

Del Rey Community Services District
**Minutes of the
Board of Directors
Regular Board Meeting
July 20, 2023
7:00p.m.**

President Reyna called the Regular Board Meeting to order at 7:05 p.m.

Directors present: Maria Reyna, Daniel Ramirez, Joaquin Nunez, Stephanie Garza

Directors absent: Rolando Sanchez

A2 The Board leads in the Pledge of Allegiance.

A3 **Approval of Agenda:** Nunez made a motion to approve the agenda of the July 20, 2023, Regular Board meeting. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

B. SCHEDULED AND UNSCHEDULED COMMUNICATIONS:

Consideration of donating money back to Gilbert Romo's family for hall rental. Rumaldo Reyna states he added this item because Romo was a good and faithful employee of the District for many years. He continues that even after Romo's retirement, he continued to help the District without being paid; he did it out of the goodness of his heart. He believes the least the District can do is reimburse the family for the hall rental funeral expense. Director Nunez states that before with a similar situation, Reyna, a Director of the Board at the time, opposed, so he believes if what is done, or one should be done for all. DM Arias states if the Board or others would like to donate, they may do so individually, but not as a District. LC Papajohn explains it would be an unlawful gift of funds, so individuals may donate, but the funds cannot come from the District.

C. CONSENT CALENDAR:

C-1 Approve payments for vendors for West America Bank – June 2023, a Total Amount of \$147,375.43.

C-2 Approve payments for vendors for West America Bank – July 14, 2023, a Total Amount of \$15,422.44.

C-3 Approval of Minutes of June 15, 2023, Regular Board Meeting.

The Board decides to discuss items C-1 to C-3 altogether. President Reyna asks about check 3607 and whether it is a monthly or one-time payment. DM Arias explains it is a one-time payment from TCP funds. Reyna opens the item to the public for comment. Public member Rumaldo Reyna asks about the same check. President Reyna clarifies. Garza 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 Adoption of Budget for FY 2023-2024 or Adoption of a Continuing Resolution. Arias explains the budget is presented and is available for questions. The Board reviews the budget. Ramirez asks if this is a temporary budget that is currently being used. DM Arias states it is the actual budget. Reyna has a question for Dictos- if the financial statements are up to date to compare to the budget. Dictos states the one presented is the final one for the fiscal year. Reyna opens the item to the public for comment. Discussion. President Reyna questions the amount for retirees and why it went down so much. DM Arias states the only retiree left is Jim; the others have passed. Dictos recommends two Board members meet with Dictos and Arias to discuss the proposed budget in detail as there is a lot to review and take into consideration, then they can come back to the next meeting with all the information and be ready to approve. Papajohn informs the Board that two Board members can be present, but they cannot communicate the details with other Board members until the next meeting as it would be in violation of the Brown Act. Reyna and Garza volunteer to meet with Dictos and Arias. Dictos explains there is a major deficit of a quarter million which he is concerned about. Discussion. Dictos explains the budget is not balanced and they need to work it out. Discussion. Reyna opens the item to the public for comment. Public member Lopez asks if they can receive a copy of the paperwork Dictos passed out. Dictos hands them a copy. Public member Mauricio Gomez asks if the expenses can be posted on the bulletin board. Public member Reyna states it is done in Sanger and other cities, so he believes it is a good idea. Public member 1 states the water bill should not go up every now and then. It should be a set amount they can prepare to budget for. Discussion. President Reyna explains Del Rey is a small town so there are less people to divide the expenses with causing the water bill to be higher than other cities. Discussion. Public member Gomez asks if there was money in reserves before, why it is not there now. DM Arias explains the costs have gone up so much that that money has been used to cover those costs, and it is almost gone. Discussion. Public member Reyna states the numbers on the budget are very off and questions them. Dictos explains the budget is proposed expenses, and he can't control the actual outcome of numbers. President Reyna suggests moving on and leaving the item for next month as it has already been one hour in and the decision to report back next month has been addressed. Garza makes a motion to adopt a continuing resolution of the budget and postpone the item to the next meeting. Ramirez seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-2 Discussion/Direction regarding retirement package policy for new hires. Arias explains getting out of CalPERS contract won't be easy and it will cost money, so he would like to know if it is worth it to do so. They need a new plan for current employees and another for new employees. President Reyna recommends doing plan previously discussed. Papajohn needs to talk to CalPERS to confirm and that will save the District money in the short run. Papajohn states Carlos can speak with CalPERS to confirm. Reyna opens the item to the public for comment. Public member Reyna asks if they're discussing the \$13,000 payment to CalPERS. President Reyna clarifies they are discussing the benefits and retirement package. Discussion. Public member Gomez states he worked for a company for 20 years and left without a retirement package, so asks why the District offers those benefits for life if the District cannot afford it. President Reyna explains it is the policy from before, and that is what they are trying to change. Discussion. Reyna makes as motion to direct District Manager and Papajohn to look into other options to save the District money. 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 addressing unavailability of Director Sanchez. Papajohn states the Board directed their office to draft a letter to Director Sanchez requesting his resignation. The resignation and cover letter are presented and provided the Board is comfortable with the letter, they can approve it and it will be revised to add the address to mail off to him. President Reyna states she is perfectly fine with it. Reyna opens the item to the public for comment. Public member 2 asks why they are requesting him to leave. President Reyna explains it is a legal issue preventing him from being apart of the meetings. Discussion. Reyna makes a motion to approve the letter. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-4 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. Arias states he brought the item last month. He received three bids for the Rate Study and IG Service was the cheapest and who he felt more comfortable with. Papajohn explains they are including streetlighting because it needs to go up next year. Ramirez questioned Dictos' idea for District Manager to do the Rate Study. DM Arias explains he is not comfortable doing so and doesn't want to be liable, so he recommends getting a professional. He states other Districts use Ig Service. Reyna opens the item to the public for comment. Public member Reyna asks where the company is from. DM Arias states they are from Fresno, and they do the Rate Study for Parlier, Sanger, and Reedley. Discussion. Garza makes a motion to approve item D-4. Nunez 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 Amendment No. 3 to Scope of Services for AECOM Technical Services, Inc. Arias explains this was requested by AECOM because there is a new grant. More information was requested which involved AECOM to do extra work. He states the costs will be covered by the grant in the end. The District will pay the initial costs and reimbursed later. Nunez asks the chances of getting the grant. Arias responds the grant was already approved. Reyna opens the item to the public for comment. No public comment. Reyna 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 Discussion and Direction regarding auditor services. Arias states Jaribu Nelson has the lowest price, and he is satisfied with his work, so he asks to make it legal if it is in the Board's direction to hire him again. President Reyna states she is fine with it. Discussion. Reyna opens the item to the public for comment. No public comment. Reyna makes a motion to approve Jaribu Nelson as the auditor. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-7 Adoption of Resolution and Authorizing the County Auditor-Controller of Fresno to Place a Special Assessment on the 2023-2024 Tax Roll for Street Lighting Charges (Lighting Levy). Arias explains that every year, the County requires a resolution to implement street lighting levy. It is routine and presented to the Board every year. He explains the new rates will be included in the Rate Study. This year the District will use the same rates as the year before. Discussion. Reyna opens the item to the public for comment. Public member Reyna states PG&E owes the District five lights. Discussion. Reyna makes a motion to adopt resolution. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-8 Discussion/Direction regarding beautification of town and Clean-Up Day. Reyna mentions how the town looks terrible. She asks how the Board and the public feel about designating a day for everyone to volunteer to clean up. Reyna adds how she would like everyone to come together and unite to better the town. Garza recommends September due to the heat. Reyna recommends October when the trash cleanup day takes place. Reyna opens the item to the public for comment. Public member 3 mentions an issue with stray dogs which poses a danger to the community and asks what the District or residents can do to help fix the issue. DM Arias urges everyone to call Animal Shelter or the Sheriff to pressure Fresno County to take action. Public member Joey Lopez states since National Night Out is August 8th, they should have the cleanup day before then. He explains that people from other cities come to the event, so it would be best for the town to look good. Garza recommends the cleanup day be August 5, the Saturday before. Public member Lopez also mentions the backpack giveaway, so cleanup before that event would be great also. President Reyna states if she can get a group of kids to help, she will be available to clean on July 29. Public member Reyna asks about liability or if people will get paid. President Reyna explains it is on a volunteer basis. Papajohn states it is a voluntary thing, so he would like people to practice common sense and safety, but he can prepare a waiver if need be. President Reyna states it would be best. Discussion. Reyna makes a motion to designate July 29 & AM-11AM for Clean-Up and add the item to the next agenda for a future Clean-Up day. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-9 Discussion/Direction regarding hiring new employee part time for maintenance. Arias explains to the Board that the employee would only be covered to clean up the park and District only, not the streets, as it is considered County. President Reyna states she wants the parks, District office, and the streets to be cleaned. The County does not come to sweep or fix the streets, and we need to make sure the District looks nice. The people need pride in where they live and the community they serve. Ramirez states they need to go above and beyond to make the town look nice. Papajohn states whatever is not owned by the District is a liability to employees. He recommends getting the County's numbers to get on them to come out. Discussion. Reyna opens the item to the public for comment. Public member Lopez suggests hiring someone from Del Rey and possibly having them sign a waiver to clean the desired areas. Public member Reyna states the District needs another Grade 1 employee; he thinks the District legally needs one. President Reyna states the new hire will be part time and for maintenance only until and if they prove themselves to keep and possibly move up. Ramirez mentions the position should be on a 90-day trial and the previous hire needs to move up or suggests letting him go. He adds the parks look terrible and holds the District Manager responsible. DM Arias states he takes responsibility, but at this time he deems it necessary for the employees to maintain their focus at the WWTP, so maintenance has been put off in the meantime. Discussion. Public member 4 asks what the qualifications are for the position. DM Arias responds they only need a high school diploma. Reyna makes a motion to hire a part-time employee for maintenance of the District properties. Ramirez seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-10 Discussion/Direction regarding options for use of District property located at the corner of Portola and Estrella. Garza states this was discussed last month and asks if there is additional information on the grant for a library. Dictos explains the County has money for a library, but their Board approved to use it to fix the library in Clovis. He mentions if they don't raise their voice, they won't get it and advises them to speak to Buddy Mendez. Discussion. Reyna opens the item to the

public for comment. Public member Lopez asks if the property can be rented for \$1 or whatever amount as mentioned at the last meeting. Papajohn looked into it and found two issues. The property is in the District, but it is under the County plan, so it poses as to what the property can be used for. The lot is vacant so there will be costs to make it useable and the County will require the District to pay to do so. He adds he doesn't know how practical a library is at this point in time as there are kindles, iPads, etc., but it doesn't hurt to push for it. As far as leasing the property for money, he believes it is a great idea, but due to State restrictions, there will be hurdles to jump over to do so. Discussion. President Reyna asks if the hall can be used for the Good News Club. Papajohn states it is possible, and he will talk to Carlos about it. Discussion. Reyna makes a motion to postpone the item to the next meeting and add on an item to discuss allowing The Good News Club to use the District Hall. Garza seconds the motion. All in favor; four ayes: Reyna, Ramirez, Nunez, Garza. All Absent; one absent: Sanchez. Motion passed.

D-11 Adoption of Resolution of the Del Rey Community Services District Board of Directors directing the District's Engineer to apply for CDBG Grants for fiscal year 2023/2024. Angela Hall, in place of Manrique, explains this is an infrastructure grant. They will submit an application to replace active hydrants. A resolution is typically submitted with the application. The grant would allow \$300,00 to replace active hydrants. Arias explains the 22/23 CDBG grant was approved to demolish the plant to make it safer. The 23/24 is an add on to that. Discussion. Reyna opens the item to the public for comment. No public comment. Reyna makes a motion to approve the resolution. 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

Garza requests for the person running the Del Rey Neighbor Facebook page can add a Clean Up Day flier.

F. DISTRICT ADMINISTRATOR REPORTS

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

DM Arias reports the bids for back vessels (TCP) was open on July 13, and they received two bids. There is an 8% difference between the two quotes. He continues by stating there is bad news- the AC unit in the hall went down. one unit is working, but the other is not. It needs to be fixed. If there is a rental, they have to leave the AC on the night before. He states the leak on Portola will be looked at tomorrow and they are looking at a \$20,000 cost. The Board of Supervisors approved the planning commission for infrastructure and Del Rey was number one on the list. There was health clinic held on Tuesday. He concludes his report by informing the Board he will be taking vacation the first two weeks of August.

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 of money in the bank.

G. UNSCHEDULED COMMUNICATIONS:

Public member 1 gives forms for the Board to pass along to Buddy Mendez and would like an update at the next meeting.

H. ADJOURNMENT:

Reyna 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 10:00 p.m.

Respectfully Submitted,

Eileen Hernandez

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Del Rey Community Services District