

Del Rey Community Services District
**Minutes of the
Board of Directors
Regular Board Meeting
April 21, 2022
7:00p.m.**

President Garza called the Regular Board Meeting to order at 7:02p.m.

Directors present: Stephanie Garza, Rinaldo Reyna, Daniel Ramirez, Rolando Sanchez
Directors absent: Joaquin Nunez

A2 The Board leads in the Pledge of Allegiance.

A3 **Approval of Agenda:** Reyna made a motion to approve the agenda. Ramirez second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

B. Public Comment (limit of three minutes):
No public comment.

C. APPROVAL OF MINUTES

C-1 Approve Minutes of the March 17, 2022 Regular Board Meeting
Reyna made a motion to approve the minutes of the March 17, 2022 Regular Board meeting. Ramirez second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

D. CONSENT CALENDAR:

D-1 Approve payments for vendors for West America Bank – March 2022, a Total Amount of \$112,697.07. Reyna states check #3056 for \$7,000 for vendor has not been cashed. He states he wants the check in the Accountant Report if it has not cleared. Discussion. Garza opens the item to the public for comment. Public member Maria Reyna asks if board members are allowed to call the bank. LC Chaffin clarifies the check in question had been cleared at previous meeting, and board members are allowed to call the bank legally if since they are authorized signatory, but it is not consistent with District policy. Discussion. Reyna made a motion to approve payments for vendors for March 2022. Ramirez second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

D-2 Approve payments for vendors for West America Bank – April 13, 2022, a Total Amount of \$154,061.27.

Garza opens the item for public comment. No public comment. Reyna made a motion to approve payments for vendors up to April 13, 2022. Ramirez second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

D-3 Resolution to Allow the Option of Board Members to Attend Meetings Remotely.
LC Chaffin states many cities are still adopting this resolution to continue to join meetings remotely. Garza opens the item for public comment. PM Reyna states she sees no problem hosting remotely. Ramirez made a motion to approve the resolution. Reyna second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

E. PUBLIC HEARINGS (DISCUSSION AND ACTION ITEMS):

E-1 Discussion/Consideration Regarding Timecard Process for District Employees. Sanchez suggested in order to have a structure and accountability for hours of employees, a timecard needs to be in place. Garza suggests an electronic timecard on computer for reliability and accuracy. DM Arias states it will be a good idea, but a break room is needed for employees at the plant. President Garza opened the public hearing. Public member Reyna questions the clocking system in place before, and how the district deviated from it. DM Arias states there has not been an electronic system since he has been apart of the district, which has been about 6 years. Public member 2 questions how the time is kept now. DM Arias states it is a written and signed timecard by the employee. Ramirez states there needs to be an electronic time clock. Discussion. LC Chaffin advises a budget. Reyna made a motion to direct District Manager to move forward with time clock and bring estimates and proposals to be approved. Ramirez second the motion. All in favor; four ayes: Garza, Reyna, Ramirez, Sanchez. All absent; one absent: Nunez. Motion passed.

E-2 Repair needed at the Domestic Wastewater Plant. Arias states he sent the board an email regarding the gear box. There is an issue with the gear box. There were two suggestions offered- one for 14 weeks after purchase agreement and the other is 7 weeks for \$47,000 and would like to consider approving the expense. Sanchez states to do more research for better costs and knows vendors. Manrique states the gear ox failed, he contacted the manufacturer of company, but hasn't heard back. The quote provided for 14 weeks hasn't been given yet. Westech installs gearboxes and supplied a quote for \$47,000. He states the plant has been running without the gear box and is violating limits. Sanchez states he would like to take a look at it on Friday. LC Chaffin suggests preauthorizing but allow Sanchez to look at it because the time restraint will cause to be out of compliance. DM Arias states only 1 gear box left from the offer. Discussion. Reyna states the need for more estimates to get a lower price. Garza questions is fines could be incurred. Manrique states the plant has been "flying under the radar" so far, and it is not running efficiently. Discussion. LC Chaffin explains the cost is part of a supply chain and service issue. Ramirez states "you pay for what you get", so would like to pay in order to get a gear box that will last a long time, and not have to replace it again anytime son. Manrique states the current gear box has lasted about 30 years. President Garza opened the public hearing. Public member Reyna questions if Westech affiliated to AM Consulting, and Manrique states there is no affiliation. Discussion. Consensus to authorize District Manager up to \$47,000, but to work with Sanchez, inspect, and get more quotes to go lower. Motion passed.

E-3 Report and update from District Council regarding attorney services. Chaffin states he has been with the district since about 2005. The district has had the lowest rates. With inflation at about 8% the firm needs to make an adjustment as they are losing money. He explains there are two options: 1. An associate rate where Nick Papa John can appear remotely, and Chaffin as an assistant, and the total bills and attorney expenses would be lower. He made a suggestion to flag issues to adjust rates, and it can be differed until next year and transition with the first option. Discussion. Reyna states he found four other attorneys at lower cost, and he believes in competition to get better price. LC Chaffin responds by stating if the district takes offers to RFP process, their firm has to respond with current rates and preferred rates. Discussion. Chaffin clarifies the proposal to match inflation only. President Garza opened the public hearing. Public member Reyna questions quotes from LC Chaffin and if the preferred rate is lower than others, and if the board is willing to lose the rate with Chaffin to get proposals from others. She advises the board to only get quotes and not formal proposals, and make sure legwork is included in quotes. Ramirez states he realizes inflation has gone up and recognizes the work Chaffin has done for the district and appreciates his effort in going above and beyond. Discussion. Sanchez states he does not want to see Chaffin go and acknowledges his respect for the town. Discussion. DM Arias states he will get everything (quotes) in writing and have it available to distribute to the board to review.

F. DIRECTOR COMMUNICATIONS/AGENDA ITEMS

Garza discusses meeting this past Tuesday was very informative. In order to build homes and apartments, Del Rey needs to expand water and sewer and apply for grants. Manrique explains he is charge of grants for that, and he has applied. There is a need to expand the plant and wastewater infrastructure. Discussion. Dictos states the developer pays for connection fees. Reyna brings p the sphere of influence. Reyna and Garza agree to add a discussion regarding the sphere of influence to next month's agenda. Reyna states he spoke to HR Mora for training. Arias states he sent an email to Mora with help of attorney and no changes need to be made on manual and waiting on their response.

G. DISTRICT ADMINISTRATOR REPORTS

G-1 Report of District Manager (Report by Carlos Arias)

DM Arias states there is not much to report. He points out board member Garza was the only one to show up to the meeting on Tuesday, and there was very little public present. Last Friday was the egg hunt at the park, no board members present at activities, and would like to see them involved.

G-2 Report of District Counsel (Report by Shannon Chaffin)

LC Chaffin gives an update that Biola CSD is looking for a new attorney, but the firm is not interested. He will attend the board meeting on how to use attorneys, RFP's, work with district manager. Biola has had challenges, donating his time to help them out. He advises the caustic soda fees have expired, so they need to circle back with DM Arias to adjust the fees/rates.

G-3 Report of District Engineer (Report by AM Consulting)

Manrique reviews the Engineer report. He states the first item should be off the list by next month. In 2-3 months, there should be a draft agreement and in fully executed process. He states he have submitted the agreement to DM Arias to sign, it was signed and sent back. Covers restriction and legal description for Prop 68. Clean water application sent, and the State is reviewing and will supply info as needed. He updates that Fresno Housing Authority will pay for costs of annexation and will bring a map next month to discuss boundaries.

G-4 Report of District Accountant (Report by Paul Dictos)

Dictos reviews the Accountant report. Adjust rates recommendation has to be stated.

H. PUBLIC COMMENTS:

Public member Reyna questions if operation is in red, need to adjust rates so Fresno County doesn't take over. LC Chaffin states the district must wait 1 year from rate study, especially to add more housing.

I. ADJOURNMENT:

With no further business the meeting was adjourned at 9:20p.m.

Respectfully Submitted,



Eileen Hernandez
Del Rey Community Services District