

**MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS
JUNE 25, 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 June 25, 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 asked that, under the provisions of Government Code Section 54954.2(b)(2), an urgency item be added to the agenda to consider a notice of CEQA exemption as relates to the modification of Development Impact Fees.

Motion was made by Rubin, seconded by Bianchi, to add consideration of the CEQA Notice of Exemption to the agenda.

The motion carried unanimously.

B. Sheriff

Lt. Hollinsworth gave the Sheriff's Report for May 2008 and updated the Board on June activities. The written report is on file with the District. He also discussed staffing issues faced by Riverside County Sheriff's Department.

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 Buescher, seconded by Rubin, to approve renewal of the Contract for two full-time Deputies from Riverside County for Fiscal Year 2008-2009.

The motion carried unanimously.

D. Public Expression

None.

E. Public Hearing on the Amended Development Impact Fees

President Rubin opened the Public Hearing on the Amended Development Impact Fees for Fiscal Year 2008-2009.

General Manager Holmes explained that the proposed modifications include increases to all zones, and a provision for annual indexed adjustments.

Chuck Crandall from Bureau Veritas gave a summary report of the calculations and proposed fees.

Questions and discussion followed by the Board of Directors.

President Rubin opened the Hearing to public comment.

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

At this time, the Board considered the Notice of Exemption.

General Counsel Jackson explained that the Notice of Exemption, which is filed with the Riverside County Clerk, states that the modification of Development Impact Fees 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 Bianchi, seconded by Buescher, to make a finding of "no project" and to approve the Notice of Exemption for the Modification of Road Development Impact Fees for Fiscal Year 2008-2009.

The motion carried unanimously.

F. Ordinance Amending Development Impact Fees

Motion was made by Buescher, seconded by Boyer, to adopt Ordinance No. 08-03:

Revising and Establishing Development Impact Fees for Fiscal Year 2008-2009

The motion carried unanimously.

G. 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 2008-2009.

General Manager Holmes explained that the Written Report contains the scope of work to be done and the zones benefitted by that work.

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.

H. Ordinance Adopting the Written Report of the Directors

Motion was made by Adams, seconded by Buescher, to adopt Ordinance No. 08-04:

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 Fiscal Year 2008-2009

The motion carried unanimously.

I. Public Hearing on the Budget

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

District Budget for Fiscal Year 2008-2009.

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.

J. Resolution Adopting the Budget

Motion was made by Bianchi, seconded by Adams, to adopt Resolution No. 08-11:

Determining and Adopting the Budget for Fiscal Year 2008-2009

The motion carried unanimously.

K. 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 Bianchi, seconded by Buescher, 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 2008-2009.

The motion carried unanimously.

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

Motion was made by Buescher, seconded by Bianchi, to adopt Resolution No. 08-12:

Electing to Have All Charges for Services Provided in the District during

Fiscal Year 2008-2009 Collected on the Tax Roll of the County of
Riverside

The motion carried unanimously.

M. Public Expression

Public Comment was held under Agenda Item "D".

N. Information Only

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

O. Consent Calendar

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

The motion carried unanimously.

P. Discussion of Legal Matters

None.

Q. Award of Contract: Via Santa Rosa (Primary and Zone V)

General Manager Holmes reported that there were twelve approved bidders for this project, and eight bids were received. The low bidder was Southland Paving, Inc. in the amount of \$909,575. This project will be funded with Primary and Zone V Roadway Rehabilitation Funds and Developer Agreements.

Motion was made by Buescher, seconded by Rubin, to adopt Resolution No. 08-13:

Awarding a Contract for the Rehabilitation of a Portion of Via Santa Rosa
(Primary and Zone V)

The motion carried unanimously.

R. Commendation of Former Deputy Ridley

Considering Deputy Bob Ridley's service to the District and his recent retirement, the Board considered a resolution of commendation.

Motion was made by Rubin, seconded by Buescher, to adopt Resolution No. 08-14:

Expressing Appreciation for the Services of Deputy Robert Ridley

The motion carried unanimously.

S. Appointment of Ad-Hoc Personnel Committee

President Rubin explained that an ad-hoc committee is necessary for the purpose of reviewing the General Manager. The task is to be completed no later than August 30, 2008. He appointed Directors Bianchi and Adams to serve.

T. Engineering Committee Report

Director Rubin reported that at their recent meeting, the Engineering Committee heard a request for paving from property owners on Calle Monticello, and he discussed the history of the road with the Directors. He stated that there has also been a request for horse crossing signs.

U. 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.

V. Adjournment

There being no further business, President Rubin adjourned the meeting at 7:10 p.m.

ATTEST:

Rob Holmes
Secretary, Board of Directors

MINUTES
JUNE 25, 2008
PAGE 7

Steve Rubin
President, Board of Directors