-Family Resid Tier 1 (0 - 8) Tier 2 (9+) | dential \$2.39 \$2.45 | Multi-Family Residen Tier 1 (0 - 8) Tier 2 (9+) | itial \$2.53 \$2.59 |
| Non-Residential Tier 1 (Uniform) | \$2.42 | Non-Residential Tier 1 (Uniform) | \$2.56 |

* 1 HCF is 100 cubic feet, or 748 gallons of water.

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

on Street Lights

Fire / Emergency Services

Weed Abatement

NOTICE OF PUBLIC HEARING

OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-137, AN ORDINANCE SETTING CERTAIN USER CHARGES FOR THE DELIVERY OF POTABLE WATER TO RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-137 which authorizes the Board of Directors to set certain user charges for the delivery of potable water to residential, commercial, and industrial customers.

A draft copy of Ordinance 2024-137 is available for download at the District's website www.rcsd.org. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M-F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge.

BRIAN R. LADDUSAW General Manager

May 23, 2024

The Press-Enterprise

3512 14th Street Riverside, CA 92501 Willoughby, OH 44096 951-368-9222 951-368-9018 FAX

RUBIDOUX COMM SERV DIST 3590 RUBIDOUX BLVD RIVERSIDE, CA 92509

Account Number: 5209178

Ad Order Number: 0011669961

Customer's Reference Notice - Water Ord. 2024-137 / PO Number:

Publication: The Press-Enterprise

- Publication Dates: 05/23/2024
 - Amount: \$371.64

Payment Amount: \$0.00

Invoice Text: NOTICE OF PUBLIC HEARING

OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-137, AN ORDINANCE SETTING CERTAIN USER CHARGES FOR THE DELIVERY OF POTABLE WATER TO RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-137 which authorizes the Board of Directors to set certain user charges for the delivery of potable water to residential, commercial, and industrial customers.

A draft copy of Ordinance 2024-137 is available for download at the District's website <u>www.rcsd.org</u>. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M- F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge. BRIAN R. LADDUSAW

General Manager May 23, 2024

Published The Press-Enterprise May 23, 2024

The Press-Enterprise

3512 14th Street Riverside, CA 92501 Willoughby, OH 44096 951-368-9222 951-368-9018 FAX

5209178

RUBIDOUX COMM SERV DIST 3590 RUBIDOUX BLVD RIVERSIDE, CA 92509

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: Notice - Water Ord. 2024-137

FILE NO. Notice - Water Ord. 2024-137

PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

05/23/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct:

Date: May 23, 2024. At: Riverside California

Legal Advertising Representative, The Press-Enterprise

Legal No. 0011669961

Ad Copy:

NOTICE OF PUBLIC HEARING OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT FOR THE ADOPTION OF ORDINANCE NO. 2024-137, AN ORDINANCE SETTING CERTAIN USER CHARGES FOR THE DELIVERY OF POTABLE WATER TO RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

Notice is hereby given that the Board of Directors of the Rubidoux Community Services District (District) will conduct a Public Hearing on Thursday, June 6, 2024, at 4:00 PM, during the regular meeting of the Board of Directors. Subject Public Hearing shall be conducted at 3590 Rubidoux Blvd., Jurupa Valley, CA 92509, at the above time and date.

The purpose of the Public Hearing is for receiving comments (oral and written), as they pertain to draft Ordinance 2024-137 which authorizes the Board of Directors to set certain user charges for the delivery of potable water to residential, commercial, and industrial customers.

A draft copy of Ordinance 2024-137 is available for download at the District's website <u>www.rcsd.org</u>. The draft Ordinance may also be viewed at the District office lobby.

You may also request a copy by calling the District office during normal business hours, M-F, from 8am to 5pm at 951-684-7580, and one will be mailed at no charge.

BRIAN R. LADDUSAW General Manager

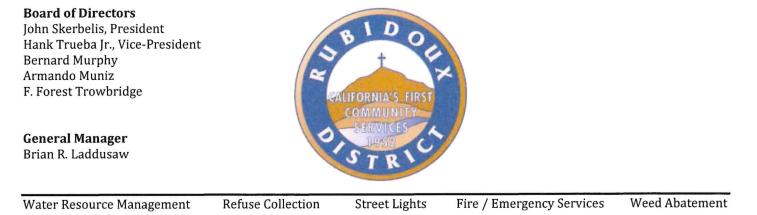
May 23, 2024

Published The Press-Enterprise May 23, 2024

8. ACTION / DISCUSSION ITEMS (continued)

 D. DM 2024-48: Consider Adopting Resolution No. 2024-912, A Resolution Adopting a Statement of Investment Policy, and Resolution No. 2024-913, A Resolution Authorizing the Opening of Accounts for Investment Purposes with Certain Financial Institutions

Rubidoux Community Services District



DIRECTORS MEMORANDUM 2024-48

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: Consider Adopting Resolution No. 2024-912, A Resolution Adopting a Statement of Investment Policy, and Resolution No. 2024-913, A Resolution Authorizing the Opening of Accounts for Investment Purposes with Certain Financial Institutions

BACKGROUND:

As required by California Government Code Section 5364(a), the legislative body shall annually review the policy and change(s) at a public meeting. The purpose of an annual review during a public meeting is to ensure that all investments practices meet Federal, State, and local criteria for prudent management of said local public agency assets.

The attached investment policy sets strategies and guidelines which diversifies assets and maximizes rates while reducing risks. The District continues to exercise most investment instruments, seeking the best yields for our monies. Conservative investment coupled with diversification in this economic environment is a prudent investment management strategy to follow when public monies are at stake. Staff does recommend adjustments, modifications or changes to the attached Rubidoux Community Services District "Statement of Investment Policy". These changes include the following:

- 1. Updating format and current generally accepted practice terminology.
- 2. Updating allowable investments to be current as of January 1, 2024 as allowable by law.
- 3. Inclusion of the monitoring of safety and liquidity of District funds.
- 4. Inclusion of risk management and diversification.
- 5. Inclusion of delivery, safekeeping, and custody.
- 6. Inclusion of a glossary.

Street Lights

Fire / Emergency Services

If acceptable, the attached Resolution No. 2024-912 is presented for the Board of Directors adoption this afternoon.

With respect to the District's banking and investment institutions, Staff is requesting to keep active, for investments purposes, those banking institutions listed on attached Resolution No. 2023-903, but update previous Resolution 799 as it has become outdated due to financial institution mergers/acquisitions. If acceptable, the attached Resolution No. 2024-913 is presented for the Board of Directors adoption this afternoon.

<u>RECOMMENDATION</u>:

The General Manager recommends the Board of Directors consider the following:

- 1. Adoption of Resolution No. 2024-912 which modifies and updates the Rubidoux Community Services District Investment Policy.
- 2. Adoption of Resolution No. 2024-913 which authorizes the opening of accounts for investment purposes with certain financial institutions.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

Attach:

- 1. Draft Res. No. 2024-912
- 2. Draft Res. No. 2024-913
- 3. Draft Investment Policy
- 4. Current Investment Policy, Adopted August 15, 2019
- 5. Copy Res. 2023-903
- 6. Copy Res. 799
- 7. Copy Res. 2019-855

RESOLUTION NO. 2024-912

A RESOLUTION OF THE BOARD OF DIRECTORS OF RUBIDOUX COMMUNITY SERVICES DISTRICT ADOPTING A STATEMENT OF INVESTMENT POLICY

WHEREAS, California Government Code Sections 5921 and 53600 et seq. require the legislative body of a special district to adopt an investment policy on an annual basis; and

WHEREAS, the adoption of Resolution No. 2024-912 shall supersede District Resolution No. 2019-855, dated August 15, 2019.

WHEREAS, the Board of Directors of the Rubidoux Community Services District has authorized a Statement of Investment Policy attached as Exhibit A.

BE IT RESOLVED this resolution was approved and adopted this June 6, 2024 at the regular meeting of the Board of Directors of the Rubidoux Community Services District by the following vote:

AYES:

AWAY:

NOES:

ABSENT:

ABSTENTIONS:

John Skerbelis, President Rubidoux Community Services District

(Seal)

Resolution No. 2024-912 Page 2

ATTEST:

Brian R. Laddusaw General Manager

APPROVED AS TO FORM AND CONTENT:

John R. Harper District Counsel

RESOLUTION NO. 2024-913

A RESOLUTION OF THE BOARD OF DIRECTORS OF RUBIDOUX COMMUNITY SERVICES DISTRICT AUTHORIZING THE OPENING OF ACCOUNTS FOR INVESTMENT PURPOSES WITH CERTAIN FINANCIAL INSTITUTIONS

WHEREAS, the adoption of Resolution No. 2024-913 shall supersede District Resolution No. 799, dated September 16, 2010.

BE IT RESOLVED, by the Board of Directors of the Rubidoux Community Services District (District) that the District shall transact business with only the following institutions provided that they comply with the requirements of the District's Statement of Investment Policy:

- 1. Bank of America/Bank America Investment Services/Merrill Lynch
- 2. US Bank (Formerly Union Bank of California)
- 3. Citizens Business Bank
- 4. Pacific Premier Bank (Formerly Security Bank of California)

BE IT FURTHER RESOLVED this resolution was approved and adopted this June 6, 2024 at the regular meeting of the Board of Directors of the Rubidoux Community Services District by the following vote:

AYES:

AWAY:

NOES:

ABSENT:

ABSTENTIONS:

John Skerbelis, President Rubidoux Community Services District

(Seal)

Resolution No. 2024-913 Page 2

ATTEST:

Brian R. Laddusaw General Manager

APPROVED AS TO FORM AND CONTENT:

John R. Harper District Counsel



RUBIDOUX COMMUNITY SERVICES DISTRICT

INVESTMENT POLICY

June 6, 2024

TABLE OF CONTENTS

| 1. | INTRODUCTION |
|-----|--|
| 2. | SCOPE |
| 3. | DELEGATION OF AUTHORITY4 |
| 4. | PRUDENT INVESTOR STANDARD4 |
| 5. | ETHICS AND CONFLICTS OF INTEREST |
| 6. | INTERNAL CONTROLS |
| 7. | AUTHORIZED FINANCIAL INSTITUTION, DEPOSITORIES, AND BROKER DEALERS 5 |
| 8. | STATEMENT OF OBJECTIVES6 |
| 9. | AUTHORIZED INVESTMENTS6 |
| 10. | PROHIBITED INVESTMENTS10 |
| 11. | INVESTMENT POOLS |
| 12. | COLLATERALIZATION |
| 13. | DELIVERY, SAFEKEEPING, AND CUSTODY11 |
| 14. | CASH ASSET REPORT11 |
| 15. | MONITORING SAFETY AND LIQUIDITY OF DISTRICT FUNDS |
| 16. | INVESTMENT POLICY REVIEW AND ADOPTION |
| 17. | RISK MANAGEMENT AND DIVERSIFICATION12 |
| 18. | GLOSSARY14 |

1. INTRODUCTION

This statement is intended to outline the policies for maximizing the efficiency of the Rubidoux Community Services District's (hereinafter referred to as "the District") Cash Management System and for the prudent investment of the District's funds, and to provide guidelines for suitable investments.

The legislative body of a special district may invest surplus moneys not required for the immediate necessities of the special district in accordance with the provisions of California Code Sections 5921 and 53601 et seq.

The General Manager of the District shall annually prepare and submit a Statement of Investment Policy. Such policy and changes shall be considered by the legislative body at a public meeting (CGC 53646(a)).

The District shall attempt to obtain the optimal yield, provided that all investments meet the criteria established for safety and liquidity.

This Investment Policy is set forth by the District for the following purposes:

- To establish a clear understanding for the governing Board of Directors, management, responsible employees, citizens and third parties of the objectives, policies and guidelines for the investment of the District's idle and surplus funds; and
- To offer guidance to investment staff and any external investment advisers on the investment of the District's funds; and
- To establish investment policies that meet its current investment goals. The District shall review this policy annually and may change its policies as its investment objectives change; and
- The purpose of this investment policy is to identify various policies and procedures that will
 foster a prudent and systematic investment program designed to seek the District's objectives
 of safety, liquidity and return through a diversified investment portfolio. This policy also serves
 to organize and formalize the District's investment-related activities, while complying with all
 applicable statutes governing the investment of public funds.

This investment policy was adopted by the District's Board of Directors and is effective as of the 6th day of June 2024, and replaces any previous versions.

2. SCOPE

This policy covers all funds and investment activities under the direct authority of the District, as set forth in the State Government Code, Sections 53600 et seq., with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the District's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Funds maintained in Deferred Compensation accounts for employees.
- Any other funds specifically exempted by the Board of Directors.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the District will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

3. DELEGATION OF AUTHORITY

Authority to manage the District's investment program is derived from California Government Code, Sections 53600 et seq.

Management responsibility for the investment program is hereby delegated to the Director of Finance and Administration under the supervision of the General Manager, with Board of Directors approval of any new investment vehicle type prior to purchase of the investment via the annual approval of the Investment Policy.

The Director of Finance and Administration will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance and Administration.

The District may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the District's investment portfolio in a manner consistent with the District's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.

The District recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the District. The Director of Finance and Administration and other authorized persons responsible for managing the District's funds acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. PRUDENT INVESTOR STANDARD

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

" ... all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

5. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or which could impair their ability to make impartial decisions. Officers and employees involved in the investment process shall abide by the Conflict of Interest Code, (California Government Code Section 1900 et seq.) and the California Political Reform Act (California Government Code Section 81000 et seq.).

6. INTERNAL CONTROLS

The Director of Finance and Administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the District and/or the Board of Directors, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

7. AUTHORIZED FINANCIAL INSTITUTION, DEPOSITORIES, AND BROKER DEALERS

To the extent practical, the Director of Finance and Administration shall endeavor to complete investment transactions using a competitive bid process whenever possible. The Director of Finance and Administration will determine which financial institutions are authorized to provide investment services to the District. It shall be the District's policy to purchase securities only from authorized institutions and firms.

The Director of Finance and Administration shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence determined by the District. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

Institutions eligible to transact investment business with the District include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the District, except where the District utilizes an external investment adviser in which case the District may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions

(and which are not dealing only with the investment adviser) must supply the District with a statement certifying that the institution has reviewed the California Government Code, Section 53600 et seq. and the District's investment policy.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation (FDIC), or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

EXTERNAL INVESTMENT ADVISERS

Selection of broker/dealers used by an external investment adviser retained by the District will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, the investment adviser shall make their best efforts to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities as the same original issue price.

8. STATEMENT OF OBJECTIVES

The primary objective of this policy shall be safeguarding principal when investing public funds. The second objective shall be meeting all liquidity requirements and the third objective shall be achieving an acceptable return on investments. In order of priority, three fundamental criteria shall be followed in the investment program:

- <u>Safety of Principal</u> Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the portfolio. Each investment transaction shall be entered into after taking into consideration the quality of the issuer, the underlying security or collateral, and diversification of the portfolio. Market risk shall be reduced by performing continuous cash flow analysis to avoid the need to sell securities prior to maturity.
- 2 <u>Liquidity</u> In an effort to ensure the District's portfolio will be sufficiently liquid to meet current and anticipated operating requirements, a cash flow analysis will be performed on an ongoing basis. Investments shall be made so that the maturity date is compatible with cash flow needs and safety of principal.
- 3. <u>Return on Investment</u> Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity and the prudent investor standard.

The portfolio will be managed to meet the District's cash flow needs. All investment activity shall be consistent with the prudent investor standard (Section 4) and in accordance with the authorized investments (Section 9) included in this policy.

9. AUTHORIZED INVESTMENTS

The District is authorized by Government Code, Sections 53601, 53635, and 53684, to invest District funds in specific types of securities. Investments not listedin Figure 1, "Allowable Investment Instruments Per State Government Code Applicable to All Local Agencies," are prohibited. The Director of Finance and Administration may invest in any security authorized for investment under the state law or indenture, subject to the limitations described herein.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

Maturity Limitations

Instruments shall mature within five years from the settlement date unless the Board of Directors authorizes a longer term before the investment is made, in accordance with Government Code, Section 53601.

Sale of Securities

Securities may be sold to provide needed liquidity, to restructure the portfolio to reduce risk, or to increase the expected return of the portfolio. In no instance shall a sale of securities be for speculative purposes.

Portfolio Adjustments

Portfolio percentage limitations for each category of investment is applicable only at the date of purchase. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the District is not required to sell the affected securities. The District shall review the portfolio monthly or when credit or market circumstances dictate and report any instances of noncompliance to the Board of Directors.

Should a security held in the portfolio be downgraded below the minimum criteria included in this Statement of Investment Policy, the District shall determine whether the security shall be held or sold based on the economic outlook of the issuer, current market conditions, maturity, and other factors. If the security is held in the portfolio, its presence in the portfolio will be monitored and credit analysis shall be performed and reported monthly to the Board of Directors.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2024)^A APPLICABLE TO ALL LOCAL AGENCIES^B

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

| INVESTMENT TYPE | MAXIMUM MATURITY® | MAXIMUM SPECIFIED % OF PORTFOLIO® | MINIMUM QUALITY REQUIREMENTS | GOV'T CODE SECTIONS |
|--|---------------------------------|--|---|---------------------------------|
| Local Agency Bonds | 5 years | None | None | 53601(a) |
| U.S. Treasury Obligations | 5 years | None | None | 53601(b) |
| State Obligations— CA And Others | 5 years | None | None | 53601(c) 53601(d) |
| CA Local Agency Obligations | 5 years | None | None | 53601(e) |
| U.S Agency Obligations | 5 years | None | None | 53601(f) |
| Bankers' Acceptances | 180 days | 40% ^E | None | 53601(g) |
| Commercial Paper—Non-Pooled Funds ^F (under \$100,000,000 of investments) | 270 days or less | 25% of the agency's money ^G | Highest letter and number rating by an NRSRO [⊬] | 53601(h)(2)(c) |
| Commercial Paper—Non-Pooled Funds' (min. \$100,000,000 of investments) | 270 days or less | 40% of the agency's money ^G | Highest letter and number rating by an NRSRO ^H | 53601(h)(2)(c) |
| Commercial Paper— Pooled Funds ^J | 270 days or less | 40% of the agency's money ^G | Highest letter and number rating by an NRSRO ^H | 53635(a)(1) |
| Negotiable Certificates of Deposit | 5 years | 30% ^ĸ | None | 53601(i) |
| Non-negotiable Certificates of Deposit | 5 years | None | None | 53630 et seq. |
| Placement Service Deposits | 5 years | 50%∟ | None | 53601.8 and 53635.8 |
| Placement Service Certificates of Deposit | 5 years | 50% ^L | None | 53601.8 and 53635.8 |
| Repurchase Agreements | 1 year | None | None | 53601(j) |
| Reverse Repurchase Agreements and Securities Lending Agreements | 92 days ^м | 20% of the base value of the portfolio | None ^N | 53601(j) |
| Medium-Term Notes ^o | 5 years or less | 30% | "A" rating category or its equivalent or better | 53601(k) |
| Mutual Funds And Money Market Mutual Funds | N/A | 20% ^p | Multiple ^{q, R} | 53601(l) and 53601.6(b) |
| Collateralized Bank Deposits ^s | 5 years | None | None | 53630 et seq. and 53601(n) |
| Mortgage Pass–Through and Asset–Backed Securities [⊤] | 5 years or less [⊤] | 20% | "AA" rating category or its equivalent or better [⊤] | 53601(o) |
| County Pooled Investment Funds | N/A | None | None | 27133 |
| Joint Powers Authority Pool | N/A | None | Multiple [∪] | 53601(p) |
| Local Agency Investment Fund (LAIF) | N/A | None | None | 16429.1 |
| Voluntary Investment Program Fund [∨] | N/A | None | None | 16340 |
| Supranational Obligations ^w | 5 years or less | 30% | "AA" rating category or its equivalent or better | 53601(q) |
| Public Bank Obligations | 5 years | None 8 | None | 53601(r), 53635(c) and 57603 |

TABLE OF NOTES FOR FIGURE

- Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.
- Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- c Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- Percentages apply to all portfolio investments regard- less of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.
- Applies to local agencies, other than counties or a city and county, with less than \$100 million of investment assets under management. Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.
- Local agencies, other than counties or a city and county, may purchase no more than 10% of the out- standing commercial paper and medium-term notes of any single issuer.
- Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.
- Applies to counties or a city and county, and the City of Los Angeles that have \$100 million or more of investment assets under management.
- J Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).
- κ No more than 30% of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- Effective January 1, 2020, no more than 50% of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable v certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30%. In- vestments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.

- Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a mini- mum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."
- P No more than 10% invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 mil- lion, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
- Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601(o)(2)(A)(B).
- A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets undermanagement in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

10. PROHIBITED INVESTMENTS

State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

- Section 53601.6(a) The District shall not invest any funds pursuant to this article in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages; and
- Section 53601.6(b) The District shall not invest any funds pursuant to this article in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in share of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 89a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section 53601.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending, or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

11. INVESTMENT POOLS

Investigation and due diligence must be completed prior to investing in an investment pool and on a periodic basis thereafter but no more than three years. Investment pools include LAIF (Local Agency Investment Fund), county pooled investment funds, shares of beneficial interest (mutual funds and money market funds), and joint powers authority pools. The investigation will include:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement process), how often the securities are priced, and how often the program is audited for compliance.
- A description of who may invest in the program, how often, and what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- An understanding on if reserves, retained earnings, etc. are utilized by the pool/fund.
- A fee schedule to include when and how it is assessed.
- If the pool/fund is eligible for bond proceeds and/or if it will accept such proceeds.

12. COLLATERALIZATION

<u>Certificates of Deposit (CDs)</u> - The District shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

<u>Bank Deposits</u> - This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The District shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

<u>Repurchase Agreements</u> - The District requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The District shall receive monthly statements of collateral.

13. DELIVERY, SAFEKEEPING, AND CUSTODY

<u>Delivery-versus-Payment (DVP)</u> - All investment transactions shall be conducted on a delivery-versus-payment basis.

<u>Safekeeping and Custody</u> - To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the District's portfolio shall be held in safekeeping in the District's name by a third-party custodian, acting as agent for the District under the terms of a custody agreement executed by the bank and the District. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the District from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

14. CASH ASSET REPORT

Under provision of Section 53646 of the California Government Code, the Director of Finance and Administration shall render a monthly report to the Board of Directors to include:

1. Type, issuer, maturity date, par, market value, and dollar amount invested on all securities, investments and moneys held by the District, including funds managed for the District by third party contracted managers.

2 A certification that all investment actions are made in full compliance with the Investment Policy and that the District will meet its expenditure obligations for the next six months, as required by CGC 53646(b)(2) and (3) respectively.

15. MONITORING SAFETY AND LIQUIDITY OF DISTRICT FUNDS

The Director of Finance and Administration shall monitor or cause to be monitored the extent to which financial institutions with which the District maintains deposits or investments are consistent with District's policies regarding business activities within countries that may jeopardize the safety and liquidity of the District funds or violate other District policies. Such matters shall be reported to the Board of Directors as part of the Cash Asset monthly report.

16. INVESTMENT POLICY REVIEW AND ADOPTION

The investment policy will be reviewed and adopted at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the Board of Directors for their consideration and adoption.

17. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The District will mitigate credit risk by adopting the following strategies:

- The District may elect to sell a security prior to its maturity and record a capital gain or loss in
 order to improve the quality, liquidity or return of the portfolio in response to market conditions
 or the District's risk preferences.
- If securities owned by the District are downgraded by a nationally recognized statistical ratings organization to a level below the quality required by this investment policy, it will be the District's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 - 1. If a security is downgraded, the Director of Finance and Administration will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
 - 2 If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the Board of Directors.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The District recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The District will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cashflow purposes.

The District further recognizes that certain types of securities, including variable rate securities,

securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The District, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The District will maintain a minimum of six months of budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements.
- The maximum stated final maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy.

18. GLOSSARY

AGENCIES. Shorthand market terminology for any obligation issued by *a government-sponsored entity* (*GSE*), or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market.

FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "FreddieMac" issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "FannieMae," issues discount notes, bonds, and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as "GinnieMae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River Valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of the call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICE (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations or municipalities with maturities

ranging from 2 to 270 days.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks.

The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor

preferences.

MODIFIED DURATION. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MONEY MARKET MUTUAL FUNDS. Money Market Mutual Funds are mutual funds that invest exclusively in short-term money market instruments. It seeks the preservation of capital as a primary goal while maintaining a high degree of liquidity and providing income representative of the market for short-term investments.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities, or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the LIBOR rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest

earnings, realized and unrealized gains, and losses in the portfolio.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

Exhibit "A"

RUBIDOUX COMMUNITY SERVICES DISTRICT

Statement of Investment Policy

Introduction

This statement is intended to outline the policies for maximizing the efficiency of the Rubidoux Community Services District's (District) Cash Management System and for the prudent investment of the District's funds, and to provide guidelines for suitable investments.

The legislative body of a special district may invest surplus moneys not required for the immediate necessities of the special district in accordance with the provisions of California Code Sections 5921 and 53601 <u>et seq</u>.

The General Manager of the District shall annually prepare and submit a Statement of Investment Policy. Such policy and changes shall be considered by the legislative body at a public meeting (CGC 53646(a)).

The District shall attempt to obtain the optimal yield, provided that all investments meet the criteria established for safety and liquidity.

The investment policies and practices of the District are based upon Federal, State and Local law and prudent money management. The primary goals of these policies are:

- 1. To assure compliance with all Federal, State and Local laws governing the investment of moneys under the control of the District's Financial Officer.
- 2. To protect the principal moneys entrusted to the District.
- 3. To generate the optimal amount of investment income within the parameters of this Statement of Investment Policy and the guidelines for suitable investments.

I. SCOPE

All moneys entrusted to the District will be pooled in an actively managed portfolio. The Investment Pool or "Portfolio" will be referred to as the "FUND" throughout the remainder of this document.

II. OBJECTIVES

A. Safety of Principal

Safety of principal is the foremost objective of the District. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institution default, broker-dealer default, or erosion of market value of securities. The District shall seek to preserve principal by mitigating the two types of risk--credit risk and market risk.

Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the portfolio. The Financial Officer shall evaluate or cause to have evaluated each potential investment, seeking both quality in issuer and in underlying security or collateral, and shall diversify the portfolio to reduce exposure to loss.

1. Credit Risk. Credit Risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the Funds so that the failure of any one issuer would not unduly harm the District's cash flow.

2. Market Risk. The risk of market value fluctuations, due to overall changes in the general level of interest rates, shall be mitigated by limiting the weighted average maturity of the District's fund to five years, unless otherwise approved by the Board of Directors.

B. Liquidity

Investments shall be made whose maturity date is compatible with cash flow requirements and which will permit easy and rapid conversion into cash without a substantial loss of value.

C. Return on Investment

Investments shall be undertaken to produce an optimal rate of return after first considering safety of principal and liquidity.

III. AUTHORIZED INVESTMENTS

Generally, investments shall be made in the context of the Prudent Investor Rule (Probate Code, Section 16040, et seq.) which states that:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The District is governed by the California Government Code, Sections 53600 <u>et seq</u>. Within the context of these limitations, the following investments are authorized, as further limited herein:

The investment maturities may not exceed five years, unless the Board of Directors have granted express authority either specifically or as a part of an investment program approved three months prior to the investment.

A. United States Treasury Bills, Notes, Bonds, and Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the fund which can be invested in this category as they are both safe and liquid. (See attached Figure 1, Investment Type 1)

B. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal Home Loan Mortgage Corporation (FHLMC), the Student Loan Mortgage Administration (SLMA), and the Federal National Mortgage (FNMA), and those insured by the Federal Housing Administration (FHA), or in obligations, participations, or other instruments of, or issued by a federal agency, or a United States government sponsored enterprise. (See attached Figure 1, Investment Type 2)

C. Local Agency Investment Fund. The District may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by the LAIF governing Board. (See attached Figure 1, Investment Type 6)

D. Time Deposits. The District may invest in time deposits collateralized in accordance with the California Government Code, in those banks and savings and loan associations which meet the requirements for investment in certificates of deposit. The financial officer may waive the first \$100,000.00 of collateral security for such deposits if the financial institution is insured pursuant to federal law. Maturity may not exceed two years nor exceed \$2,500,000.00 at any one institution. (See attached Figure 1, Investment Type 5)

E. Share of beneficial interest issued by diversified management companies, otherwise known as money market mutual funds investing in the securities and obligations as authorized by subdivisions (a) to (I) inclusive of Section 53635 for use as an interim or sweep account and that comply with the investment restrictions (California Government Code, commencing with Section 53630), companies shall either:

1. Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services.

2. Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized by subdivisions (a) to (m), inclusive and with assets under management in excess of five hundred million dollars (\$500,000,000.00). The purchase price of share of beneficial interest, (money market mutual funds) purchased pursuant to this subdivision shall not include any commission that these companies may charge. No more than 5% of the Funds may be invested in money market mutual funds with a fixed share price that does not fluctuate. (See attached Figure 1, Investment Type 4)

F. Commercial Paper. The District may enter into this short-term note rated A1/P1 for no more than 180 days per Government Code 53601(g). No more than \$1,000,000.00 may be invested through any one financial institution, with maximum investment of \$2,000,000.00. (See attached Figure 1, Investment Type 3)

G. Passbook Savings Account. The District may earn interest on idle funds in a passbook savings account at a federally-insured institution, until such time as funds can be invested.

IV. PROHIBITED INVESTMENT

In accordance with Sections:

53601.6(a) The District shall not invest any funds pursuant to this article in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages; and

53601.6(b) The District shall not invest any funds pursuant to this article in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in share of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 89a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section 53601.

V. OTHER RESTRICTIONS REGARDING DEBT PAYMENT

53821.5, 53841.6, 53852.5 & 53859.02(b). Proceeds of sales or funds set aside for the repayment of any notes issued pursuant to this article shall not be invested for a term that exceeds the term of the notes.

53859.02(a). A local agency may borrow money pursuant to this article, the indebtedness to be represented by a grant anticipation note or notes issued to the lender pursuant to this article. The money borrowed may be used and expended by the local agency solely for the purpose for which the grant or loan is to be received.

VI. QUALIFIED DEALERS AND INSTITUTIONS

The District shall transact business only with banks, savings and loans, and registered securities dealers. The purchase by the District of any investment other than purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer as defined in Section 250004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally Regulated Securities Exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank. The District's Staff shall investigate all institutions which do business with the District, in order to determine if they are adequately capitalized, make markets in securities appropriate to the District's needs, and agree to abide by the conditions set forth in the District's Investment Policy. This investigation will be done annually by having the financial institutions complete and return the appropriate questionnaire (See attachments A and B) and an audited Financial Statement must be provided within 120 days of the institutions' year end.

VII. SAFEKEEPING OF SECURITIES

All security transactions entered into by the District shall be conducted on deliveryversus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement as required by CGC 53601.

VIII. TREASURER'S REPORT

Under provision of Section 53646 of the California Government Code, the financial officer shall render a monthly report to the Board of Directors to include:

1. Type, issuer, maturity date, par, market value, and dollar amount invested on all securities, investments and moneys held by the District, including funds managed for the District by third party contracted managers.

2. A certification that all investment actions are made in full compliance with the Investment Policy and that the District will meet its expenditure obligations for the next six months, as required by CGC 53646(b)(2) and (3) respectively.

IX. DELEGATION OF AUTHORITY

Resolution No. 2019-849 and No. 2019-850 on April 18, 2019, authorize the General Manager and Director of Finance and Administration to invest funds with board approved finance institutions and to deposit and withdraw funds in the Local Agency Investment Fund (LAIF). Pursuant to the Government Code, the District Board delegates the authority to invest or to reinvest funds, or to sell or exchange securities so purchased, to the Director of Finance and Administration. The Director of Finance and Administration is charged with the responsibility for carrying out the policies of the District Board and shall assume full responsibility for investment transactions until the delegation of authority is revoked or expires.

The daily cash management, investment transaction and account reconciliations are the primary responsibilities of the Director of Finance and Administration. These activities are also carried out by other members of the Finance Department under the direction of the Director of Finance and Administration. The Director of Finance and Administration shall establish procedures for the operation consistent with this investment policy.

The Director of Finance and Administration and authorized individuals acting in accordance with written procedures and the investment policy and executing due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

X. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or which could impair their ability to make impartial decisions. Officers and employees involved in the investment process shall abide by the Conflict of Interest Code, (California Government Code Section 1900 et seq.) and the California Political Reform Act (California Government Code Section 81000 et seq.).

XI. INVESTMENT CONTROLS

The District has developed a system of internal investment controls and a segregation of responsibilities of investment functions in order to assure an adequate system of internal control over the investment function. Said internal investment controls have been received and approved by the District's independent auditor.

RESOLUTION NO. 2023-903

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, the Local Agency Investment Fund (LAIF) is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, in 1997, the Rubidoux Community Services District's (District) Board of Directors authorized the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein in the best interests of the District.

NOW THEREFORE, BE IT RESOLVED, that the following persons or their successors in office are each authorized to deposit or withdrawal District funds in LAIF in accordance with provisions of Government Code section 16429.1 for the purpose of investment as stated herein:

Brian R. Laddusaw, General Manager

Kirk T. Hamblin, Director of Finance and Administration

AND, the adoption of Resolution No. 2023-903 shall have an effective date of April 6, 2023;

AND, this resolution shall remain in full force and effect until rescinded by the Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office;

AND, the adoption of Resolution No. 2023-903 shall supersede District Resolution No. 2020-864, dated April 16, 2020, in its entirety.

BE IT FURTHER RESOLVED that this Resolution was approved and adopted this 6th day of April, 2023, at the Regular Meeting of the Board of Directors of the Rubidoux Community Services District by the following vote:

Resolution No. 2023-903 Page 2

> AYES: Bernard Murphy; John Skerbelis; Armando Muniz; Hank Trueba Jr.; F. Forest Trowbridge

NOES: None

ABSENT: None

ABSTENTIONS: None

Bernard Murphy, President

Armando Muniz, Director Lenst / Lewbridge F. Forest Trowbridge, Director

Jetur Skerbelis, Vice-President

Hank Trueba, Jr., Director

(Seal)

ATTEST:

Brian R. Laddusaw, Secretary to the Board

APPROVED AS TO FORM AND CONTENT:

John R. Harper, District Counsel

RESOLUTION NO. 799

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT AUTHORIZING THE OPENING OF ACCOUNTS FOR INVESTMENT PURPOSES WITH CERTAIN FINANCIAL INSTITUTIONS

WHEREAS, the adoption of Resolution No. 799 shall supersede District Resolution No. 783, dated February 5, 2009.

BE IT RESOLVED by the Board of Directors of the Rubidoux Community Services District (District) that the District shall transact business with only the following institutions provided that they comply with the requirements of Part VI of the District's Statement of Investment Policy:

- 1. Bank of America/Bank America Investment Services/Merrill Lynch
- 2. Union Bank of California
- 3. Citizens Business Bank
- 4. Security Bank of California

BE IT FURTHER RESOLVED that this Resolution is approved and adopted on the 16th of September, 2010, at the Regular Meeting of the Board of Directors of the Rubidoux Community Services District by the following vote:

AYES: Ruth Anderson Wilson, C. Marsden Smith, John Skerbelis, Armando Muniz, Gail Barclay

NOES: None

ABSENT: None

ABSTENTIONS: None

John Skerbelis, Director

Gail Barclav

C. Marsden Smith, Director

Albure

Armando Muniz, Director

Resolution No. 799 Page 2

Ulan Ruth Anderson-Wilson, Director

(Seal)

ATTES7 David D. Lopez Secretary to the Board

APPROVED AS TO FORM AND CONTENT: John R. Harper, District Counsel

(Seal)

CERTIFICATION

I, David D. Lopez, Secretary of the Board of Directors of the Rubidoux Community Services District, DO HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of Resolution No. 669 of said Board, and that the same has not been amended or repealed, and the same appears in the July 17, 1997 Minutes of said Board.

Secretary of the Board of Directors

RESOLUTION NO. 2019-855

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT ADOPTING A STATEMENT OF INVESTMENT POLICY

WHEREAS, California Government Code Sections 5921 and 53600 et seq. require the legislative body of a special district to adopt an investment policy on an annual basis; and

WHEREAS, the Board of Directors of the Rubidoux Community Services District has authorized a Statement of Investment Policy attached as Exhibit A.

NOW THEREFORE BE IT RESOLVED that this Resolution supersedes Resolution No. 2017-837 in its entirety was approved and adopted on the 15th day of August, 2019, at the Regular Meeting of the Board of Directors of the Rubidoux Community Services District by the following vote:

Bernard Murphy, AYES: Hank Trueba, Jr., Armando Muniz, John Skerbelis, F. Forest Trowbridge NOES: NONE ABSENT: NONE ABSTENTIONS: NONE Hank Trueba, Jr., Director Armando Muniz, Director Bernard Murphy, Director F. Forest Trowbridge, Director John Skerbelis, Director (seal) ATTEST:

Steven W. Appel Secretary to the Board

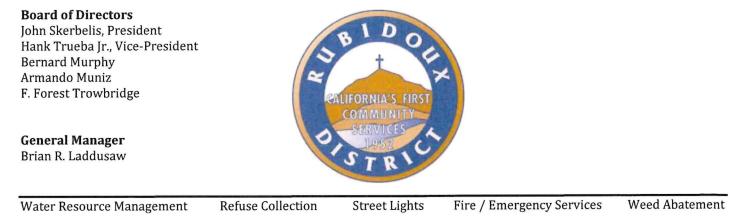
APPROVED AS TO FORM AND CONTENT:

District Counsel John R. Harper

8. ACTION / DISCUSSION ITEMS (continued)

E. **DM 2024-49**: Consider Adopting Resolution No. 2024-914, A Resolution Authorizing the Establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust

Rubidoux Community Services District



DIRECTORS MEMORANDUM 2024-49

June 6, 2024

- To: Rubidoux Community Services District Board of Directors
- Subject: Consider Adopting Resolution No. 2024-914, A Resolution Authorizing the Establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust

BACKGROUND:

The Rubidoux Community Services District ("District") is a member of the California Public Employees' Retirement System ("CalPERS"), and as such, is obligated by the Public Employees' Retirement Law and the contract between the Board of Administration of CalPERS and the District to make contributions to CalPERS to (a) fund pension benefits for its employees who are members of CalPERS, (b) amortize a portion of the unfunded accrued liability (the "UAL") with respect to such pension benefits, and (c) appropriate funds for the purposes of paying for the pension benefits and such Unfunded Liability.

Under the CalPERS contract, the District is legally obligated to make certain payments to CalPERS in respect to current and retired public safety employees and miscellaneous employees under the associated pension plans that amortize such obligations over a fixed period of time, including normal costs.

The District currently has an UAL account balance of \$7.0 million, which is required to be paid off during the next 25-year period at 6.8% interest. The District's UAL is the shortfall of comparing its current total pension assets of \$19.5 million against its current total pension obligations of \$26.5 million. In addition to biweekly payroll contributions made by the District to CalPERS, the District makes annual lump-sum payments which represents the amortized payment amount on the District's UAL. In the current fiscal year, this lump-sum payment was \$424,520, which was authorized pursuant to Directors Memorandum ("DM") 2023-68. In FY 2024|2025, this lump-sum payment will be \$549,991.

The growth of the District's UAL is a combination of factors. Every year CalPERS prepares updated actuarial valuation reports for each of the District's pension plans wherein it calculates the District's total pension liability

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

as of the end of the prior fiscal year. If the investment performance during that fiscal year was different from the Discount Rate, or if CalPERS made any changes to its actuarial assumptions, or if the actual demographic or compensation experience within the pension plans was different from the actuarial assumptions (i.e., life expectancy and retirement age), new line items, or UAL amortization "bases," may be added to the plan and result in a change to the UAL balance. Such UAL amortization bases may be positive (indicating funding shortfall for the Pension Plans) or negative (indicating funding surplus for the pension plans). Since CalPERS can add new UAL amortization bases every year, the pension plans must be monitored annually and managed continually – there is no one-time solution.

The District's UAL is not unique to Rubidoux and in February 2023, the District's Board of Directors ("Board") adopted an Unfunded Accrued Liability Pension Management Policy ("Policy") pursuant to Resolution No. 2023-901 for the purpose of addressing the existing and any future UAL associated with the District's CalPERS pension plans. The Policy reflects a reasonable and conservative approach to managing the UAL costs associated with the pension plans and recognizes the pension plans are subject to market volatility and that economic and demographic experience of the plans will differ from the actuarial assumptions. Accordingly, the Policy is intended to allow for adaptive responses to changing circumstances, providing flexibility to address such volatility in a financially sound manner.

The District has a current UAL funding level objective of 85%, which means the District should maintain assets of at least 85% of obligations. The District has a current funding status of 74% (\$19.5 million / \$26.5 million). There are a multitude of ways the District can reach its funding level objective, one of which is to utilize Additional Discretionary Payments ("ADPs"), which are considered supplemental contributions to the District's pension plans. These supplemental contributions can generate substantial long-term net savings. Each supplemental contribution reduces the UAL balance, the annual required contributions for future years, and the total interest costs associated with the UAL. CalPERS does not apply any prepayment penalties for ADPs and should not adversely affect the general obligations of the District.

Beginning in FY 2023/2024, the District budgeted for an ADP in the amount of \$150,000. For FY 2024/2025, the District is budgeting for another ADP of \$150,000. These monies are housed and monitored separately from the District's current \$19.5 million asset portfolio through the establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust. This trust will enable the District to manage pension liabilities more effectively, ensuring long-term fiscal sustainability. This memorandum is needed for the administrative side and to work with CalPERS for establishing the trust and then subsequently utilizing the budgeted funding to make the ADPs.

The District is dedicated to maintaining the financial health of its retirement benefit programs. However, unfunded pension liabilities pose significant financial risks and budgetary pressures. To address these challenges, the District can establish a CEPPT Section 115 Trust, allowing the District to set aside and invest funds specifically for future pension obligations.

Benefits of a CEPPT Section 115 Trust

1. Enhanced Financial Management:

a. Prefunding pension obligations can help smooth budgetary impacts and provide greater predictability in financial planning.

2. Risk Mitigation:

a. By setting aside funds specifically for pension liabilities, the District can mitigate the risk of pension cost volatility and unfunded liabilities.

3. Increased Local Control:

- a. Funds in a Section 115 Trust remain under the control of the District, allowing the District to decide the timing and amount of disbursements to CalPERS.
- b. This control ensures that funds are available when needed and can be strategically managed to align with the District's financial goals.

Implementation Plan

1. Board Approval:

- a. Obtain formal approval from the Board of Directors to establish the CEPPT Section 115 Trust.
- b. Approve Resolution 2024-914 outlining the purpose, benefits, and guidelines for the trust.

2. Trust Setup:

- a. Work with CalPERS to establish the trust, ensuring compliance with all regulatory requirements.
- b. Determine the initial funding amount and subsequent contribution schedule based on actuarial assessments and budgetary considerations.

3. Ongoing Management and Oversight:

- a. Establish a governance structure for the trust, including roles and responsibilities for monitoring and reporting.
- b. Regularly review and adjust the funding strategy and investment policy based on performance and changing economic conditions.

RECOMMENDATION:

The General Manager recommends the Board of Directors consider the following:

- 1. Approve the establishment of a CEPPT Section 115 Trust to enhance our pension funding strategy and strengthen the financial foundation of the Rubidoux Community Services District.
- 2. Adoption of Resolution No. 2024-914 which authorizes the establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust.

Respectfully,

BRIAN R. LADDUSAW, CPA General Manager

3590 Rubidoux Blvd. Jurupa Valley, CA 92509 P.O. Box 3098 Jurupa Valley, CA 92519 951-684-7580 Fax: 951-369-4061 www.rcsd.org

Attach:

- 1. Draft Res. No. 2024-914
- 2. Draft Agreement and Election to Prefund Employer Contributions to a Defined Benefit Pension Plan
- 3. Draft Certification of Funding Policy
- 4. Draft Delegation of Authority to Request Disbursements
- 5. CEPPT Informational Flyer
- 6. Resolution No. 2023-901 w/ Exhibit A

RESOLUTION NO. 2024-914

A RESOLUTION OF THE BOARD OF DIRECTORS OF RUBIDOUX COMMUNITY SERVICES DISTRICT AUTHORIZING THE ESTABLISHMENT OF A CALPERS EMPLOYER PENSION PREFUNDING TRUST (CEPPT) SECTION 115 TRUST

WHEREAS, the Rubidoux Community Services District ("District") is committed to ensuring the long-term fiscal health and sustainability of its retirement benefit programs; and

WHEREAS, the District participates in the California Public Employees' Retirement System (CalPERS) to provide pension benefits to its eligible employees; and

WHEREAS, the District recognizes the need to manage its pension liabilities proactively and efficiently to mitigate budgetary pressures and financial risks associated with unfunded pension obligations; and

WHEREAS, the establishment of a California Employers' Pension Prefunding Trust (CEPPT) Section 115 Trust (the "Trust") allows the District to set aside and invest funds specifically for future pension obligations, offering a strategic approach to prefunding pension costs; and

WHEREAS, the Trust provides several benefits, including enhanced financial management, risk mitigation, and increased local control over funds,; and

WHEREAS, the Board of Directors of the District ("Board") has determined that establishing the Trust is in the best interest of the District, its employees;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rubidoux Community Services District as follows:

- 1. *Approval of Trust Establishment*: The Board hereby authorizes the establishment of a CalPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust to prefund pension obligations.
- 2. *Implementation and Administration*: The General Manager, or their designee, is authorized to execute all necessary documents and agreements required to establish and administer the Trust in accordance with this resolution. The General Manager, or their designee, is also authorized to take any other actions necessary to implement the intent and purposes of this resolution.

Resolution No. 2024-914 Page 2

PASSED AND ADOPTED, by the Board of Directors of the Rubidoux Community Services District at a regular meeting held on June 6, 2024, by the following vote:

AYES:

AWAY:

NOES:

ABSENT:

ABSTENTIONS:

John Skerbelis, President Rubidoux Community Services District

(Seal)

Resolution No. 2024-914 Page 3

ATTEST:

Brian R. Laddusaw General Manager

APPROVED AS TO FORM AND CONTENT:

John R. Harper District Counsel

This resolution officially establishes the framework for creating and managing a CaIPERS Employer Pension Prefunding Trust (CEPPT) Section 115 Trust, aligning Rubidoux Community Services District's financial planning with its long-term pension obligations.

CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST PROGRAM

AGREEMENT AND ELECTION OF

Rubidoux Community Services District

(NAME OF EMPLOYER)

to Prefund Employer Contributions to a Defined Benefit Pension Plan

WHEREAS (1) Government Code (GC) Section 21711(a) establishes in the State Treasury the California Employers' Pension Prefunding Trust Fund (CEPPT), a special trust fund for the purpose of allowing eligible employers to prefund their required pension contributions to a defined benefit pension plan (each an Employer Pension Plan) by receiving and holding in the CEPPT amounts that are intended to be contributed to an Employer Pension Plan at a later date; and

WHEREAS (2) GC Section 21711(b) provides that the California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control of the administration and investment of the CEPPT, the purposes of which include, but are not limited to (i) receiving contributions from participating employers; (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds; and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the CEPPT and to deposit employer contributions into Employer Pension Plans in accordance with their terms; and

WHEREAS (3) Rubidoux Community Services District

(NAME OF EMPLOYER)

(Employer) desires to participate in the CEPPT upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the CEPPT upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Employer Contributions to a Defined Benefit Pension Plan (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The CEPPT is a trust fund that is intended to perform an essential governmental function (that is, the investment of funds by a State, political subdivision or 115 entity) within the meaning of Internal Revenue Code (Code) Section 115 and Internal Revenue Service Revenue Ruling 77-261, and as an Investment Trust Fund, as defined in Governmental Accounting Standards Board (GASB) Statement No. 84, Paragraph 16, for accounting and financial reporting of fiduciary activities from the

external portion of investment pools and individual investment accounts that are held in a trust that meets the criteria in Paragraph 11c(1).

WHEREAS (6) The CEPPT is not a Code Section 401(a) qualified trust and the assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a).

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Employer Representation and Warranty

Employer hereby represents and warrants that it is the State of California or a political subdivision thereof, or an entity whose income is excluded from gross income under Code Section 115(1).

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the CEPPT by adopting this Agreement and filing with the Board a true and correct original or certified copy of this Agreement as follows:

| Filing by mail, send to: | CalPERS CEPPT P.O. Box 1494 Sacramento, CA 95812-1494 |
|-------------------------------|--|
| Filing in person, deliver to: | CalPERS Mailroom |

CEPPT 400 Q Street Sacramento, CA 95811

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement. Employer shall provide the Board such other documents as the Board may request, including, but not limited to a certified copy of the resolution(s) of the governing body of Employer authorizing the adoption of the Agreement and documentation naming Employer's successor entity in the event that Employer ceases to exist prior to termination of this Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both the Board and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification. (4) The Board shall institute such procedures and processes as it deems necessary to administer the CEPPT, to carry out the purposes of this Agreement, and to maintain the tax-exempt status of the CEPPT. Employer agrees to follow such procedures and processes.

C. Employer Reports Provided for the Board's Use in Trust Administration and Financial Reporting and Employer Contributions

(1) Employer shall provide to the Board a defined benefit pension plan cost report on the basis of the actuarial assumptions and methods prescribed by Actuarial Standards of Practice (ASOP) or prescribed by GASB. Such report shall be for the Board's use in trust administration and financial reporting and shall be prepared at least as often as the minimum frequency required by applicable GASB Standards. This defined benefit pension plan cost report may be prepared as an actuarial valuation report or as a GASB compliant financial report. Such report shall be:

- prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- 2) prepared in accordance with ASOP or with GASB; and
- 3) provided to the Board prior to the Board's acceptance of contributions for the reporting period or as otherwise required by the Board.

(2) In the event that the Board determines, in its sole discretion, that Employer's cost report is not suitable for the Board's purposes and use or if Employer fails to provide a required report, the Board may obtain, at Employer's expense, a report that meets the Board's trust administration and financial reporting needs. At the Board's option, the Board may recover the costs of obtaining the report either by billing and collecting such amount from Employer or through a deduction from Employer's Prefunding Account (as defined in Paragraph D(2) below).

(3) Employer shall notify the Board in writing of the amount and timing of contributions to the CEPPT, which contributions shall be made in the manner established by the Board and in accordance with the terms of this Agreement and any procedures adopted by the Board.

(4) The Board may limit Employer's contributions to the CEPPT to the amount necessary to fully fund the actuarial present value of total projected benefit payments not otherwise prefunded through the applicable Employer Pension Plan (Unfunded PVFB), as set forth in Employer's cost report for the applicable period. If Employer's contribution would cause the assets in Employer's Prefunding Account to exceed the Unfunded PVFB, the Board may refuse to accept the contribution. If Employer's cost report for the applicable period does not set forth the Unfunded PVFB, the Board may

refuse to accept a contribution from Employer if the contribution would cause the assets in Employer's Prefunding Account to exceed Employer's total pension liability, as set forth in Employer's cost report.

(5) No contributions are required. Contributions can be made at any time following the effective date of this Agreement if Employer has first complied with the requirements of this Agreement, including Paragraph C.

(6) Employer acknowledges and agrees that assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a), and will not become assets of such a plan unless and until such time as they are distributed from the CEPPT and deposited into an Employer Pension Plan.

D. Administration of Accounts; Investments; Allocation of Income

(1) The Board has established the CEPPT as a trust fund consisting of an aggregation of separate single-employer accounts, with pooled administrative and investment functions.

(2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the CEPPT (Employer's Prefunding Account). Assets in Employer's Prefunding Account will be held for the exclusive purpose of funding Employer's contributions to its Employer Pension Plan(s) and defraying the administrative expenses of the CEPPT.

(3) The assets in Employer's Prefunding Account may be aggregated with the assets of other participating employers and may be co-invested by the Board in any asset classes appropriate for a Code Section 115 trust, subject to any additional requirements set forth in applicable law, including, but not limited to, subdivision (d) of GC Section 21711. Employer shall select between available investment strategies in accordance with applicable Board procedures.

(4) The Board may deduct the costs of administration of the CEPPT from the investment income of the CEPPT or from Employer's Prefunding Account in a manner determined by the Board.

(5) Investment income earned shall be allocated among participating employers and posted to Employer's Prefunding Account daily Monday through Friday, except on holidays, when the allocation will be posted the following business day.

(6) If, at the Board's sole discretion and in compliance with accounting and legal requirements applicable to an Investment Trust Fund and to a Code Section 115 compliant trust, the Board determines to its satisfaction that all obligations to pay defined benefit pension plan benefits in accordance with the applicable Employer Pension Plan terms have been satisfied by payment or by defeasance with no remaining risk regarding the amounts to be paid or the value of assets held in the

CEPPT, then the residual Employer assets held in Employer's Prefunding Account may be returned to Employer.

E. Reports and Statements

(1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.

(2) The Board, at its discretion but at least annually, shall prepare and provide a statement of Employer's Prefunding Account reflecting the balance in Employer's Prefunding Account, contributions made during the period covered by the statement, investment income allocated during such period, and such other information as the Board may determine.

F. Disbursements

(1) Employer may receive disbursements from the CEPPT not to exceed, on an annual basis, the amount of the total annual Employer contributions to Employer's Pension Plan for such year.

(2) Employer shall notify the Board in writing in the manner specified by the Board of the persons authorized to request disbursements from the CEPPT on behalf of Employer.

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board, and the Board may rely conclusively upon such writing. The Board may, but is not required to, require that Employer certify or otherwise demonstrate that amounts disbursed from Employer's Prefunding Account will be used solely for the purposes of the CEPPT. However, in no event shall the Board have any responsibility regarding the application of distributions from Employer's Prefunding Account.

(4) No disbursement shall be made from the CEPPT which exceeds the balance in Employer's Prefunding Account.

(5) Requests for disbursements that satisfy the above requirements will be processed on at least a monthly basis.

(6) The Board shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements, and is under no duty to make any investigation or inquiry about the correctness of such instruction. In the event of any other erroneous disbursement, the extent of the Board's liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

G. Costs of Administration

Employer shall pay its share of the costs of administration of the CEPPT, as determined by the Board and in accordance with Paragraph D.

- H. Termination of Employer's Participation in the CEPPT
- (1) The Board may terminate Employer's participation in the CEPPT if:
 - (a) Employer's governing body gives written notice to the Board of its election to terminate; or
 - (b) The Board determines, in its sole discretion, that Employer has failed to satisfy the terms and conditions of applicable law, this Agreement or the Board's rules, regulations or procedures.

(2) If Employer's participation in the CEPPT terminates for either of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the CEPPT, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D, and Employer shall remain subject to the terms of this Agreement with respect to such assets.

(3) After Employer's participation in the CEPPT terminates, Employer may not make further contributions to the CEPPT.

(4) After Employer's participation in the CEPPT terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After Employer's participation in the CEPPT terminates, the governing body of Employer may request either:

(a) A trustee to trustee transfer of the assets in Employer's Prefunding Account to a trust dedicated to prefunding Employer's required pension contributions; provided that the Board shall have no obligation to make such transfer unless the Board determines that the transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties. If the Board determines that the transfer will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the transfer. The amount to be transferred shall be the amount in Employer's Prefunding Account as of the date of the transfer (the "transfer date") and shall include investment earnings up to an investment earnings allocation date preceding the transfer date. In no event shall the investment earnings allocation date precede the transfer date by more than 150 days.

A disbursement of the assets in Employer's Prefunding Account; provided (b) that the Board shall have no obligation to make such disbursement unless the Board determines that, in compliance with the Code, other law and accounting standards, and the Board's fiduciary duties, all of Employer's obligations for payment of defined benefit pension plan benefits and reasonable administrative costs of the Board have been satisfied. If the Board determines that the disbursement will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the disbursement. The amount to be disbursed shall be the amount in Employer's Prefunding Account as of the date of the disbursement (the "disbursement date") and shall include investment earnings up to an investment earnings allocation date preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement date by more than 150 days.

(6) After Employer's participation in the CEPPT terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate. To the extent that assets remain in Employer's Prefunding Account, this Agreement shall remain in full force and effect.

(7) If, for any reason, the Board terminates the CEPPT, the assets in Employer's Prefunding Account shall be paid to Employer to the extent permitted by law and Code Section 115 after retention of (i) an amount sufficient to pay the Unfunded PVFB as set forth in a current defined benefit pension plan(s) cost report prepared in compliance with ASOP and the requirements of Paragraph C(1), and (ii) amounts sufficient to pay reasonable administrative costs of the Board. Amounts retained by the Board to pay the Unfunded PVFB shall be transferred to (i) another Code Section 115 trust dedicated to prefunding Employer's required pension contributions, subject to the Board's determination that such transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties or (ii) Employer's Pension Plan, subject to acceptance by Employer's Pension Plan.

(8) If Employer ceases to exist but Employer's Prefunding Account continues to exist, and if no provision has been made to the Board's satisfaction by Employer with respect to Employer's Prefunding Account, the Board shall be permitted to identify and appoint a successor to Employer under this Agreement, provided that the Board first determines, in its sole discretion, that there is a reasonable basis upon which to identify and appoint such a successor and provided further that such successor agrees in writing to be bound by the terms of this Agreement. If the Board is unable to identify or appoint a successor as provided in the preceding sentence, then the Board is authorized to appoint a third-party administrator or other successor to act on behalf of Employer under this Agreement and to otherwise carry out the intent of this Agreement with respect to Employer's Prefunding Account. Any and all costs associated with such appointment shall be paid from the assets attributable to Employer's Prefunding Account. At the Board's option, and subject to acceptance by Employer's Pension Plan,

the Board may instead transfer the assets in Employer's Prefunding Account to Employer's Pension Plan and terminate this Agreement.

(9) If the Board determines, in its sole discretion, that Employer has breached the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the CEPPT.

I. Indemnification

Employer shall indemnify, defend, and hold harmless CaIPERS, the Board, the CEPPT, and all of the officers, trustees, agents and employees of the foregoing from and against any loss, liability, claims, causes of action, suits, or expense (including reasonable attorneys' fees and defense costs, lien fees, judgments, fines, penalties, expert witness fees, appeals, and claims for damages of any nature whatsoever) not charged to the CEPPT and imposed as a result of, arising out of, related to or in connection with (1) the performance of the Board's duties or responsibilities under this Agreement, except to the extent that such loss, liability, suit or expense results or arises from the Board's own gross negligence, willful misconduct or material breach of this Agreement, or (2) without limiting the scope of Paragraph F(6) of this Agreement, any acts taken or transactions effected in accordance with written directions from Employer or any of its authorized representatives or any failure of the Board to act in the absence of such written directions to the extent the Board is authorized to act only at the direction of Employer.

- J. General Provisions
- (1) Books and Records

Employer shall keep accurate books and records connected with the performance of this Agreement. Such books and records shall be kept in a secure location at Employer's office(s) and shall be available for inspection and copying by the Board and its representatives.

(2) Notice

(a) Any notice or other written communication pursuant to this Agreement will be deemed effective immediately upon personal delivery, or if mailed, three (3) days after the date of mailing, or if delivered by express mail or e-mail, immediately upon the date of confirmed delivery, to the following:

For the Board:

Filing by mail, send to: CalPERS CEPPT P.O. Box 1494 Sacramento, CA 95812-1494 Filing in person, deliver to: CalPERS Mailroom CEPPT 400 Q Street Sacramento, CA 95811

For Employer:

Rubidoux Community Services District

3590 Rubidoux Blvd.

Jurupa Valley, CA 92509

(b) Either party to this Agreement may, from time to time by notice in writing served upon the other, designate a different mailing address to which, or a different person to whom, all such notices thereafter are to be addressed.

(3) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of this Agreement shall survive the termination of this Agreement.

(4) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(5) Necessary Acts; Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

(6) Incorporation of Amendments to Applicable Laws and Accounting Standards

Any references to sections of federal or state statutes or regulations or accounting standards shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

(7) Days

Wherever in this Agreement a set number of days is stated or allowed for a particular event to occur, the days are understood to include all calendar days, including weekends and holidays, unless otherwise stated.

(8) No Third Party Beneficiaries

Except as expressly provided herein, this Agreement is for the sole benefit of the parties hereto and their permitted successors and assignees, and nothing herein, expressed or implied, will give or be construed to give any other person any legal or equitable rights hereunder. Notwithstanding the foregoing, CaIPERS, the CEPPT, and all of the officers, trustees, agents and employees of CaIPERS, the CEPPT and the Board shall be considered third party beneficiaries of this Agreement with respect to Paragraph I above.

(9) Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

| A majority vote of Employer's Governing | Body at a public meeting | held on the | 6 |
|---|--------------------------|-------------|----------|
| day of the month of _une | _ in the year _2024, | authorized | entering |
| into this Agreement. | | | |

| Signature of the Presid | ling Off | icer: | | |
|--|----------|-----------|---------------------------|--|
| Printed Name of the Pr | esiding | Officer: | John Skerbelis, President | |
| Name of Governing Bo | dy: _ | The Board | d of Directors | |
| Name of Employer: Rubidoux Community Services District | | | | |
| Date: June 6, 2024 | | | | |

BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY_____ MELODY BENAVIDES DIVISION CHIEF, PENSION CONTRACTS AND PREFUNDING PROGRAMS CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS

The effective date of this Agreement is:



California Employers' Pension Prefunding Trust (CEPPT) CERTIFICATION OF FUNDING POLICY

EMPLOYER NAME: Rubidoux Community Services District

SECTION I: CEPPT Asset Allocation Strategy Selection

As the employer, I certify that my agency chooses the following CEPPT asset allocation strategy (select one):

| CEPPT Asset Allocation Strategy | 10 Year Expected Rate of Return | Expected Volatility (Standard Deviation) |
|------------------------------------|------------------------------------|---|
| Strategy 1 | 4.5% | 8.8% |
| Strategy 2 | 3.5% | 6.1% |
| Concurrent Enrollment | - | - |

SECTION II: Contributions and Reimbursements

As the employer, I certify that we intend to make CEPPT contributions and request eligible reimbursements in the following manner:

Contributions:

| We intend to make an initial contribution of $150,000$ on or around | 06/2024 |
|---|---------------|
| | (MM/YYYY) |
| For fiscal year ending June 30, $\frac{2024}{(YYYY)}$ we intend to contribute the estimated following | amount(s) in: |
| Strategy 1: \$_150,000 and/or | |
| Strategy 2: \$ | |
| For fiscal year ending June 30, $\frac{2025}{(YYYY)}$ we intend to contribute the estimated following | amount(s) in: |
| Strategy 1: \$ <u>150,000</u> and/or | |
| Strategy 2: \$ | |



California Employers' Pension Prefunding Trust (CEPPT) CERTIFICATION OF FUNDING POLICY

Reimbursements:

During the two years period identified above, do you intend to seek a reimbursement?



If you answered yes:

| For fiscal year ending June 30, _ | we intend to seek an approximate reimbursement of \$ | |
|-----------------------------------|--|--|
| | (YYYY) | |
| For fiscal year ending June 30, | we intend to seek an approximate reimbursement of \$ | |

(YYYY)

COMMENTS:

6



California Employers' Pension Prefunding Trust (CEPPT) CERTIFICATION OF FUNDING POLICY

We understand we will be asked to provide information to CalPERS as required to facilitate compliance with Governmental Accounting Standards Board (GASB) reporting requirements and we agree to provide this information to CalPERS on a timely basis.

We understand that CEPPT will be reported in aggregate as a fiduciary fund for CalPERS reporting. CEPPT assets will not be reported under GASB 67/68.

We understand that the cash flow information provided in Section II are estimated amounts and is being used for CEPPT asset management purposes. There is no implied commitment to contribute or reimburse.

Rubidoux Community Services District

Employer Name

Brian Laddusaw

Printed Name of Person Signing the Form

General Manager

Title of Person Signing the Form

Signature

Date

Kirk Hamblin

Designated Employer Contact Name

Director of Finance and Adminstration

Title of Designated Employer Contact

951-684-7580

khamblin@rcsd.org

Phone #

Email Address



California Employers' Pension Prefunding Trust (CEPPT) CERTIFICATION OF FUNDING POLICY

This page provides instructions to complete each section of the Certification of Pension Funding Policy.

SECTION I: CEPPT Asset Allocation Strategy Selection

Your CEPPT assets will be invested using the asset allocation strategy checked here. Each strategy has a different assumed 10 year expected rate of return and risk profile.

SECTION II: Contributions and Reimbursements

Here we ask you to indicate how you expect to make contributions to, and seek reimbursement from, the trust. All contributions are voluntary and never required. This section is for informational purpose. There is no implied commitment to contribute or reimburse. Information provided is intended for investment forecast and asset management purposes.



Delegation of Authority to Request Disbursements California Employers' Pension Prefunding Trust (CEPPT)

RESOLUTION OF THE

The Board of Directors

(GOVERNING BODY)

OF THE

Rubidoux Community Services District

(NAME OF EMPLOYER)

The Board of Directors

delegates to the incumbents

and

(GOVERNING BODY)

in the positions of General Manager

(TITLE)

Director of Finance and Administration and/or

(TITLE)

(TITLE)

authority to request on behalf of the

Employer disbursements from the Pension Prefunding Trust and to certify as to the purpose

for which the disbursed funds will be used.

Ву

Title Board President

Witness

Date __

CEPPT-02 (Revised 08/2023)

The California Employers' Pension Prefunding Trust

Prefund future pension costs with a CalPERS trust fund

The CEPPT is designed to give public agencies who offer defined benefit pensions the opportunity to save money by investing now for their future pension contributions.





The CEPPT program gives us a powerful tool to help ensure the stabilization and sustainability of our long-term retirement benefits. With its low fees, flexibility, risk diversification, and professional staff, it is the perfect program to save money for our agency and the ratepayers we serve.

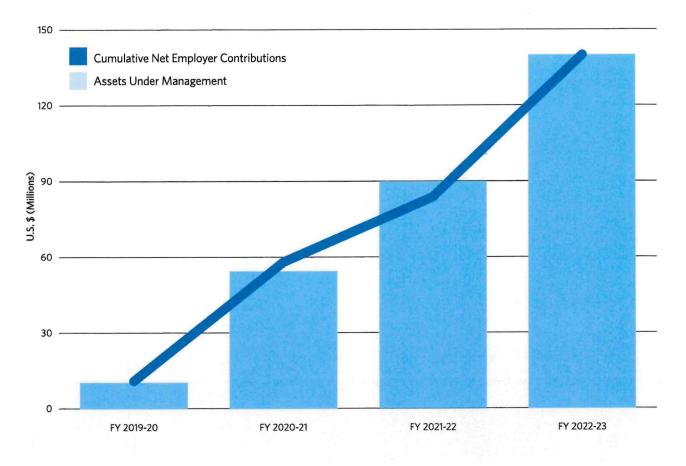
Robert Housley, General Manager
 Finance and Human Resources,
 Midway City Sanitary District, Orange

Choice of Asset Allocation Strategies

| | Expected Rate of Return | Standard Deviation | Risk Level Less Conservative → More Conservative |
|------------|----------------------------|-----------------------|---|
| Strategy 1 | 4.5% | 8.8% | |
| Strategy 2 | 3.5% | 6.1% | |



Consistent Growth of CEPPT Fund Assets Since Inception



How can you use the CEPPT?

- Prefund normal cost contributions and unfunded liability payments
- Make additional discretionary payments
- As a contingency fund for future volatility

Advantages of Participating in CEPPT

The CEPPT is designed to save you money and stabilize your budget by offering:

- CalPERS investment management
- Low total participation costs
- · Efficient and effective customer outreach and support
- Simple and streamlined account transactions

Portfolio Managed by CalPERS

- Fiduciary responsibility assumed by the CalPERS Board
- Investment management by experts at CalPERS and internationally renowned consultants
- Two investment strategy options with varying risk levels
- All public market securities

Learn more at www.calpers.ca.gov/ceppt Contact us at ceppt4u@calpers.ca.gov



Figures as of June 30, 2023 D September 2023

RESOLUTION NO. 2023-901

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT ADOPTING AN UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

WHEREAS, the Board of Directors (the "Board") of the Rubidoux Community Services District (the "District") is obligated by the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law"), to make payments to the California Public Employees' Retirement System ("CalPERS") relating to pension benefits accruing to current and former District employees who are CalPERS members, including retired employees (the "CalPERS Obligations"); and

WHEREAS, the District currently has an unfunded accrued liability (the "UAL") in respect of the CalPERS Obligations; and

WHEREAS, the CalPERS Obligations, including the UAL, and all other aspects of the pension plan arrangements between CalPERS and the District, is evidenced by a contract or contracts with CalPERS with respect to public safety employees of the District, as heretofore and hereafter amended from time to time (collectively, the "Pension Plans"); and

WHEREAS, the District is in the process of considering certain financing strategies, including the possible issuance of municipal obligations, that could generate funds to pay off a certain portion of the District's current estimated UAL owed to CalPERS; and

WHEREAS, CalPERS provides the District with new actuarial valuations on an annual basis that calculates the District's total pension liability as of the new valuation date; and

WHEREAS, each year it is possible that the District will incur new UAL costs if the District's market value of plan assets are not equivalent to the actuarially determined liability amounts; and

WHEREAS, the District desires to establish a framework for funding new UAL costs that may arise in the future with the objective of funding the Pension Plans at certain targeted funded status levels whenever possible; and

WHEREAS, to facilitate payment of future UAL costs in a timely manner and to reduce the risk that future UAL costs pose to the District's financial position, the District desires to adopt the Unfunded Accrued Liability Pension Management Policy, attached hereto (the "Pension Management Policy"); and

NOW, THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE RUBIDOUX COMMUNITY SERVICES DISTRICT THAT:

Section 1. <u>Recitals and Findings</u>. The Board hereby specifically finds and declares that all of the facts set forth in the Recitals of this Resolution are true and correct.

Section 2. <u>Adoption of Pension Management Policy</u>. The Board hereby finds and declares that the Pension Management Policy, attached as Exhibit "A" hereto, is hereby approved and adopted as the official Rubidoux Community Services District Unfunded Accrued Liability Pension Management Policy to be effective February 2, 2023.

Section 3. <u>Authorized Official Actions</u>. The Board President, General Manager, Director of Finance and Administration, Board Secretary, and all other officers of the District are hereby authorized and directed, jointly and severally, to do any and all things to effectuate the purposes of this Resolution and to implement and administer the Pension Management Policy.

Section 4. <u>Effective Date</u>. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Rubidoux Community Services District at a meeting thereof on the 2nd day of February 2023, by the following vote:

AYES: BERNARD MURPHY; JOHN SKERBELIS; HANK TRUEBA JR.; F. FOREST TROWBRIDGE; ARMANDO MUNIZ

NOES:

ABSENT:

ABSTAIN:

BY:

Bernard Murphy, President Rubidoux Community Services District

(Seal)

ATTEST:

Brian Laddusaw, General Manager Rubidoux Community Services District

RUBIDOUX COMMUNITY SERVICES DISTRICT UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

CalPERS has adopted the UAL amortization methods that were meant to help public agencies "ease into" paying for the UAL increases. New UAL amortization bases are implemented incrementally, with a five-year ramp-up period, and at times include additional small increases in each of the subsequent years. The ramp-up period, while reducing the cash flow impact in the near term, increases the overall UAL repayment costs for the District by delaying repayment. Since the UAL balances accrue interest at the rate that is equal to the then current Discount Rate, the delayed payments prior to the commencement of the amortization and the reduced payments during the ramp-up period that do not fully cover the interest costs result in negative amortization, causing further increases to the UAL balance. To help reduce the overall costs of the UAL repayment, this Policy encourages level annual payments (i.e., no ramp-up) whenever possible.

Section 4. Policy

A. <u>Funding Level Objective</u>. It is the District's policy to strive to achieve and maintain a Pension "Funded Ratio" (being the ratio by which the Market Value of Assets—as set forth in the most recently published Valuation Report--exceeds the Entry Age Normal Accrued Liability or "EANAL"—as set forth in the most recently published Valuation Report) for each Pension Plan of 85%, <u>but never dropping below 80%</u> (the "Funding Level Objective").

Funding Level Objective = 85%

Achieving and maintaining the 85% Funding Level Objective ensures that the ongoing contributions of the District and its employees, and therefore the taxpayer funds, are properly and adequately funding the retirement benefits of retirees and today's workers. This concept is commonly referred to as the intergenerational equity. Falling short of this funded level forces future Board of Directors to pay the costs of the poor planning and execution of today's Pension Plans. The reason for a Funding Level Objective of 85% rather than 100% is to allow some cushion for the possibility that good investment returns by CalPERS in a given year might push the Funded Ratio of a Pension Plan above 100% (commonly referred to as "superfunded status"), which means that the District and its employees had contributed into the Pension Plan more than was necessary. Thus, while the District remains committed to maintaining a 100% funded level, it shall manage the 15% differential (i.e., the difference between 85% and 100%) through its own investment process by creating the "Pension Rate Stabilization Fund" discussed herein.

Guidance: To achieve the Funding Level Objective, this Policy provides the following guidance:

- 1. <u>Pre-Pay the Entire Annual UAL Payment by July 31st of each year</u>. On or before July 1st of each year, the District receives its annual CalPERS UAL invoice. The District has two payments options. The invoice can (1) be paid in equal monthly increments or (2) be fully pre-paid at the beginning of the fiscal year by July 31st. By prepaying the entire invoice amount due by July 31st, the District can concurrently save approximately 3.3% compared to making the monthly payments. As such, every effort should be made to pre-pay the UAL payment upon receipt of the annual invoice.
- 2. <u>Pre-Pay UAL from Reserves, One-Time Revenues, and Fund Surpluses</u>. Reserves (often invested in LAIF) regularly do not earn returns that can offset the interest rate that CalPERS charges on the outstanding UAL balance. Supplemental contributions into the Pension Plans

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

from available reserves, one-time revenues, and fund surpluses can generate substantial longterm net savings. Each supplemental contribution, referred to by CalPERS as an Additional Discretionary Payment (ADP), reduces the UAL balance, the Annual Required Contributions (ARC) for future years, and the total interest costs associated with the UAL. CalPERS does not apply any prepayment penalties to ADPs. Therefore, during each budget cycle, the District staff shall review all available reserves, one-time revenues, and fund surpluses to determine whether any such funds could be used to make an ADP to pay down the UAL, keeping in mind operational and capital budgetary constraints while maintaining adequate reserves and balancing the fiscal soundness of eliminating the high-interest UAL debt. ADPs should not adversely affect the general operations and fiscal soundness of the District.

3. <u>Capital Financing</u>. When considering capital projects, staff regularly reviews and plans for reserving capital to cash fund current and future projects. When considering how to pay for current and future capital projects, staff should review the current tax-exempt market to assess if it would be more cost effective to borrow at tax-exempt rates to pay for the capital projects and redirect the reserved funding (and/or such other appropriate funds of the District) to make ADPs to CalPERS.

If there are projected cost savings by using this method, and a capital financing strategy is to be implemented, the Board of Directors would need to approve of the ADPs being paid to CalPERS prior to the financing to ensure that the annal savings generated by implementing the strategy are applied to UAL paydowns.

- 4. <u>Utilize Savings Achieved from Refunding Outstanding Non-Pension Related Debt to Pre-Pay</u> <u>UAL</u>. During each budget cycle, staff should review all outstanding long-term non-pension related debt of the District to determine whether a refunding of such debt might result in net present value (NPV) savings of greater than 3%, and if so, consider a structure and strategy that frontloads the savings from such debt refunding, which can then be used to pay down the UAL. This strategy should only be used if the interest rates on the currently outstanding debt is sufficiently below the then-current Discount Rate to ensure that overall NPV savings of greater than 3% are achieved by the District.
- 5. <u>Sources of Revenue</u>. All fees, rates, and charges should incorporate full allocation of pension costs for employees providing associated services. While some funds cannot contribute more than their fair share (i.e., enterprise funds), they should not contribute less than their fair share. Staff shall review allocation of labor costs to proprietary and other funds to ensure full reimbursement of the pension cost burden. Staff shall provide, or cause to be provided, consistent and well-documented methodology for pension cost allocation to all funds.
- 6. <u>Pension Obligation Financing</u>. The District shall consider issuing taxable municipal debt obligations (generically hereafter referred to as "Pension Obligations") to refinance the UAL, in part or in whole, if such bond obligations are expected to produce minimum cash flow savings of at least 5%, taking into account all debt service and costs of issuance associated with such bond obligations, in comparison to CalPERS' respective UAL amortization schedule and the then-current Discount Rate.

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

Pension Obligations shall not utilize swaps or derivatives of any kind and should be structured with reasonable and flexible call provisions (with a maximum of 10-year call provision). Pension Obligations shall be used only to prepay the UAL liabilities, and shall not be used to finance normal cost payments. The issuance of Pension Obligations must be voted upon and approved by the Board of Directors.

- 7. <u>Annual Review of the CalPERS Actuarial Valuation Reports and Associated Tasks</u>. The District staff shall review or cause to be reviewed the annual CalPERS actuarial valuation reports within 30 days of their release by CalPERS, which usually takes place during the month of August. The review should focus on identifying the annual changes to each of the Pension Plans UAL, and quantifying the associated cost implications and the corresponding impact on the Funded Ratio. Staff should annually reach out to the District's CalPERS actuary to request a calculation of flat payments (rather than ramp-up payments) for all outstanding and new UAL amortization bases. In making ADPs, the District staff shall determine or cause to be determined the optimal application of the ADPs to the outstanding UAL amortization bases to achieve the Funding Level Objective as well as desired budgetary outcomes.
- 8. <u>ADPs Shared Between All Benefiting District Funds</u>. Whenever an ADP is made, the District will endeavor to ensure that all benefiting funds (the "Benefiting Funds") contribute their fair share in accordance with the District's allocation method of charging off its pension costs for each District fund.

B. Establishment and Operation of a Pension Rate Stabilization Fund.

1. <u>Establishment of a Pension Rate Stabilization Fund</u>. The District shall establish a Pension Rate Stabilization Fund, either self-managed or a Section 115 trust fund managed by a third-party investment manager (the "Investment Manager"). The Pension Rate Stabilization Fund will receive Sequestered Savings (defined below) and Sequestered Surplus (defined below) as well as any other funds deposited into it at the discretion of the Board of Directors, based on recommendations made by the District staff during the annual budget process. Funds in the Pension Rate Stabilization Fund should only be used to manage the District's pension benefits costs to maintain each of the Pension Plans at the Funding Level Objective in accordance with the goals and objectives set forth in this Policy.

2. Funding the Pension Rate Stabilization Fund.

(a) <u>Sequestered Savings</u>. Upon the issuance of each series of Pension Obligations, for each of the next ten (10) consecutive years (or such other period of years as deemed appropriate by the Board of Directors at the time of any subsequent issuances of Pension Obligations) following such issuance, a fixed dollar amount equal to 50% (or such other percentage as deemed appropriate by the Board of Directors at the time of any subsequent issuances of Pension Obligations) of the "Total Sequestered Savings" (as calculated in the manner set forth below) achieved by issuing Pension Obligations (the "Annual Sequestered Savings"), shall be transferred from the Benefiting Funds (as established in section A8 above) and deposited into the Pension Rate Stabilization Fund until such time that the Pension Rate Stabilization Fund maximum (as outlined in section B3 below), and

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

thereafter all Sequestered Savings will be directed to a "Pension Obligation Prepayment Fund" which will be established and maintained by the District for the purpose of prepaying any outstanding Pension Obligations.

Total Sequestered Savings = UALDS - DS

Annual Sequestered Savings = SSP
$$x(\frac{UALDS - DS}{Y})$$

SSP = Sequestered Savings Percentage

UALDS = Scheduled UAL debt service being paid off by the Pension Obligations DS = Total principal amount of Debt Service on the Pension Obligations Y =Number of years to pay back Sequestered Savings

Example of Annual Sequestered Savings Calculation

A \$5M Pension Obligation was issued in 2022 for the purpose of prepaying UAL. The total UAL debt service (UALDS) paid off with the Pension Obligation was \$8,000,000 and the total debt service (DS) on the Pension Obligation is \$7,000,000. The District elected to sequester 50% of the total savings over a 10-year period (Y), which in this example results in an Annual Sequestered Savings of \$50,000.

Annual Seq. Savings = $0.5x(\frac{8,000,000 - 7,000,000}{10})$

(b) <u>Sequestered Surplus</u>. Each Fiscal Year during the District's normal budget adoption process, beginning with the 2023-24 Fiscal year budget, a percent between 0% and 10% of any available surplus from the prior Fiscal Year (the "Sequestered Surplus") shall be set aside, transferred and deposited into the Pension Rate Stabilization Fund so long as the Funded Level Objective has been achieved and the Pension Rate Stabilization Fund Maximum (discussed herein) has not been achieved.

3. <u>Operation of the Pension Rate Stabilization Fund</u>. Sequestered Surplus and Sequestered Savings (and any other amounts contributed by the District) shall be deposited in the Pension Rate Stabilization Fund and used solely for the purpose of making ADP's (and Normal Cost payments during a Fiscal Hardship, and/or to the extent the amount therein exceeds the Pension Rate Stabilization Fund Maximum, as described below) to CalPERS for the purpose of achieving and maintaining Funding Level Objective.

With the goal of achieving and maintaining the Funding Level Objective, each year during the budget cycle, District staff shall calculate, or cause to be calculated, the upcoming Fiscal Year's estimated Funded Ratio by taking into account the most recent Valuation Report's statement of Funded Ratio and adjusting for the estimated UAL amortization base that will be either added

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

or subtracted due to the prior Fiscal Year's investment result of either exceeding or falling short of the then current Discount Rate for that Fiscal Year (the "Estimated Funded Ratio"). If the Estimated Funded Ratio is estimated to be less than the Funding Level Objective, to the extent funds are available in the Pension Rate Stabilization Fund, the appropriate member of staff shall either make, or shall direct the Investment Manger to make, an ADP to CalPERS in the amount necessary to bring the Funded Ratio back up to the Funding Level Objective. Additionally, if sufficient funds are available in the Pension Rate Stabilization Fund, staff shall assess whether to fully amortize any new UAL amortization bases in order to reduce the long-term interest costs associated with the "ramping" procedures used by CalPERS.

Moneys in the Pension Rate Stabilization Fund shall not be used for normal costs until such time as the amount therein, when combined with the Market Value of Assets (as set forth in the most recently published Valuation Report) exceeds the Entry Age Normal Accrued Liability (as set forth in the most recently published Valuation Report) by 110% (the "Pension Rate Stabilization Fund Maximum"). To the extent monies in the Pension Rate Stabilization Fund on any June 31st exceed the Pension Rate Stabilization Fund Maximum (after consideration has been given to the amounts therein required to be paid to CalPERS for the ensuing Fiscal Year to maintain the Estimated Funded Ratio at or above the Funding Level Objective), any accrued surplus over 110% may be used to offset the District's Normal Cost payment made to CalPERS in such Fiscal Year, and any Sequestered Savings will then be directed to the Bond Call Fund.

4. <u>*Fiscal Hardship.*</u> In the event of a Fiscal Hardship (as defined below), transfers of Sequestered Savings may be abated and/or the Pension Rate Stabilization Fund may be utilized for either normal or UAL costs until the Fiscal Hardship is no longer in effect.

"Fiscal Hardship" means an economic hardship, or other unanticipated fiscal emergency, that has been declared by resolution of the Board of Directors.

C. <u>Transparency and Reporting</u>. Funding of the Pension Plans should be transparent to all stakeholders, including plan participants, annuitants, the Board of Directors, and District residents. To achieve this Policy objective, copies of the annual actuarial valuation reports for each Pension Plan shall be made available to the Board of Directors, and shall be posted on the District's website. The District's audited financial statements shall also be posted on the District's website because they include, among other things, information on the District's current and future annual Pension Plan contributions as well as the funded status of each Pension Plan.

D. <u>Annual Budget to Contain Policy Directed Information</u>. The District's annual operating budget shall consider the items specified in this Policy for inclusion in each such annual budget.

E. <u>**Review of Policy.**</u> Funding a defined benefit pension plan requires a long-term horizon planning approach. This Policy is intended to provide general objectives and guidelines, which will require periodic review to consider changes in the District's financial position and Pension Plan funded status over time. As such, District staff will review the policy for implementation of new best practices and will provide to Board of Directors for adoption on an as needed basis, not to exceed 5 years.

9. DIRECTORS COMMENTS AND REQUEST

10. NEXT MEETING

Thursday, June 20, 2024, at 4:00 p.m.

11. ADJOURNMENT