

*Del Rey Community Services District*

**Minutes of the  
Board of Directors  
Regular Board Meeting  
January 21, 2021  
6:00p.m.**

President Garza called the Regular Board Meeting to Order at 6:07p.m.

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

A2 DM Arias leads in the Pledge of Allegiance.

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

**B. Public Comment (limit of three minutes):  
None Scheduled.  
Unscheduled – Open to the public for discussion.**

No members of the public present.

**C. CONSENT CALENDAR:**

C1 Approve payments for vendors for West America Bank December 2020, a Total Amount of \$144,026.24

C2 Approve payments for vendors for West America Bank- January 15, 2021, a Total Amount of \$63,181.62

DM Arias makes adjustment on C2 cent amount- clarifies it is not \$0.62, it is actually \$0.59. Reyna mentions check 2467 to Zenith Insurance that had not cleared from 10/29/2020, and questions if it is still outstanding. DM Arias states it was never received by Zenith and never cashed. He paid online to keep the insurance active. He is still waiting for the check to be issued back to the district in hopes to avoid cancelation fee. Sanchez questions check 2514 (related to item C1)- bank statement is \$0.40 less than express sheet. DM Arias states it will be adjusted. Reyna made a motion to approve the Consent Calendar items C1 and C2 (with amendments). Sanchez second the motion. All in favor; four ayes: Garza, Nunez, Reyna, Sanchez. All absent; one absent: Ramirez. Motion passed.

**D. PUBLIC HEARINGS (DISCUSSION AND ACTION ITEMS):**

D1 Consideration Regarding Initiation of the Proposition 218 Process by Adoption of A Resolution Of The Board Of Directors Of The Del Rey Community Services To (A) Accept Findings Of The 2020 Water And Solid Waste Rate Study Report; (B) Direct Staff To Mail Out Notices Of The Proposed Water And Refuse Rate Increases For A Majority Protest Process In Accordance With Proposition 218 And Setting A Hearing Therefor On April 15, 2021, And (C) Adopt The “Guidelines For The Submission And Tabulation Of Protest” Attached Hereto. (Continued from 01/07/2021)

DM Arias made suggestion to put limit of 1 hour on discussion. Reyna made motion to limit the debate to one hour. Sanchez second the motion. All in favor; four ayes: Garza, Nunez, Reyna, Sanchez. All absent; one absent: Ramirez. Robert Khuu, in place of LC Chaffin, discusses item. States it is the third time brought to the board to adopt increased rates. Presented updated numbers- water \$18.68 increased to \$33.97, trash \$21.71 increased to \$29.49. Total increase trash and water \$23.07 x 394 users. District operates in way where fees being collected for service do not match up with needs of the district to pay for those services. Discussed options, including initiating the process or providing some other direction to subsidize the cost. Discussion. Reyna discusses other options- paying off litigation fund. Believes raising rates will cause depreciation of the district, which will not allow growth until assets fixed, and the people should be involved in decision. President Garza opened the public hearing. No public comment. Brought back to the board to discuss with a limit for one hour to debate. Reyna made a motion to continue the item to the next Regular Board meeting on February 18, 2021. Sanchez second the motion. All in favor; four ayes: Garza, Nunez, Reyna, Sanchez. All absent; one absent: Ramirez. Discussion.

**E. DIRECTOR COMMUNICATIONS / AGENDA ITEMS:**

Reyna gave update on park- got benches in, on schedule and under budget. He states he has receipts and says he is working on fixing well lights. He will be putting in plexiglass and lights. It costs approximately \$190 for plexiglass and four LED lights. Got one well done and plans to do the rest when he gets the tractor. Discussion. Thanked everyone for support. Sanchez mentions functions at Del Rey Park and questions if Port-O-Potty rentals can be installed to avoid using public restroom in concern of Coronavirus and safety precautions. Garza mentions locking the restroom while park is in use. Discussion. DM Arias will look into the matter.

**F. DISTRICT ADMINISTRATOR REPORTS:**

- F-1 Report of District Engineer (Report by AECOM)  
No items to report- not attended.
- F-2 Report of District Manager (Report by Carlos Arias)  
DM Arias reports the office is still closed due to pandemic. Reports temp assistant will not be returning, due to maternity leave. Hopes former staff member Elyssa would consider working from home.
- F-3 Report of District Counsel (Report by Shannon Chaffin)  
Khuu in place of Chaffin states no items to report.
- F-4 Report of District Accountant (Report by Paul Dictos)  
Dictos reports the district is in its sixth month of fiscal year. December 31<sup>st</sup> marks half year of budget. Discusses financial statement. Liabilities unrestricted cash- Fresno County maintenance fund \$9,156,000, restricted cash \$279,000, LAIF account \$190,000, West America fund and other balances. Statement detailed activity of litigation fund- \$9,156,043.38- of that \$8,889,000 belongs to litigation fund, \$266,000 tax dollars we have there. District made \$332,000 of interest since it put money in county. Six-month income statement (updated)- water, sewer, solid waste \$634,000, spent \$516,000, \$200,000 net profit, most from interest. Interest not to be used for operations. Goes over budget (adopted in September) annual budget year to date \$157,000 multiply by 12 then divide by 6. By mid-year district should have \$78,000. Reserves \$236,000 should remain by end of year. Expenses for salaries and account 5100 \$210,000. Middle of year should be half (\$105,000), and only spent \$98,000. Questioned retirement CalPERS \$24,000 in expenses most should be moved to health. Utilities \$140,000, should have spent \$70,000 up to midpoint, spent \$91,000, (but states we have to wait for True Up at end of year to see where we are with that). Solid waste contract \$7,700/month (pay CAGLIA) is \$88,000 year to date, so should have spent half (\$44,000), spent \$44,000, which is right on the money. Supplies and consumables is \$9,000. Licenses and permits \$36,000, estimated \$32,000 last year, looks like it is going up this year. Water testing is below budget of \$144,000 (half is \$72,000) only spent \$53,000. Reyna questions Hall Rental Account with \$480 (states hall should not have been rented out during pandemic closure, asks to go to the bank to question account activity) and other accounts. Discussion.

**G. PUBLIC COMMENTS:**

No members of the public present.

**H. ADJOURNMENT:**

Reyna made a motion to adjourn the January 21, 2021 Regular Board Meeting. Sanchez second the motion. All in favor; four ayes: Garza, Nunez, Sanchez, Reyna. Motion passed. Meeting Adjourned.

With no further business the meeting was adjourned at 7:13p.m.

Respectfully Submitted,

*Eileen Hernandez*

Eileen Hernandez  
Del Rey Community Services District