

*Del Rey Community Services District*

**Minutes of the  
Board of Directors  
Special Board Meeting  
December 17, 2020  
6:00p.m.**

Director Nunez called the Regular Board Meeting to Order at 6:09p.m.

**Directors present:** Rumaldo Reyna, Joaquin Nunez, Daniel Ramirez, Rolando Sanchez.

**Directors absent:** Stephanie Garza

A2 LC Chaffin leads in the Pledge of Allegiance.

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

B-1 Accepting Appointment of Stephanie Garza and Rolando Sanchez by the County Board of Supervisors, and Administration of the Oath of Office to Mr. Sanchez. Chaffin informs the Board, the Board of Directors accepted the appointments of Stephanie Garza and Rolando Sanchez to act as board members going forward. Stephanie Garza was already sworn in. Rolando Sanchez sworn in. LC Chaffin explains to new board director Sanchez he will need to date and sign the agreement for Oath of Office and take it to DM Arias to have it recorded in system, fill out Form 700, and do training (within the next year).

B-2 Public Comment and Opportunity to Speak on any Item of the Agenda of November 19, 2020, and Ratification of the Board's Action on Each and Every Agenda Item for that Meeting (Agenda items for that meeting are set forth below). Chaffin explains at the last meeting, there were communication problems with regards to the various agenda items; the board wanted to make sure everybody had an opportunity to speak on those items and the board ratified their decisions made at the November meeting. LC Chaffin suggested opening up for public comment. If no public comment, close public comment, then vote to ratify the decisions made at the November 19 meeting. Nunez opened the item for public comment. No public comment. Ramirez made a motion to approve this item. Nunez second the motion. Roll Call. All in favor; two ayes: Nunez, Ramirez. All abstain; two abstain: Reyna, Sanchez. LC Chaffin explains if the motion does not pass, there may be a Brown Act issue. Motion fails.

\*The board continues with the Regular Board Meeting Agenda.

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

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

No comments.

**C. CONSENT CALENDAR:**

C1 Approve payments for vendors for West America Bank for November 2020, a Total Amount of \$64,896.08. Nunez opens the item to the public for comment. No public present. Ramirez made a motion to approve payments for vendors for West America Bank for November 2020, a Total Amount of \$64,896.08. Sanchez second the motion. Roll Call. All in favor; three ayes; Ramirez, Sanchez, Nunez. All abstain; one abstain; one abstain: Reyna. All absent; one absent: Garza. Motion passed.

C2 Approve payments for vendors for West America Bank through December 11, 2020, a Total Amount of \$80,734.06. Nunez opens the item to the public comment. Staff Member Melkonian asks if check numbers 2520 and 2521 are reimbursements to the district for property taxes. She asks for Check Register from the Fresno County account. DM Arias states he will get them for her. Public comment closed. Ramirez made a motion to approve payments for vendors for West America Bank through December 11, 2020, a Total Amount of \$80,734.06. Sanchez second the motion. Roll Call. All in favor; four ayes: Sanchez, Ramirez, Reyna, Nunez. All absent; one absent: Garza. Motion passed.

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

D1 Discussion and Action on Measures to Mitigate the Impacts of the COVID-19 (Coronavirus) Pandemic. Chaffin reports the State public health office stay at home order and curfew in place; we're currently in the purple tier with surge and short on professional nursing staff, or qualified staff available to serve and not under quarantine. Item placed on agenda to be able to answer any questions the board may have or if any action to direct staff to take any action appropriate. Discussion. Nunez opens the item to the public for comment. No public present.

D2 Discussion and Update Regarding Filling of Vacancies on District Board. Chaffin put this item on as a placeholder, but after the agenda was done, there were two appointments. Board fully filled with no more vacancies due to special meeting. Next meeting, an agenda item will be included to select a new president and vice president; wanted to wait until Rolando Sanchez sworn in and Stephanie Garza's term renewed for a full board to make a decision. Nunez opens the item for public comment. No public present.

D3 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 the Proposition 218 and Setting a Hearing Therefor on February 18, 2021, and (C) Adopt the "Guidelines for the Submission and Tabulation of Protests" Attached Hereto. Reitz explains the Study and goes over each Table in the Report. Focuses on Water aspect of the study. Highlights Table 15- Comparison of Estimated Current and Projected Revenues and Expenses. Moves on to Solid Waste aspect and highlights Table 19- Solid Waste System Expenses. Reitz continues to summarize the entire Study. Discussion. LC Chaffin explains the Staff Report that explains the board actions of recently negotiating a contract with IWS and TCP litigation has helped save resident money. Reviews rates of Del Rey residents Water and Trash utilities compared to other cities, which is lower. Reyna states the comparison to other thriving and actual cities is misleading because Del Rey is considered a Special District, not a city. Reitz states they could gather the rates of other Special Districts for comparison. Ramirez states Del Rey cannot "thrive" if it cannot pay the bills; the board should think about the town thriving as a whole at the moment rather than the residents' pockets. Discussion. LC Chaffin informs the board the Engineer did a study and worked with the Accountant who determined the district has certain expenses and the only way to fairly apportion those expenses is to raise rates to cover as set forth in the study; if not, the district will go into debt worse, at which point, the State will take over, and they will set the rates in which they deem appropriate. Sanchez states the report is very detailed and informational, but would like more time to review it, and believes there could be other avenues to collect revenue for expenses. Reyna states the board should wait to raise the

rates until the public has the opportunity to voice their opinion. Nunez questions and confirms the total monthly bill for utilities, with rate increase included, to be about \$117. LC Chaffin explains the process for which the rates would be increased: the study completed and presented to board, when board is ready would need two months to inform the public, mail out the study with information and a ballot which they can vote on the rate increase. As an example, he states if the board decides to move forward this evening, the ballots would be sent out, the votes would be counted in February, and the soonest the board could act would be in February; at that point, the board discusses the rate increase and the transitional amount in which it is presented to the residents; thus, the residents would not see the actual rate increase on their bill until April. LC Chaffin states the longer this item is prolonged, the more money the district loses. Nunez states he likes the public will have the opportunity to voice their opinion according to the ballot, but asks what would happen if the residents vote against the rate increase. LC Chaffin advises, the board cannot raise the rates, if the residents vote against the rate increase. Discussion. Sanchez states he believes the district should implement the current rate study rate increases before the consideration of a new rate study increase. LC Chaffin advises the members wanting to find revenue through other sources, to provide that information at the next meeting as an alternative to raising the rates. Also advises the board to contact the District Manager if the board has any questions or need additional information on the items before the next board meeting. Discussion. Reyna states the district should raise the rates this January to the approved amount of \$103 from the current rate study in the meantime. LC Chaffin opens the item to the public for comment. No public present. LC Chaffin suggests a continuance of this item to the next regular meeting and to direct staff to come back with a rate increase per the 2018 Study. Sanchez made a motion to approve the continuance of this item to the next regular meeting and to direct staff to come back with a rate increase per the 2018 Study. Reyna second the motion. Roll Call. All in favor; four ayes: Sanchez, Ramirez, Reyna, Nunez. All absent; one absent: Garza. Motion passed.

D4 Discussion and Action Regarding Aeration System for Pond #4. Arias brought this item to the board because he has been in contact with Steve Reyes who represents the district to the State through California Water Services. The State noticed the readings have been high and thinks the plant will have a visit soon from the State and possibly fined due to violations. States he has been asking the board for months, but since has not gotten a response. Reyes states his concerns to the board on behalf of California Water Services and comes to them to see how they can work as a team to resolve the issues. He states the State Board has contacted him in regards to issues that need to be addressed, such as low DO's in the pond, especially in regards to pond 4- emergency line pond. Asks the Board to help come up with a solution to fix the problem. Discussion. California Water Services sent quotes for approval for aerator in order to use pond 4 in case of emergency, which is what it is for. LC Chaffin opens the item to the public for comment. No public present. Ramirez made a motion to approve the Aeration System for pond 4. Reyna second the motion. Roll Call. All in favor; four ayes: Sanchez, Ramirez, Reyna, Nunez. All absent; one absent: Garza. Motion passed.

D5 Discussion and Action Regarding Maintaining Lights at the Water Treatment Plant. Reyna brings this item to the board because he noticed there are no lights at the plant and would like to get the lights added or fixed there. He makes a correction and states he wants lights at the Waste Treatment Plant, not the Water Treatment Plant. Discussion. LC Chaffin opens the item to the public for comment. No public present. Reyna made a motion to authorize the District Manger to spend the amount needed to add/fix the lights at the wells and the plant. Ramirez second the motion. Roll Call. All in favor; four ayes: Sanchez, Ramirez, Reyna, Nunez. All absent; one absent: Garza. Motion passed.

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

Reyna addresses to the board he has the lights for the walking park and spent roughly \$2,000 of the \$5,000, and still needs to look into the bench and it is all still a work in progress.

**F. DISTRICT ADMINISTRATOR REPORTS:**

F-1 Report of District Engineer (Report by AECOM). Reitz gives a summary of his report. The contract with Maggiora Bros. for Wells 4 and 5 rehab is still being worked on. District will be relying on Wells 6 and 7 in the meantime. Still waiting to receive letter from the State with information on the grant/loan offer for the meters and TCP wellhead treatment project. Prepared a Water and Solid Waste Rate Study to update the rates to reflect the current District budget and the water revenue due to the new meter readings. Working on two proposed projects to implement for Del Rey to provide recharge facilities to comply with the Upper Kings River GSA requirements and water allocation recharge from Consolidated Irrigation District.

F-2 Report of District Manager (Report by Carlos Arias). Arias reports Jesenia tested positive with COVID-19, so she has been out of work. He was tested Saturday, and his results came out negative. The batteries were taken from the generator at the waste-water plant. This morning the lights went off, and Well 7 was not producing water. The generator in Well 6 did not come on. POM Wonderful called and stated they did not have any water. Went with Jim to test out the generator by shutting the power off. Well 6 did not go on. Took care of Well 7, lights came back on. Batteries in generator 7 is dead; the fuses were burned/low, so ordered new ones. All has been taken care of and under control. Reitz states the generator in Well 6 should still be under the year warranty, so he will look into that to get it replaced to avoid further mishaps.

F-3 Report of District Counsel (Report by Shannon Chaffin). No items to report. Reyna asked LC Chaffin about the property being donated to the District. LC Chaffin advises finding the status of the title, talking to the property owner to see if he is on board, get a Letter of Intention from the title owner to move forward, then give direction and authorization to set up a report. Dictos stated the County was given \$100 million, but only used half, so asked if the District can dip into the money. LC Chaffin states there are 14 days left to coordinate with the County to get ask, get access and reimbursed for it; items such as PPE for workers, software, speakerphones, microphones, and television needed in conference room, laptops to setup ZOOM meetings at home to follow the COVID-19 restrictions.

F-4 Report of District Accountant (Report by Paul Dictos). Dictos reviews the financial statement. Reviews the cash balance as of November 30, 2020. States the District has more cash this month than last month. Liabilities are the same. Auditor started audit in July and will have it delivered by December 31. Going to work on the budget report and send it to DM Arias. Will contact CO Buddy Mendez to help with access to the previously mentioned County fund.

**G. PUBLIC COMMENTS:**

Reitz states he looked up the generator- notice of completion May 2, 2019; states with the warranty, they were obligated to take quarterly samples and analyze them for two years. Will email them to figure out what happened and how to work and go about it to figure out the issues with the generator.

**H. ADJOURNMENT:**

Reyna made a motion to adjourn the meeting. Ramirez second the motion. Roll Call. All in favor; four ayes: Sanchez, Ramirez, Reyna, Nunez. All absent; one absent: Garza. Motion passed.

With no further business the meeting was adjourned at 9:06p.m.

Respectfully Submitted,

*Eileen Hernandez*

Eileen Hernandez  
Del Rey Community Services District