

Del Rey Community Services District
**Minutes of the
Board of Directors
Regular Board Meeting
June 15, 2023
7:00p.m.**

President Reyna called the Regular Board Meeting to order at 7:07 p.m.

Directors present: Maria Reyna, Daniel Ramirez, Joaquin Nunez
Stephanie Garza (arrived at 7:14 p.m.)

Directors absent: Rolando Sanchez

A2 The Board leads in the Pledge of Allegiance.

A3 **Approval of Agenda:** Ramirez made a motion to approve the agenda of the June 15, 2023, Regular Board meeting. Nunez seconds the motion. All in favor; three ayes: Reyna, Ramirez, Nunez. All Absent; two absent: Garza, Sanchez. Motion passed.

B. SCHEDULED AND UNSCHEDULED COMMUNICATIONS:

No public comment.

C. CONSENT CALENDAR:

C-1 Approve payments for vendors for West America Bank – May 2023, a Total Amount of \$75,670.85.

C-2 Approve payments for vendors for West America Bank – June 9, 2023, a Total Amount of \$48,121.44.

C-3 Approval of Minutes of May 18, 2023, Regular Board Meeting.

President Reyna asks about Green Efficiency. DM Arias explains they were hired for pump repair. Reyna asks if it will be reimbursed through FEMA. DM Arias states it will be reimbursed if the grant is approved. Reyna asks about Home Depot charges, and if there are a lot of repairs. DM Arias explains the employees go according to what is needed. Director Ramirez asks what items are purchased at Home Depot. DM Arias responds they purchase items for repairs for the fences, sprinklers, and roundup. Director Ramirez asks about the different invoices from AM Consulting. DM Arias explains the invoices are separated by category. For example, the invoices for FEMA make it easier for reimbursement if grant is approved. President Reyna opens the item to the public for comment. Public member Rumaldo Reyna asks about a payment and DM Arias clarifies. Public member Catalina Reyna asks if Aramark if for the employee's uniforms. Board clarifies that it is. Reyna makes a motion to approve items C-1 to C-3. Ramirez seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D. PUBLIC HEARINGS (DISCUSSION AND ACTION ITEMS):

D-1 Discussion/Direction regarding California Employers Pension Prefunding Trust. DM Arias explains he hasn't started on this yet because he would rather wait until the District's finances are stable. President Reyna asks how long. DM Arias responds about two to three months. Discussion. Consensus to postpone item for future meeting.

D-2 Discussion/Direction regarding Adoption of Budget for FY 2023-2024 or Adoption of a Continuing Resolution. DM Arias explains he got behind on this item By law they should have a new budget by July 1. They still need to work on the rate study and take those numbers into consideration when coming up with a new budget to get a better understanding of finances. Discussion. President Reyna asks if the rate study is being worked on now. DM Arias states that is another topic o be discussed tonight; he needs Board approval to begin the rate study. Discussion. DM has projection and requests Dictos to be involved in the process. Papajohn states the Board may be in a position to adopt a budget before the rate study is complete because it will take a couple of months before that happens. He informs the Board that they can adopt a budget before the rate study is done and amend it after if necessary. He reviews the steps to be taken before the rates can be set. Dictos explains an option of allowing a CPA to come up with the rates based on District's expenses divided by the number of residents. President Reyna asks Papajohn if that's possible or if they have to go through the expensive route. Discussion. Papajohn explains as of now, the Board needs to adopt the resolution to provide an extension on the budget. President Reyna opens the item to the public for comment. No public comment. Reyna makes a motion to adopt the continuing resolution. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-3 Discussion/Direction regarding retirement package policy for new hires. DM Arias asks Papajohn to explain the item. He states he was asked to look at potential ways for the District to save money regarding retired employees. They looked into the contract with CalPERS. As of now, the District is paying full costs of health benefits for retired employees. The current contract limits the types of change to be made with this arrangement. Papajohn reviews the report pertaining to the item and explains the two options outlined. Discussion. President Reyna asks how other districts do it. Papajohn explains they can look into it, but as of now, they only have information on the options presented. Discussion. Papajohn explains the District cannot just stop paying for the benefits of retired employees. There is a process with CalPERS that cannot be changed by a vote from the Board. Discussion. President Reyna states she would prefer the 50% with 5% incremental increase (after 10 years with CalPERS and 5 of those with the District) option. Discussion. President Reyna opens the item to the public for comment. Public member 1 asks if the District can withdraw from CalPERS. Papajohn states that could be an option, but it's a more extreme option. He can look into it but its not a simple process. Discussion. Consensus to postpone the item until next month.

D-4 Discussion/Direction regarding addressing unavailability of Director Sanchez. LC Papajohn explains the options. The Board can either take no action or they can draft a letter asking for Director Sanchez's resignation. Director Garza suggests holding off until next month. Director Nunez suggests considering sending a letter for resignation. The process before he gets the chance to come back could be long, and during that time the Board could have someone else be apart of the Board. He states he hopes the best for Sanchez but would like another Board member to be involved. The Board agrees and asks Papajohn to draft a letter. President Reyna opens the item to the public for comment. Public member Catalina Reyna agrees with their decision. Nunez makes a motion to direct Papajohn to draft a letter asking Rolando Sanchez to resign. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-5 Consideration of Approval of District Manager request for authorization to repair blower motor and purchase Hoist/Gantry Crane to pull grinder and pumps from the WWTP Lift Station for a total of \$12,056.22. DM Arias explains that during the situation at the WWTP they were using an old and dangerous equipment at the plant where the employees were directly over the hole. He claims he saw

a new and electric one that would make it easier and safer. Also, a motor in one of the blowers went off, and it needs to be repaired. Discussion. Reyna opens the item to the public for comment. Public member Lopez asks if it is the same one that went out in 2021. DM Arias says it is not. President Reyna asks where the funds will come from. DM Arias says its up to the Board, but there is money at the County to pull from. Discussion. Nunez states he knows it is a large amount of money, but they have to keep safety and liability in ind. This cost may save the District money in the future. Discussion. Nunez makes a motion to approve item D-5. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-6 Consideration of Approval of District Manager Request for authorization to enter in an agreement for a new 5-year Rate Study with IG Service for a total of \$21,600.00. DM Arias attached three quotes for the Board to look at. He states the cheapest was Dawn at IG Service, and he liked his approach. He explains Dawn came out to talk and review numbers. Discussion. Reyna brings up Dictos' suggestion of hiring a CPA to come up with new rates and asks Papajohn if that's a possible option. Papajohn doesn't have an answer, but generally they hire someone with expertise on doing rate studies. Dictos states the manager in Malaga used to do the rates. Discussion. Consensus to continue the item until next month.

D-7 Consideration of Adoption of Resolution Approving a Deed Restriction for Accessor Parcel Number 350-080-67T (Del Rey Park) Pursuant to the requirements of the California Department of Parks and Recreation's Proposition 68 Per Capita Grant Program. Angela Hall, in place of Manrique, states Staff recommend the Board adopt the attached resolution with Deed Restriction then record it with Fresno County. She reviews the Staff report. The District has paid a portion of this project and need to go through a process to get reimbursed for that after. Discussion. President Reyna opens the item to the public for comment. Public member Rumaldo Reyna states he is excited to see how the park and track turn out. Reyna makes a motion to approve the resolution and item D-7. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

E. DIRECTOR COMMUNICATIONS/AGENDA ITEMS

Ramirez states he sees a lot of broken glass, trash, black widows, and weeds at the park. He would like that to be taken care of. They also need new trash cans at the park. DM Arias states they purchased three new trash cans, and they are already gone. President Reyna says there is a gentleman at the park that makes it hard for people to enjoy and asks if there is an ordinance on homelessness for them to take action. She claims the gentleman has caused a lot of issues, destroyed the property, and is a safety issue for kids. Papajohn recommends contacting the Sheriff. President Reyna asks for the checklist for employees and their daily duties for accountability and suggests hiring s maintenance employee.

F. DISTRICT ADMINISTRATOR REPORTS

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

DM Arias reports the lift station was fixed, and the problem at the plant has been solved. There are some leaks that haven't been repaired yet, due to the lift station issue being priority. He attended the South Kings GSA meeting and came up with ideas to conserve water in the District.

F-2 Report of District Counsel (Report by Nicolas Papajohn)

LC Papajohn states there is nothing else to report.

F-3 Report of District Engineer (Report by AM Consulting)
Angela Hall, in place of Manrique, gives updates on projects and reviews the report.

F-4 Report of District Accountant (Report by Paul Dictos)
Dictos reviews report and highlights key points. He gives an overview on water, sewer, and solid waste.

G. UNSCHEDULED COMMUNICATIONS:

Public member Rumaldo Reyna states he would like to see more done in terms of beautification. He would also like to see one of the employees get their grade level 1 and have someone new for maintenance of parks. Public member Catalina Reyna states they need more attention in yards, grass, and parks. It's important for grass to look green and the outside of the District office needs to be more presentable. DM Arias says it will cost the District money to do so, but if it is the direction of the Board, he will be sure to do so. Papajohn suggests if they would like to add the item to the agenda for next month, they can do so, but for now the Board cannot take any action. Public member Joey Lopez suggests a third person or two part time employees to see who can promote and stay full time. He also suggests a national cleanup day to help beautify the town. He asks about the property on Portola and what it would take to get a youth center there. He's not asking for money, but a facility for the youth. He brings up that at a previous meeting Manrique brought up a grant and would like to know if it is still available. He asks to add the item to the agenda for next month. He states he appreciates the direction of the board meetings lately, and they are going in the right way for the community. Public member Diane Fonseca informs the Board there is a lot of water spilling in the street from one of the residents' houses. It is causing an issue for her house with mud, mess, and mosquitos from the overflow of water. She claims they didn't receive ballots to vote for new Board members and feels the Board chooses whoever they want. Catalina Reyna asks about beautification of the town and the ordinance for cars. Papajohn explains it has been discussed before and the District doesn't have authority; it is the responsibility of Fresno County.

H. ADJOURNMENT:

Ramirez made a motion to adjourn the meeting. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed. With no further business the meeting was adjourned at 9:30 p.m.

Respectfully Submitted,

Eileen Hernandez

Eileen Hernandez
Del Rey Community Services District