

Del Rey Community Services District
Minutes of the
Board of Directors
Regular Board Meeting
May 19, 2022
7:00p.m.

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

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

A2 The Board leads in the Pledge of Allegiance.

A3 **Approval of Agenda:** Consensus to approve the agenda.

B. Public Comment (limit of three minutes):

No public present.

C. APPROVAL OF MINUTES

C-1 Approve Minutes of the April 21, 2022 Regular Board Meeting

Reyna made a motion to approve the minutes of the April 21, 2022 Regular Board meeting. Nunez second the motion. All in favor; five ayes: Garza, Nunez, Reyna, Ramirez, Sanchez. Motion passed.

D. CONSENT CALENDAR:

D-1 Approve payments for vendors for West America Bank – April 2022, a Total Amount of \$180,877.97.

D-2 Approve payments for vendors for West America Bank – May 13, 2022, a Total Amount of \$27,425.32.

D-3 Resolution to Allow the Option of Board Members to Attend Meetings Remotely.

Garza takes items D-1 to D-3 to the public. No public comment. Reyna made a motion to approve items D-1 to D-3. Nunez second the motion. All in favor; five ayes: Garza, Nunez, Reyna, Ramirez, Sanchez. Motion passed.

E. PUBLIC HEARINGS (DISCUSSION AND ACTION ITEMS):

E-1 Discussion and action regarding adoption of a Resolution authorizing the findings of the South Kings Groundwater Sustainability Agency Development Impact Fee Study and adopting of impact fees (\$3,676 per acre of industrial development, \$4,100 per acre of residential development). Manrique informs the Staff recommendation to adopt the resolution pertaining to the SKGSA impact fee. This will allow the water use for future development. Discussion. Manrique will share boundaries. Garza takes the item out to the public. PM Reyna directed to Manrique if working on the sphere of influence for groundwater recharge. Manrique states the impact fee for future development. Discussion. PM Reyna holds further questions for item E-5. Reyna made a motion to adopt the resolution authorizing the findings of the South Kings Groundwater Sustainability Agency Development Impact Fee Study and adopting of impact fees (\$3,676 per acre of industrial development, \$4,100 per acre of residential development). Nunez second the motion. All in favor; five ayes: Garza, Nunez, Reyna, Ramirez, Sanchez. Motion passed.

E-2 Discussion and action regarding adoption of a Resolution approving a deed restriction for Accessor Parcel Numbers 350-180-02T, 350-180-03T, and 350-180-06T (Del Rey Park) pursuant to the requirements of the California Department of Parks and Recreation’s Proposition 68 Per Capita Grant Program. Manrique recommends adopting the resolution approving the deed restriction pertaining to the Per Capita grant according to the walking path for the Del Rey Park site and authorize District to have it recorded by the Clerk of Fresno County. It is required for every park of the State. Discussion. LC Chaffin states if there is a grant, a deed restriction is required, and it states the property can only be used as a park. Garza questions if there is a deed restriction currently. LC Chaffin states he hasn’t checked, but regularly not. Discussion. Reyna states that property was intended to be a water basin and asks if it will conflict. Discussion. LC Chaffin states many parks are used as a water basin or dual use. Manrique states the deed restriction is for 30 years. LC Chaffin asks Manrique to check with the State if allowing Park as primary use and water-basin as secondary. Or joint use. Discussion. Garza takes the item back to the board. PM Reyna states she doesn’t see why it couldn’t be dual purpose. Garza brings the item back to the board. Reyna made a motion to approve item E-2 subject to clarification if the park can be dual use. Nunez second the motion. All in favor; five ayes: Garza, Nunez, Reyna, Ramirez, Sanchez. Motion passed.

E-3 Discussion and action regarding approval of timecard equipment/system. Arias states the item was brought to him at the last meeting. He checked and found a system for about \$300 with a monthly fee of about \$20. He would like clarification where the system will be (plant or office). Reyna states it should be at both places. Discussion. Garza states it will be a good idea to have two. LC Chaffin advises to check if monthly fee would be \$20 for two units or only one. Nunez states having two units would be a waste of money. Reyna, Ramirez, and Garza agree. Garza opens the item to the public. PM Reyna asks to clarify prices before voting for one unit. Garza brings the item back to the board. Ramirez states he prefers one unit. Nunez states he doesn't see the need for two. Consensus to get one unit for the office.

E-4 Discussion and direction regarding attorney services. Chaffin discusses the adjustment of rates due to inflation. He provides the latest numbers by Paul, which is \$20,000 for services so far this year. Arias states he receives two emails and forwarded them to Board Members. There weren't any quotes provided. Reyna states he wanted to explore prices but is fine with keeping Chaffin. LC Chaffin states he can bring the item back next month. He also informs the Board if it passes now, the Board can continue to search for other options, and he will encourage to go with the cheaper option if found because he knows the District needs every penny. Discussion. DM Arias states they won't get a quote until it is taken to RFP process. Garza asks Chaffin of the last time he raised the rates. LC Chaffin states last year the firm brought the Board to their 2019 rates. Now the firm needs to account for inflation. To clarify, only raised once in the last 10 years. The rate increase proposed wouldn't take effect until next year. Nunez thanks Chaffin for his services, guidance, and support. He encourages fellow Board Members to keep Chaffin, and feels it is a great insult and unfair to search for other options. Garza opens the item for public comment. No public comment. LC Chaffin encourages the Board to allow Nick Papa John to attend the meetings remotely to adjust and get a feel for his presence as an option and bring the item back next month. Discussion. Consensus to bring the item back next month.

E-5 Discussion and direction regarding sphere of influence adjustments for Del Rey. Reyna questions if going to increase sphere of influence toward the west (Bethel and Adams), which will include POM. The District is paying taxes for POM, but it is not in the sphere of influence. They are using District water, but putting it back into ground to the County, which is not benefitting the District. Manrique shares screen with a map of boundaries. He highlights the red area is current boundary, blue is the annexation, and yellow is thought to be next sphere of influence. LC Chaffin notes recommendation can be stated, but LAIFCO has final ruling. Discussion. Garza asks if Bethel to Del Rey Ave belongs to Del Rey. DM Arias responds that it is not, it belongs to Sanger. Reyna suggests claiming land to grow. Dictos states the District pays taxes on sewer plant, so it should be incorporate in annexation. Manrique states he will change that area to blue to include it. Discussion. Dictos asks why the whole parcel of POM cannot be annexed. Manrique responds that it will be in the sphere of influence but not annexed, but it could be a good case to have it annexed. It may be declined by LAIFCO, but it can be a good case. Discussion. LC Chaffin suggests Lincoln, Jefferson, Bethel, and Del Rey could be area for the case. Manrique states he will go back and ask for figure and bring to Carlos to distribute to the Board. Garza opens the item for public comment. PM Reyna asks if POM is part of Del Rey Community Services District, and Manrique states it is not. PM Reyna asks why Del Rey cemetery is not part of Del Rey. LC Chaffin responds that it is technically not part of the District, it's either the County or Sanger. Discussion. Manrique is going halfway to the cemetery, will fill it up with housing, and in the future will continue to move outward. PM Reyna questions why POM is not paying the District property taxes and pays to the County. She states POM is getting an easy ride and Fresno County is holding the District back. Director Reyna states that is why he wants to incorporate it. Discussion. Dictos will bring an answer tomorrow regarding that. Discussion. LC Chaffin states Del Rey will not be a city for another 30-40 years, so the Board is planning and setting up for future generations. Discussion. Consensus to authorize and direct Manrique to move forward with diagram regarding sphere of influence with the adjustment of the addition of area between Lincoln, Bethel, Jensen, and Del Rey to include POM Wonderful.

F. DIRECTOR COMMUNICATIONS/AGENDA ITEMS

Garza brings up the corner of Jefferson and Carmel- cars drive very fast, do donuts, and let out a lot of smoke. She states it is very dangerous, and cars have wrecked into her fence before. As a community, they need to do something. Paul Dictos advises to contact the Sheriff. Garza states she doesn't see Sheriff patrolling. Reyna states Sheriff have sub-station at the apartments. Garza will get the Sheriff number. Ramirez states the parks look rundown and the pavement is cracked and should do something.

G. DISTRICT ADMINISTRATOR REPORTS

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

DM Arias reports gear box was repaired, and thanks Board Member Sanchez for hi time and help, which saved the District tens of thousands of dollars. Believes if used expertise, Sanchez should be compensated. LC Chaffin advises he can only be reimbursed, not paid for labor (donation). Legally, he cannot be paid under ethics laws. He can be reimbursed for travel, but not for labor. Sanchez states he donated his time to help the District and is

satisfied with that. DM Arias informs the Board he will take a vacation from June 27-July 11, but he will have his phone available if needed.

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

LC Chaffin states there are two items to report. First, he attended a water event down South. Second, he informs the Board Larry Donaldson, who worked for the District previously, passed of cancer.

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

Manrique reviews the Engineer report. He gives an update on projects. TCP Funding is very close to getting agreement. The deed restriction was adopted, so will confirm, and move forward. The planning application was sent to the State, which is still being reviewed, expecting funding agreement late Summer. Reviews other projects and will bring back to the Board once they hear back.

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

Dictos reviews the Accountant report. He states they are in the 10th month of budget year. About time to start working on budget for new fiscal year. Will work on it with District Manager as soon as possible. Currently, the District is okay, but need to prepare for big increases due to inflation and take that into account in new budget. Budget needs to be done by the end of next month. He states the District can raise the rates if necessary. The District should not have a loss; it can have again, but that goes into the reserves for rainy day, which the District hasn't been able to do.

G-5 Other

Reyna asks for HR Seminar update. LC Chaffin states there were legal comments and concerns he sent to HR Mora but hasn't heard back yet. All Board Members are willing to attend evening seminar or call a special meeting. Reyna questions filtration system project is waiting for second grant before starting. DM Arias states that is the case. Reyna asks if the COVID Relief grant has gone through, and if any part not paid by grant is the residents responsibility. DM Arias states the funds have already been allocated to accounts, and whatever was not covered is the responsibility of the residents. Reyna asks DM Arias to call and ask to bring booster shots convention for the community. Reyna asks about the situation with POM. LC Chaffin states, POM was made aware, no action was taken, so to leave it alone. Reyna mentions DM Arias will retire. DM Arias states he will make it official next month. Reyna asks about costs of caustic soda and contract/permit with Del Rey Packing. LC Chaffin advises DM Arias to have an update at the following meeting regarding this matter.

H. PUBLIC COMMENTS:

Public member Fonseca states Del Rey is a mess. She cleans the sidewalk, but nobody else does. In Summer, she gets a lot of mosquitoes because of the water pileup in the alley which floods and attracts the mosquitoes. People throw and waste water. The sidewalks are broken. LC Chaffin states the water meters will help with the flooding issue because people will have to pay for what they use which will limit that. Public member Reyna states to the Board that they need to raise the rates in order not to operate in the red. She knows that when rate increases come up, some Board Members oppose, but hopes other Board Members will fight to do so. She states the residents are not being taken advantage of with rate increases, and they need to be informed as to why the rates need to go up. Otherwise, Fresno County will take over.

I. ADJOURNMENT:

Reyna made a motion to adjourn the meeting. Garza second the motion. All in favor; five ayes: Garza, Nunez, Reyna, Ramirez, Sanchez. Motion passed. With no further business the meeting was adjourned at 9:14p.m.

Respectfully Submitted,



Eileen Hernandez
Del Rey Community Services District