



**ACTION SUMMARY MINUTES  
BOARD OF DIRECTORS MEETING  
MALAGA COUNTY WATER DISTRICT  
3580 SOUTH FRANK STREET  
FRESNO, CALIFORNIA 93725  
TUESDAY, JUNE 27, 2006, 7:00 P.M.**

1. **CALL TO ORDER:** Meeting called to order by President Garabedian at 7:00 p.m.
2. **ROLL CALL:**
  - 2A. **Directors Present:** President Charles Garabedian, Jr., Vice President John Leyva, Director Irma Castaneda, Director Salvador Cerrillo, Director Frank Soto
  - 2B. **Others Present:** Russ Holcomb, Richard Hargrove, Randy Nickel, CHP Dennis Yates and Clara Miranda

3. **CERTIFICATION:**

Certification was made that the agenda was posted 72 hours before the meeting

4. **PUBLIC COMMUNICATIONS:**

Any member of the public may address the Malaga County Water District Board on any item(s) of interest within the jurisdiction of the Board, not appearing on the Agenda. The Board will listen to all communications, however in compliance with the Brown Act; the Board cannot take action on items that are not on the agenda. Public may also address the Board on agenda items at the time they are addressed by the Board. Anyone wishing to speak is requested to wait until recognized by the Board President.

CHP Officer Dennis Yates gave the stats report for the Malaga area. Brief discussion followed. Officer Yates reported that Florence Valdez, at a recent COG meeting, addressed the issue that Serrato Avenue, in Malaga, is a private road. Brown signs indicate private roads. Officer Yates again invited the Board members to attend the COG meetings. Brief discussion was held.

5. **CORRESPONDENCE:**

None for this meeting

6. **MINUTES:**

CLGCS **MOTION BY DIRECTOR CERRILLO, SECONDED BY VICE PRESIDENT LEYVA, AND BY A 5-0 VOTE, APPROVED THE MINUTES OF THE REGULAR BOARD MEETING OF JUNE 13, 2006 AND THE SPECIAL MEETING OF JUNE 20, 2006, AS SUBMITTED**

7. **CONSENT AGENDA:**

There were no items on the Consent Agenda

8. **BILL PAYABLE/FINANCIAL STATEMENT:**

**None for this meeting**

9. **REGULAR BUSINESS:**

**District 2006/2007 Annual Budget:** District Accountant Randy Nickel, CPA, presented the recommended District 2006/2007 Annual Budget. Mr. Nickel stated the only change made in the budget was Michael Taylor's list of items that were added. President Garabedian asked regarding the employees increase that was included in the budget, did the increase include the independent contractors. Mr. Nickel stated, he included the employees 4% increase only, but there is enough in recreation to absorb an increase for the contractors. President Garabedian felt the contractors should be given a 10% increase to make up the 2 years they did not get an increase. Discussion then followed on this item as Mr. Nickel stated they are not employees, but it could be worked into their contracts for the next quarter. It was agreed by the Board members that a 10% increase for the independent contractors be added into the budget. Mr. Nickel had no recommendation on this item, but felt it would be the fair thing to do. Mr. Nickel personally felt the budget would not have to be revised, as this is a small percentage, and is less than 1% of the whole budget, which was his recommendation. Brief discussion followed.

LSGCC **MOTION BY VICE PRESIDENT LEYVA, SECONDED BY DIRECTOR SOTO, AND BY A 5-0 VOTE, APPROVED THE DISTRICT'S 2006/2007 ANNUAL BUDGET AS SUBMITTED, WITH THE MODIFICATION OF A 10% INCREASE FOR THE INDEPENDENT CONTRACTORS**

10. **ENGINEER'S REPORT:**

10A. **4627 S. Chestnut Avenue (Kroeker):** The District has received an Initial Study Application No. 5142 and Conditional Use Permit Application No. 3087 for proposed expansion of the existing solid waste processing facility. The property is not within District boundaries. The County of Fresno and Kroeker need input from the District regarding requirements that may be imposed on the expansion. The property would require either a) annexation or b) an Out-of-District Service Agreement with a deferral agreement for future construction of water and sewer facilities in Chestnut, American, and Maple Avenues. The total property is 46.2 acres. Another consideration is to discuss the potential of acquiring a well site from Kroeker unless other sites are presently defined. An exhibit of the property was provided under separate cover. Discussion followed on this item. President Garabedian felt a future well site on Maple Avenue would be feasible.

**NO ACTION WAS REQUIRED, BUT MANAGER WAS DIRECTED TO PROCEED AS NECESSARY**

10. **ENGINEER'S REPORT CONTINUED:**

- 10B. **SPR 7531, 2300 E. North Avenue (United Insulated Structures):** The District received Site Plan Review information for proposed 150,000 SF Freezer Distribution Warehouse. The property is not within District boundaries, but is within the sphere of influence. A response has been provided and copied to the District. Manager stated this is the property next to Kings River Conservation District. Michael Taylor e-mailed his recommendation that the District pursue a meeting with the City of Fresno and LAFCo to determine the political entity that will serve the property. Service in the District would require long extensions of water and sewer lines in North Avenue. It would be recommended that water service be looped to Maple Avenue as well. This would not be an inexpensive capital expenditure. Brief discussion followed.

**NO ACTION REQUIRED**

11. **GENERAL MANAGER'S REPORT:**

- 11A. **Meeting with County on CDBG Contract:** General Manager Holcomb met with Yvette Quiroga, Community Development Specialist and Irma Yepez-Perez, Community Development Grants Program Manager on Friday, 06/23/06 at the District Office. The purpose of the meeting was to review the CDBG Agreement draft and Exhibit A, (copy received). The grants are as follows: Well #1 & #6 Control Improvements for \$36,000; Well #7 Standby Power for \$61,000 and WWTP DAF \$30,000 combined total of \$127,000. There are different requirements for these grants which were reviewed with the District Engineer and General Manager. The State requirements included in Exhibit A that are different are as follows:

1. Exhibit C # 5. Prevail Wages
2. Exhibit D # 11. Child Support Compliance Act
3. Exhibit D # 14. Drug-Free Workplace Requirements
4. Exhibit D # 24. Domestic Partners

- 11B. **Meeting with California Consulting:** President Garabedian, Vice President Leyva and General Manager Holcomb met with Steve Samuelian, President, California Consulting on 06/27/06. The purpose of the lunch meeting was to clarify items revisions in the proposed contract for services – grant acquisition and funding. The changes agreed upon are as follows:

1. \$1,000 per month fee
2. 60 day term or contract
3. 5% of all grants that company get funded
4. Mileage, faxes, parking, phone calls, copies
5. Payment of quarterly state lobbying reporting fees, approximately \$40 per month
6. Everything subject to final contract worked out with company and District Legal Counsel.

Discussion followed on this item. Vice President Leyva stated Mr. Samuelian did state – no grant – no fee. Brief discussion followed on possible grants for the park.

**CSGLC MOTION BY DIRECTOR CERRILLO, SECONDED BY DIRECTOR SOTO, AND BY A 5-0 VOTE, APPROVED THE AGREEMENT WITH STEVE SAMUELIAN OF CALIFORNIA CONSULTING, AS NOW PRESENTED**

12. **PRESIDENT’S REPORT:**  
**President Garabedian** reported on the Committee assignments he was considering which would be made up of 2 board members and 1 public member. The three committees would be: a) the Executive Committee; b) the Recreation Committee; and c) the Water & Sewer Committee. Legal Counsel stated it would be up to the board if they want to assign these committees. Vice President Leyva stated this was a good idea, but could also create some problems. Legal Counsel stated these could be committees that would end up under the Brown Act and should be AD-Hoc Committees that would meet every so often to give us an idea as to what is needed. Discussion followed on several recreation items as it was suggested the Manager sit down with Liz and go over all the recreation activities. Legal Counsel stated a standing committee that meets on a regular basis is subject to the Brown Act.
13. **DIRECTOR’S REPORT(S):**  
 13A. **Director Cerrillo** reported flag football has ended and there was a good turn-out for the end of the season swim party. DJ Frank Cerrillo provided the music. And until further notice, we will re-group for another.  
 13B. **Director Castaneda** reported on the Dance Group that will be performing 2 Dances for Fiesta Days. They will also be having a private swim party on Sunday for the girls and their families. Vice President Leyva asked if the parents were involved. Director Castaneda stated they had good parent participation.
14. **LEGAL COUNSEL’S REPORT:**  
 Legal Counsel reported on the determinations on negotiations for bidders – as no terms have to be given out during negotiations. These are working documents until negotiations are complete. No right to interfere with the working process.
15. **CLOSED SESSION:** Board went into Closed Session at 8:15 p.m. Board returned from Closed Session at 8:34 p.m.

**Board announced that the following actions were taken in the Closed Session:**

**CLGCS MOTION BY DIRECTOR CERRILLO, SECONDED BY VICE PRESIDENT LEYVA, AND BY A 5-0 VOTE, APPROVED ITEM 1 THROUGH 6A**

- |    |   |                               |
|----|---|-------------------------------|
| 1. | Contracted Services Representatives Contracts – 10% Increase and Renewal for 3 <sup>rd</sup> Quarter 2006 (Previously Approved in Item 9) |                               |
| 2. | Playground Equipment Phase I & II   | \$28,283.45-(Grant Funded)    |
|    | Installation of Phase I & II  | \$9,650.00-(Grant Funded)     |
|    | Subtotal  | \$37,933.45-(Grant Funded)    |
|    | Surfacing Material & Site Prep  | \$2,000.00+(Grant Funded)     |
|    | Grand Total   | \$39,933.45-(Grant Funded)    |
| 3. | Shade System  | \$6,515.00-(Grant Funded)     |
| 4. | Recreation Marquee  | \$11,148.50-(Grant Funded)    |
| 5. | District Office Marquee   | \$11,148.50-(District Funded) |
| 6. | Recreation Roofs:   |                               |
|    | A. Dinyari, Inc.  | \$38,358.90-(District Funded) |
|    | B. Phoenix Roofing  | \$34,844.00-(District Funded) |

16. **ADJOURNMENT:**

SLGCC **MOTION BY DIRECTOR SOTO, SECONDED BY VICE PRESIDENT  
LEYVA, AND BY A 5-0 VOTE, APPROVED THE ADJOURNMENT OF THE  
MEETING AT 8:35 PM**