

MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 28, 2006
6:00 p.m.

A. Call to Order & Roll Call

A meeting of the Santa Rosa Community Services District was held at the Santa Rosa CSD Office commencing at 6:00 p.m. on June 28, 2006. Present at the meeting were the following Directors:

Director Bianchi
Director Boyer
Director Kelly
Director Rubin
Director Thomas

General Manager Holmes, Assistant Secretary Gipson and General Counsel Jackson were also present.

President Rubin led the flag salute.

B. Sheriff

Deputy Lopez gave the Sheriff's Report for May 2006, and updated the Board on June activities. A copy of the written report is on file with the District Office. He also discussed recent avocado thefts and a fire on De Luz Road which was sparked by a faulty power line. The Deputies will be adjusting their hours on Independence Day to have coverage during the evening hours.

C. Approval of Sheriff's Contract

Assistant Secretary Gipson explained that the Contract being considered for renewal is identical in form to the past Sheriff's contracts.

Motion was made by Thomas, seconded by Rubin, to approve renewal of the Contract for two full-time Deputys from Riverside County for Fiscal Year 2006-2007.

The motion carried unanimously.

D. Public Expression

Property Owner Roger Wood discussed concerns regarding heavy equipment traveling on Via Santa Rosa, Camino Estribo, and Via Tornado. He stated there has been significant damage, as well as mud and rocks being carried onto the roadway.

Property Owner Bob Hicks stated that he does not feel we are getting our money's worth from the dedicated Deputy Sheriffs.

E. Public Hearing on the Written Report of the Directors

President Rubin opened the Public Hearing on the Written Report of the Directors for Fiscal Year 2006-2007.

General Manager Holmes explained that the Written Report contains the scope of work to be done, the zones benefitted, and the charges to each zone.

The Written Report and the Affidavit of the Notice of Publication of the Hearing on the Written Report were received into evidence and made a part of the Hearing.

President Rubin opened the Hearing to public comment.

There being no public comment, the Hearing was closed by President Rubin.

F. Ordinance Adopting the Written Report of the Directors

Motion was made by Thomas, seconded by Bianchi, to adopt Ordinance No. 06-01:

Adopting the Written Report of the Directors, Establishing the Zones of Benefit for Services Provided, the Scope of Services to be Performed, and the Charges to be Rendered for Road Maintenance and Police Services Provided to Property Owners in the District during the Fiscal Year 2006-2007

The motion carried unanimously.

G. Public Hearing on the Budget

President Rubin opened the Public Hearing to consider the adoption of the

District Budget for Fiscal Year 2006-2007.

General Manager Holmes explained the method of calculating the budget and the zone benefit fees.

The Budget and Affidavit of the Notice of Publication of the Hearing on the Budget were received into evidence and made a part of the Hearing.

President Rubin opened the Hearing to public comment.

There being no public comment, the Hearing was closed by President Rubin.

H. Resolution Adopting the Budget

Motion was made by Thomas, seconded by Bianchi, to adopt Resolution No. 06-15:

Determining and Adopting the Budget for Fiscal Year 2006-2007

The motion carried unanimously.

I. Consideration of Notice of Exemption

General Counsel Jackson explained that the Notice of Exemption, which is filed with the Riverside County Clerk, states that the Budget is an exempt act under CEQA. It is not a project under the Public Resources Code of the State and is categorically exempt under that Code. He asked that the Board make the finding of "no project" and approve the Notice of Exemption.

Motion was made by Rubin, seconded by Thomas, to make a finding of "no project" and to approve the Notice of Exemption for Establishment of Rates and Charges for Services Performed in Fiscal Year 2006-2007.

The motion carried unanimously.

J. Resolution Electing to Have All Charges Collected on the Tax Roll

Motion was made by Kelly, seconded by Bianchi, to adopt Resolution No. 06-16:

Electing to Have All Charges for Services Provided in the District during Fiscal Year 2006-2007 Collected on the Tax Roll of the County of

Riverside

The motion carried unanimously.

K. Information Only

The May Financial Statements, and the Statements of Reimbursement and Investment Policy were received by the Board.

L. Consent Calendar

Motion was made by Thomas, seconded by Kelly, to approve the Consent Calendar.

The motion carried unanimously.

M. General Counsel

No report.

N. Relocation of District Office

Director Thomas discussed the possibility of building an office within the District boundaries. He stated that we could have not only the office building, but also the equipment yard at the same location.

Motion was made by Thomas, seconded by Bianchi, to form an ad-hoc committee consisting of Directors Thomas and Kelly, for the purpose of investigating the feasibility of relocating the District Office to within the District boundaries.

The motion carried unanimously.

Motion was made by Boyer, seconded by Thomas, to allocate an amount not to exceed \$2,000 for the initial study of feasibility for a parcel on Via Santa Rosa.

The motion carried unanimously.

O. Change of Street Name: Calle Pena Huerta

Director Thomas reported that one of his neighbors has expressed interest in changing the name of Calle Pena Huerta. The process of road name change was

discussed, and it was the consensus of the Board that, if they desire to pursue it, the name change should be initiated and funded by the affected property owners.

General Manager Holmes was directed to have the Tortuga Road street sign included in the next group of signs to be painted with reflectorized paint.

P. Approval of Plans for Rehabilitation of Sandia Creek Drive Phase III

General Manager Holmes presented the plans for the proposed Sandia Creek Drive Phase III project which will reconstruct the section of Sandia Creek Drive between Carancho Road and El Prado Road. He explained the scope of the work and stated that the Engineer's Estimate is \$250,000, with funds coming from the Primary Zone Roadway Rehabilitation Fund.

Motion was made by Boyer, seconded by Thomas, to adopt Resolution No. 06-17:

Approving the Plans and Scope of Work for the Rehabilitation of Sandia Creek Drive Phase III

The motion carried unanimously.

Q. Approval of Plans for Construction of Buena Loma

General Manager Holmes presented the plans for the proposed Buena Loma construction project. The Engineer's Estimate is \$210,000, and the project will be funded with Zone I Special Paving Funds. He discussed the scope of work, and reported that Rancho Water will be completed with their waterline work very soon.

Motion was made by Thomas, seconded by Kelly, to adopt Resolution No. 06-18:

Approving the Plans and Scope of Work for the Construction of Buena Loma

The motion carried unanimously.

R. Commendation of Deputy Ernie Lopez

General Manager Holmes presented a resolution commending Deputy Ernie Lopez for his part in apprehending the recent mail thieves.

Motion was made by Thomas, seconded by Rubin, to adopt Resolution No.

06-19:

Expressing Appreciation for the Efforts of Riverside County Deputy Ernie Lopez

The motion carried unanimously.

S. Commendation of Deputy John Folia

General Manager Holmes presented a resolution commending Deputy John Folia for his part in apprehending the recent mail thieves.

Motion was made by Thomas, seconded by Bianchi, to adopt Resolution No. 06-20:

Expressing Appreciation for the Efforts of Riverside County Deputy John Folia

The motion carried unanimously.

T. Approval of District Insurance

Assistant Secretary Gipson presented an analysis of quotes received for the District's insurance requirements. She explained that the carrier from last year had increased their premium approximately 19%. Additionally, she reapplied with Special District Risk Management Authority (SDRMA) who refused to rate; and Strachota Insurance, who was unable to obtain a liability quote for us.

After some research, Assistant Secretary Gipson discovered a pool of cities, counties and special districts administered by Driver Alliant of Newport Beach. Applications were submitted, and underwriting approved the coverage in greater limits and at a much reduced premium over last year.

Motion was made by Boyer, seconded by Thomas, to approve the District's 2006-2007 insurance package with Driver Alliant's "Special Liability Insurance Program" and "Public Entity Property Insurance Program".

The motion carried unanimously

U. Transfer of Zone V Funds

Assistant Secretary Gipson explained that the only roads remaining to be paved through the Zone V Special Paving Program are Via Novillo and Via

Serenata. The documentation for the District's vacation of these rights-of-way has been prepared, and has only to go through a final plan check and recording by the County of Riverside. In an effort to clean up the books for year-end, she suggested transferring the remaining Zone V Special Paving Funds into the Zone V Roadway Rehabilitation account. All property owners in Zone V have been assessed equally for the Special Paving program.

Motion was made by Boyer, seconded by Thomas, to approve transfer of the balance of Zone V Special Paving Funds into Zone V Roadway Rehabilitation Fund prior to June 30, 2006.

The motion carried unanimously.

V. Engineering Committee Report

Director Rubin reported that at the Engineering Committee Meeting the committee discussed current and upcoming projects, and a variance, which was later denied, for placement of an entry gate in the right-of-way.

General Manager Holmes was directed to move forward to adopt County standards for our District roads.

W. General District Update

General Manager Holmes updated the Board on activities since the last Board Meeting. He reported that the bids for the FEMA Via Santa Rosa project and the Zone V small projects will be presented to the board for award in July. He also informed the Board that tree trimming and pothole patching is being done, however, mowing has been discontinued due to high fire danger. He stated that the District will be inspected for illegal real estate and other signs in the next few weeks.

X. Executive Session

The Board met in closed session pursuant to Government Code §94956.9(b) to discuss potential litigation: one case.

The Board reconvened in open session.

In closed session, the Board directed Staff and Counsel to take appropriate action with regard to the matter discussed.

Y. Adjournment

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There being no further business, President Rubin adjourned the meeting at 8:10 p.m.

Rob Holmes
Secretary, Board of Directors

Steve Rubin
President, Board of Directors