



De Luz Community Services District

BOARD OF DIRECTORS

Michael Adams Gene Bianchi Bryan Buescher Robert D'Alessandri Rami Mina

GENERAL MANAGER

Rob Holmes

MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS OCTOBER 19, 2016 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 6:00 p.m. on October 19, 2016. Present at the meeting were the following Directors:

Director Adams
Director Bianchi
Director Buescher
Director D'Alessandri
Director Mina

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

President Buescher led the flag salute.

B. Sheriff

Deputy Garcia gave the Sheriff's Report for September 2016 and updated the Board on October activities. The written report is on file with the District. He reported on the eradication of marijuana groves and a residential burglary.

Director Bianchi stated that the mailboxes at Los Gatos and Carancho Roads were vandalized. He informed the Board that he has been in touch with Congressman Ken Calvert's office regarding as to whom is responsible for the mailboxes. He reported that the Post Office will now take responsibility for repairs.

C. Public Comment

None.

D. Discussion of Future Funding Options

Consultant Richard Wilson of Sentium Strategic Communications addressed the

Board and discussed various marketing strategies. Attorney Kelly Salt of Best, Best & Krieger addressed the Board and discussed various future funding mechanisms. Ms. Salt recommended the Board consult with a Special Tax consultant. Discussion followed and it was the consensus of the Board to seek out a Special Tax consultant and move forward with marketing strategies thru Sentium Strategic Communications (Richard Wilson).

At this time, the Board proceeded to Agenda Item "K".

K. Consideration of Request for Amendment to CR&R Trash Contract

General Counsel Jackson explained that the request is to amend the Franchise Trash Contract as follows: 1) the term of the contract shall be for a period of four (4) years beginning July 1, 2016 through July 1, 2020 with an automatic renewal on July 1st of each year. He also stated that either party can terminate the automatic renewal with proper written notice; 2) the 40 cubic yard roll-off boxes will increase from 3 to 16 per Community clean-up (2 per year).

Alex Braicovich of CR&R was present and addressed the Board. He stated this amendment will increase the service levels but will not increase the rates to the residents.

Motion was made by Bianchi, seconded by Adams, to approve the amendment to the Franchise Trash contract as presented.

The motion carried unanimously.

At this time, the Board returned to Agenda Item "E".

E. Information Only

The Board received the September Financial Reports and Statement of Investment Policy.

F. Consent Calendar

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

1. Minutes of the September 21, 2016 Regular Board Meeting
2. General Fund Claims (for ratification): \$218,654.48
3. General Fund Claims (for approval): \$405,930.24
4. Sheriff's Fund Claims: \$11,424.27

The motion carried unanimously.

G. Discussion of Legal Matters

General Counsel Jackson reported that the oral argument has now been set before the California Supreme Court in the case of the *City of San Jose v. Superior Court*. He

stated the case will determine if the California Public Records Act will apply to the use of personal devices such as smartphones and personal email accounts used by Elected and Public officials to conduct their agency's business.

H. Acceptance of Project: 2016 Crack and Slurry Seal Project

General Manager Holmes reported that this project was for the crack and slurry sealing of various roads within the District. The work was performed by American Asphalt South, Inc., for a total of \$552,249.99 funded by Roadway Rehabilitation Funds of the zones benefitted. He explained that the variance in cost was due to a Change Order issued for road striping of additional roads. He recommended that the Board approve the Final Inspection Notice and accept the project as complete in accordance with District Standards and Specifications.

Motion was made by Bianchi, seconded by D'Alessandri, to accept the 2016 Crack and Slurry Seal Project as complete.

The motion carried unanimously.

I. Ratify Amendment to the General Manager's Contract

General Counsel Jackson asked the Board to formally ratify the amendment to the General Manager's contract as set forth last month. He clarified that the CPI index used for the cost of living adjustment (COLA) was the same as for the employees which is the preceding March Bureau of Labor Statistics Consumer Price Index adjustment for Los Angeles-Riverside-Orange County "All Urban Consumers" resulting in a 1.7% increase.

Motion was made by D'Alessandri, seconded by Adams, to ratify the General Manager's contract as presented.

The motion carried unanimously.

J. Pavement Management System Options

General Manager Holmes presented a comparison spreadsheet of PMS services by Dynatest, Riverside County and in-house. Discussion followed.

Motion was made by D'Alessandri, seconded by Mina, to enter into a contract with Dynatest not to exceed \$61,000.

The motion carried unanimously.

L. Finance Committee Report

Director Adams reported that at their recent meeting, the Finance Committee reviewed the District claims; PMS services, and the outstanding fees from the Department of Fish & Game.

M. Engineering Committee Report

Director Bianchi reported that at their recent meeting, the Engineering Committee discussed extracting and formatting the data from the traffic calming device; PMS software, and the completion of the crack and slurry seal project. He also stated that no new tract and parcel maps received. Resident Ron Martinelli was present at the meeting and discussed traffic on Sandia Creek and the lack of cell phone reception throughout the District.

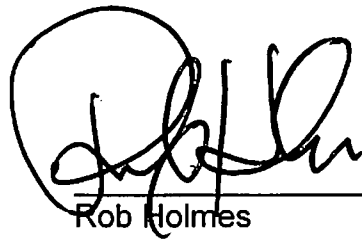
N. General Manager's Report

General Manager Holmes presented his written report which is on file with the District Office. He updated the Board on the positive feedback regarding the additional CHP services.

Director Mina requested an update as to the status of the next newsletter. General Manager Holmes was directed to prepare a newsletter schedule.

O. Adjournment

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



Rob Holmes
Secretary, Board of Directors

ATTEST:



Gene Bianchi
Vice President, Board of Directors