

**MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS
FEBRUARY 27, 2008
6:00 P.M.**

A. Call to Order & Roll Call

A meeting of the De Luz Community Services District was held at the De Luz CSD Office commencing at 6:00 p.m. on February 27, 2008. Present at the meeting were the following Directors:

Director Adams
Director Bianchi
Director Boyer
Director Buescher
Director Rubin

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

President Rubin led the flag salute.

At this time, General Counsel Jackson reported that an item had arisen subsequent to the posting of the agenda, and asked that a closed session be added to the agenda pursuant to Government Code Section 54954.2 to discuss the claim of Rex Brinneman.

Motion was made by Buescher, seconded by Rubin, to add a closed session to the agenda to discuss the claim of Rex Brinneman against Santa Rosa Community Services District.

The motion carried unanimously.

B. Sheriff

Deputy Ridley gave the Sheriff's Report for January 2008 and updated the Board on February activities. The written report is on file with the District.

C. Public Expression

None.

D. Information Only

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

E. Consent Calendar

Motion was made by Buescher, seconded by Rubin, to approve the Consent Calendar.

The motion carried unanimously.

F. Discussion of Legal Matters

None.

G. Budget Workshops

Assistant Secretary Gipson presented proposed dates for the Budget workshops and hearing, and by consensus the Board approved the following dates:

Thursday April 10, 2008:	Workshop at 6pm
Wednesday May 28, 2008:	Review at Regular Board Meeting
Wednesday June 25, 2008:	Adoption of Budget and Written Report at Regular Board Meeting

H. Resolution Setting Hearing on the Budget

The Board was presented with a resolution setting the hearing on the 2008-2009 Budget for June 25, 2008 at 6:00 p.m. at the District Office.

Motion was made by Boyer, seconded by Bianchi, to adopt Resolution No. 08-01:

Setting a Hearing upon and Directing the Publication of a Notice of Hearing upon the Budget of the District for the Fiscal Year 2008-2009

The motion carried unanimously.

I. Resolution Setting Hearing on the Written Report

The Board was presented with a resolution setting the hearing on the 2008-2009 Written Report for June 25, 2008 at 6:00 p.m. at the District Office.

Motion was made by Boyer, seconded by Adams to adopt Resolution No. 08-02:

Setting a Hearing and Directing the Publication of a Notice of Hearing upon the Written Report of the Board of Directors Concerning Services to be Performed and the Passage of an Ordinance Prescribing Charges for these Services during the Fiscal Year 2008-2009

The motion carried unanimously.

J. LAIF Investments

Assistant Secretary Gipson explained that, as a result of our name change, the State Local Agency Investment Fund where the majority of the District's funds are held is requiring a new resolution to participate.

Motion was made by Rubin, seconded by Bianchi, to adopt Resolution No. 08-03:

Authorizing Investment of Monies in Local Agency Investment Fund

The motion carried unanimously.

K. Mission Oaks National Bank Line of Credit

Assistant Secretary Gipson reviewed the history of this line of credit which was established to cover any shortfall resulting from delays in FEMA funding. Since it is still unknown when FEMA might release the additional \$400,000 for which the District has applied, it was Staff's recommendation that the line of credit be renewed, and the CD securing it be reinvested for six months at an APR of 3.75%.

Motion was made by Rubin, seconded by Bianchi, to renew the Mission Oaks National Bank line of credit under the terms discussed.

The motion carried unanimously.

L. Approval of Plans and Scope of Work: Los Gatos Road

General Manager Holmes presented the plans and scope of work for the Rehabilitation of a Portion of Los Gatos Road. This project has an engineer's estimate of \$208,995, and will be funded by Zone I Roadway Rehabilitation Funds.

Motion was made by Buescher, seconded by Bianchi, to adopt Resolution No. 08-04:

Approving the Plans and Scope of Work for the Rehabilitation of a Portion of Los Gatos Road Project

The motion carried unanimously.

M. Approval of Plans and Scope of Work: El Prado Road

General Manager Holmes presented the plans and scope of work for the Rehabilitation of a Portion of El Prado Road. This project has an engineer's estimate of \$300,097, and will be funded by Zone IV Roadway Rehabilitation Funds.

Motion was made by Buescher, seconded by Rubin, to adopt Resolution No. 08-05:

Approving the Plans and Scope of Work for the Rehabilitation of a Portion of El Prado Road Project

The motion carried unanimously.

N. Finance Committee Report

Director Boyer reported that at the recent Finance Committee meeting, the Committee continued their review of the financial reports and discussed FEMA funding.

O. Engineering Committee Report

Director Rubin reported that at the recent Engineering Committee meeting, the Committee discussed project progress and funding issues.

P. Ad-Hoc LAFCO Consolidation Committee Report

Director Bianchi reported that our General Manager and the Committee met

recently with two of Tenaja CSD's Board members and their General Manager to discuss the pros and cons of consolidation. The Board directed Staff to write LAFCO opposing the consolidation and addressing the reasons for the decision.

Q. General Manager's Report

General Manager Holmes presented his written report which is on file with the District Office. He answered questions from the Board and reported on the status of various projects.

Executive Session

The Board met in closed Session pursuant to Government Code §54956.9(b)(3)(C) to discuss the claim of Rex Brinneman against Santa Rosa Community Services District.

The Board reconvened in open session.

General Counsel Jackson reported that in closed session the Board unanimously agreed to deny the claim of Rex Brinneman. General Counsel Jackson will give notice of the rejection.

R. Adjournment

There being no further business, President Rubin adjourned the meeting at 6:50 p.m.

Rob Holmes
Secretary, Board of Directors

ATTEST:

Steve Rubin
President, Board of Directors