

Del Rey Community Services District
**Minutes of the
Board of Directors
Regular Board Meeting
December 21, 2023
6:00p.m.**

President Reyna called the Regular Board Meeting to order at 6:24 p.m.

Directors present: Maria Reyna, Daniel Ramirez, Stephanie Garza

Directors absent: Joaquin Nunez, Rolando Sanchez

A2 The Board leads in the Pledge of Allegiance.

A3 **Approval of Agenda:** DM Arias requests to change item D-2 to item D-1 to be discussed first so Bergman can leave early as he is traveling back to San Francisco. Reyna made a motion to approve the agenda of the December 21, 2023, Regular Board meeting with the change. Ramirez seconds the motion. All in favor; three ayes: Reyna, Ramirez, Garza. All Absent; two absent: Nunez, Sanchez. Motion passed.

B. SCHEDULED AND UNSCHEDULED COMMUNICATIONS:

No comments.

C. CONSENT CALENDAR:

C-1 Approve payments for vendors for West America Bank – October 2023, a Total Amount of \$96,091.28.

C-2 Approve payments for vendors for West America Bank – November 2023, a Total Amount of \$99,408.64.

C-3 Approve payments for vendors for West America Bank – December 6, 2023, a Total Amount of \$110,500.02.

C-4 Approval of Minutes of October 19, 2023, Regular Board Meeting.

Reyna suggests discussing items C-1 to C-4 altogether. Reyna opens the item to the public for comment. Public member Rumaldo Reyna questions a check on the Accountant Report. President Reyna informs him they are not discussing that item at the moment and to wait to comment until they get to it. Garza makes a motion to approve items C-1 to C-4. Ramirez seconds the motion. All in favor; three ayes: Reyna, Ramirez, Garza. All Absent; two absent: Nunez, Sanchez. Motion passed.

D. PUBLIC HEARINGS (DISCUSSION AND ACTION ITEMS):

D-1 Presentation of the water, sewer, and refuse Rate Study for Del Rey CSD by IGS, for discussion and direction only. Arias asks Dan Bergman to discuss the item. Bergman explains he did the rate study on water, sewer, trash. He worked and accelerated things to be done today with the urgency because the District is losing out on sewer and water side. The role of cost of services development to determine the amount of revenue needed. Discussion. He discusses steps in the process to increase

the rates and where and how the increase will be allocated. He reviews the packet with detailed information and attachments demonstrating current and future rates and adjustments. Discussion. Costs are being allocated to water as the largest customer is on water and don't want sewer to subsidize for water, so emphasizes a water rate increase. Discussion. Bergman informs the Board the increase in single family cost is not as significant as those of commercial and industrial. He recommends terminating the \$6.66 cost charged to commercial and industrial accounts. Discussion. He states he helped the District Manager apply for arrearage program which helps people pay their bills. He emphasizes people need to pay their bills. He explains the industrial sewer is so concentrated they need to be charged more. He explains he would like to have a meeting on January 11th to ask Board for approval to begin the process to issue notice to customers as they need to allow 45 days for residents to respond. Then they can continue the process by the March meeting which would allow for approval of rates and begin the new rates by April. Discussion. Reyna opens the item to the public for comment. Public member Joey Lopez recommends not having a special meeting to save on fees. Bergman explains he won't be able to make it to the regular board meeting which is why he requested a special meeting. Lopez asks if all items could be discussed at one meeting for the month to reduce costs. Discussion. Reyna asks for information and translation in Spanish for the residents. Arias states it will be done. Direction to have a Special Meeting January 11 at 6:00P.M.

D-2 Resolution Approving Fourth Amendment to Contract Services Agreement for District Counsel Services Del Rey Community Services District. Linden explains the resolution approves the amendment to the contract to put Linden in writing in place of previous counsel Papajohn. He states it is a simple change. Reyna opens the item to the public for comment. No public comment. Reyna made a motion to approve the resolution. Garza seconds the motion. All in favor; three ayes: Reyna, Ramirez, Garza. All Absent; two absent: Nunez, Sanchez. Motion passed.

D-3 Consideration of Award Steven Dovali Construction to the Trichloropropane (TCP) Treatment Project. Arias states they held a meeting where they gathered bids and Steve Dovali was the only one who bid. He doesn't believe why there is a reason to delay. If they approve now, they will keep the prices, but if not, the price could go up. Manrique explains he is installing all vessels and treatment equipment. There is a \$10 million grant. Once its awarded, they will send the State the final budget approval package and it takes about 6-9 months to get the funds. For now, the District can use the settlement money to pay Dovali then use the grant money for reimbursement. Discussion. Arias asks the amount Dovali will charge. Manrique explains it is \$4.9 million. Reyna opens the item to the public for comment. Public member Rumaldo Reyna asks if Dovali will honor bid amount. Arias states he will. Discussion. Garza made a motion to approve item D-3. Ramirez seconds the motion. All in favor; three ayes: Reyna, Ramirez, Garza. All Absent; two absent: Nunez, Sanchez. Motion passed.

D-4 Discussion and direction to update District Hall. Reyna explains she wanted to discuss this item because she spoke to Director Garza and thought it would be nice to update, paint, and get window treatments at the Hall. Garza states they need revenue and money, so if they update the Hall people will be more likely to rent. Arias suggests using the money earned from rentals to be used exclusively to update the hall in phases. Reyna thinks it is a great idea. Arias states it will be agendized at the next meeting. Reyna opens the item to the public for comment. Public member Joey

Lopez states he believes it is a great idea but would like an estimate on costs as proposed. Arias states nothing will be done without the consent of the board. Discussion.

E. DIRECTOR COMMUNICATIONS/AGENDA ITEMS

No comments.

F. DISTRICT ADMINISTRATOR REPORTS

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

DM Arias reports the parade was a success. There were 42 entries for floats and 45 vendors. The AC unit was installed, and it is properly working. There is a person interested in bringing water to the sewer plant. It won't be on a regular basis but asked for \$300 per load. There is an issue at the Senior Center- there is no electricity on one side of the building so need to look into an electrician. There was a fire at the park which damaged the fence so need to put a "No Overnight Camping" sign and make repairs. There was a Community Plan Update meeting which was very instructive and would like to see the Board more involved and at the next meeting scheduled for January 16 at 6:00P.M.

F-2 Report of District Counsel (Report by Michael Linden)

LC Linden states there is nothing to report.

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

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.

G. UNSCHEDULED COMMUNICATIONS:

Public member Rumaldo Reyna states he finished the project at the park.

H. ADJOURNMENT:

Garza made a motion to adjourn the meeting. Ramirez seconds the motion. All in favor; three ayes: Reyna, Ramirez, Garza. All Absent; two absent: Nunez, Sanchez. Motion passed.

With no further business the meeting was adjourned at 8:23 p.m.

Respectfully Submitted,



Eileen Hernandez

Del Rey Community Services District