



# De Luz Community Services District

41606 Date Street  
Suite 205  
Murrieta, California 92562-7090

PHONE: (951) 696-0060  
FAX: (951) 696-0061  
E-MAIL: [info@deluzcsd.org](mailto:info@deluzcsd.org)

[www.deluzcsd.org](http://www.deluzcsd.org)

BOARD OF DIRECTORS  
MICHAEL ADAMS  
GENE BIANCHI  
BRYAN BUESCHER  
SUSAN EGGE  
STEVE RUBIN

GENERAL MANAGER  
ROB HOLMES

## MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS AUGUST 15, 2012 6:00 P.M.

### A. Call to Order & Roll Call

A Regular Meeting of the De Luz Community Services District was held at the De Luz CSD Office commencing at 6:02 p.m. on August 15, 2012. Present at the meeting were the following Directors:

Director Adams  
Director Bianchi  
Director Egge  
Director Rubin

Director Buescher was absent.

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

President Rubin led the flag salute.

### B. Sheriff

Deputy Donoho gave the Sheriff's Report for July 2012 and updated the Board on August activities. He reported on an email that is circulating in the District by a concerned resident stating that the area is experiencing a "crime spree". Deputy Donoho stated, although there have been a few thefts and burglaries, he would not classify it as a "crime spree". The written report is on file with the District.

Deputy Donoho introduced Lieutenant Mike Maddux as the District's contact at the Southwest Station.

*Director Buescher entered the meeting at 6:05 p.m.*

C. **Public Comment**

None.

D. **Information Only**

The Board received the July Financial Report, and the Statement of Investment Policy.

E. **Consent Calendar**

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

The motion carried unanimously.

F. **Ad-Hoc Long Range Planning Committee Report**

Director Bianchi stated that there was a change in Committee members; Director Egge will replace Director Rubin. Director Bianchi reported that the Committee has been exploring ideas regarding the District's long range funding, Sheriff Special Tax, and methodology of assessment which may include the formation of a Community Facilities Maintenance District. He also stated that the Committee has met with, and received a proposal for consulting services from Paul Thompson of Albert A. Webb Associates.

Paul Thompson was present and answered questions from the Board regarding his proposal. Mr. Thompson clarified that their proposal does include incidental expenses and will correct the proposal dated June 18, 2012.

General Counsel Jackson advised the Board that he may need additional outside legal assistance pertaining to the special financing arena. He stated he would present a proposal if it becomes necessary.

Based on Staff and Committee recommendations and Board discussion, motion was made by Bianchi, seconded by Buescher, to approve the consulting services agreement with Albert A. Webb Associates with the correct verbiage "including" incidental expenses.

The motion carried unanimously.

**G. Discussion of Legal Matters**

General Counsel Jackson clarified that, due to IRS regulations and anti-discrimination testing requirements, the Health Reimbursement Arrangement (HRA) benefit negotiated in the recent Memorandum of Understanding must be offered to all employees.

**H. Award of Contract: 2012 Summer Slurry Seal Project**

General Manager Holmes reported that there were four valid bids received for this project. The Engineer's estimate was \$368,000.00, and the low bidder was American Asphalt South, Inc., in the amount of \$383,480.00. This project will be funded with Roadway Rehabilitation Funds from the benefitting zones.

Motion was made by Bianchi, seconded by Buescher, to adopt Resolution No. 2012-14:

Awarding a Contract for the 2012 Summer Slurry Seal Project

The motion carried unanimously

**I. Director Stipend Policy**

General Manager Holmes presented a proposed resolution which authorizes payment to Directors of \$100.00 per day of service, with a maximum of two (2) days of service per month, up to four (4) days of service per month during budget time, and for service on Special or Ad-Hoc Committees.

Motion was made by Egge, seconded by Bianchi, to adopt Resolution No. 2012-15:

Compensation of Directors for Days of Service

The motion carried unanimously.

**J. Finance Committee Report**

Director Egge reported that at their recent meeting, the Finance Committee reviewed and discussed the District claims, LAIF report, and the Roadway Rehabilitation Fund spreadsheet. The Committee also reviewed information regarding refinancing the existing building loan and determined that, due to a pre-payment penalty and decrease in value, it is not feasible at this time.

**K. Engineering Committee Report**

Director Rubin reported that at their recent meeting, the Engineering Committee reviewed the projects in process and discussed future projects. The Committee also discussed creating a long-term project fund for each zone.

**L. General Manager's Report**

General Manager Holmes presented his written report which is on file with the District Office. He reported that the current projects in process will be completed this month, and Southern California Edison needs to order a special piece of equipment in order to proceed with their work on Sycamore Mesa Road. He also stated that a new project schedule will be prepared as well as a field maintenance schedule.

**M. Adjournment**

There being no further business, President Rubin adjourned the meeting at 7:30 p.m.



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Rob Holmes  
Secretary, Board of Directors

ATTEST:



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Steve Rubin  
President, Board of Directors