

Artesia Cemetery District

Meeting Location moved to: 11142 Artesia Blvd., Cerritos, CA 90703

Board of Trustees

Acting Chair Rene Treviño Trustee Linda Gonzalez

District Manager

Antonio Mendoza

CONTINUED: REGULAR MEETING OF THE BOARD OF TRUSTEES

MINUTES

Monday, August 12, 2019

PLEASE REFRAIN FROM USING CELL PHONES AND SILENCE ALL ELECTRONIC COMMUNICATION DEVICES WHILE THIS PUBLIC MEETING IS IN SESSION.

Regular meeting of the Board of Trustees resumed on Monday, August 12, 2019:

Trustee Rene Treviño called the meeting to order at 4:02 p.m., as a continuation from the meeting of August 8, 2019. Trustee Trevino became Acting Chair.

Acting Chair Trevino requested to know the validity of the Contractor's State License and clarification of where they stood. He gave the Contractor's the opportunity to speak.

Contractor (CEO) Jesus Santoyo began to explain that Jose (JJ) Santoyo, and Giancarlo Nencini are his brothers and business partners. Giancarlo is the one with the license. Jesus stated that his brothers lack the business expertise. Unfortunately, the ownership percentage was not transferred to Giancarlo which is why their current address was not on file.

Contractors did not know that their Contractor's license was expired until they tried to pull permits for their house in San Diego. As soon as they found out that their license had expired (early May), Jose (JJ) Santoyo went to Sacramento to renew the license, to complete required documentation, and to file their 2018 Tax returns. Jose also went to the Tax Board to verify that the corporation would become active as soon as they were in good standing. This will take 10 days. Jesus apologized for their mistake.

Contractors stated that they have gone above and beyond and have done work that was outside of the contract. License renewal was due April 30th, 2019. They did not pay the license fee, nor did they submit their 2018 taxes which is why their license had expired. Jesus stated that the District Manager had the right to challenge them and ask questions. 80% of the building is done and take pride in their work. They have taken the necessary steps to correct their actions.

Martin Rodriguez provided a timeline of his communication with Mr. Hussey and plan checks. Mr. Rodriguez further explained that as a non-elected official he could do whatever he wants and that he would never be in violation of the Brown Act, even if he spoke to two or all the Trustees.

Trustee Gonzalez requested to know who found out first that the Contractor's license was expired, wanted to know why chair Johnson and District Manager Mendoza knew about the issue, and why Acting Chair Treviño (Rene), nor she, were informed about the Contractor's suspended license.

Acting Chair Treviño stated that he understands that the ACD dropped the ball; That the District Manager should have vetted the Contractors since the beginning, just as he does with any new employee or contractor he brings on; The process is to check things out.

Acting Chair Treviño also stated that there are two issues: First issue, Contractors should have provided their License and Contractor's never did; The ACD should have never written the first check and it should have stopped at the point; The cemetery moved forward in good faith that it (License) was coming; 2nd Issue: List of items; He wanted to know where ACD and Contractor stand with items on list.

Acting Chair Treviño moved to enter to Closed Session to discuss the list and other pertinent issues.

District Manager Mendoza read the following prior to going into Closed Session:

It has come to the attention of the District, after the posting of today's adjourned meeting agenda, that action may be required on the status of the Pro Builders contract prior to the next regularly scheduled Board meeting to determine whether the Department of Industrial Relations will consent to allowing the contractor to continue work on the project, so that the District may avoid being subjected to fines and possible loss of any future state funding.

In order to add this item to today's closed session calendar, the Board must unanimously determine that this action constitutes an urgent situation that requires the matter to be placed on to today as a closed session item listed as:

*Anticipated Initiation of Litigation
Pursuant to Government Code Section 54956.9 (d)
One Potential Case*

We need a motion and has to be approved unanimously.

Acting Chair Treviño raised concern about the Department of Industrial Relations (DIR): Counsel stated that DIR could have been made aware of the issue and it's best to discuss in Closed Session.

Acting Chair Treviño motioned to enter Closed Session. Trustee Gonzalez seconded. Unanimously approved

RECESSED TO CLOSED SESSION: 4:46 P.M.

RECONVENE TO OPEN SESSION: 5:14 P.M.

Unanimous consent: The Board directed the District Manager to work with the Contractor to remedy the current insufficiencies and deficiencies in the current contract. Counsel will prepare an Addendum that will include the revisions that are required by state law. Contractor's will be required to remedy other conditions such as getting their Contractor's License in place within 10 business days. Counsel will draft a special Addendum and send it to Mr. Mendoza, District Manager. Revisions will address issues for Mr. Mendoza to execute.

District Manager and Contractors will resolve issues on the list.

Trustee Gonzalez asked what would happen if in 10 days the Contractors did not have their license.

Trustee Treviño stated that the Board would be forced to kill the contract. Ten business days begins August 13, 2019. Trustee Treviño wants to get issues rectified with everything and complied. Board has Legal Counsel guiding them.

Trustee Gonzalez apologized for language and loudness. Stressed that the Board wants the right thing for the cemetery and taxpayers.

Trustee Treviño stated that this meeting was a closure to the previous meeting (held on August 8, 2019); Meeting was informative; Item received some Press; Hoped that the record was set straight; wants to finish properly as Legal Counsel has guided the Board to do so.

Meeting was adjourned at 5:20 p.m. to Thursday, September 12, 2019, 4 p.m.