



De Luz Community Services District

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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 DECEMBER 21, 2011 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 6:04 p.m. on December 21, 2011. Present at the meeting were the following Directors:

Director Adams
Director Bianchi
Director Buescher
Director Egge
Director Rubin

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

President Rubin led the flag salute.

B. Director Oath of Office

General Counsel Jackson administered the Oath of Office to Directors Buescher and Rubin.

C. Sheriff

Deputy Donoho gave the Sheriff's Report for November 2011 and updated the Board on December activities. The November written report has not yet been filed with the District. He reported on the theft of a water meter, a domestic violence dispute that resulted in an arrest, and a civil issue involving some cattle.

The Board and Deputy Donoho reviewed the correspondence from resident Bob Roy. Deputy Donoho addressed the concerns of Mr. Roy. He stated that each deputy

is fully aware they are to patrol all roads within the District boundaries; not just maintained District roads, and that he is in close contact with a real estate agent that informs him when homes become vacant.

General Counsel Jackson informed the Board that a matter has arisen subsequent to posting of the agenda and asked that it be added to the agenda pursuant to Government Code Section 54954.2(b); potential litigation - one case.

Motion was made by Rubin, seconded by Bianchi, to add a closed session to the agenda to discuss potential litigation - one case.

The motion carried unanimously.

D. Public Expression

None.

E. Information Only

The Board received the Financial Reports, Statement of Investment Policy, and correspondence from SDRMA regarding their election results.

F. Consent Calendar

Director Egge requested that Item No. F2 -General Fund Claims be removed from the Consent Calendar for discussion.

Motion was made by Egge, seconded by Adams, to approve the remaining items of the Consent Calendar (Item No. 1 and 3-5).

The motion carried unanimously.

Director Egge asked for clarification regarding the District's uniform policy. General Manager Holmes explained that, in lieu of an allowance for uniforms, the District provides field personnel with tops only. He stated that the t-shirts have the District logo and are safety-colored compliant.

Motion was made by Egge, seconded by Adams, to approve the General Fund claims in the amount of \$232,966.87.

The motion carried unanimously.

G. Discussion of Legal Matters

General Counsel Jackson reviewed a recent court decision filed by the watch dog group Cal Aware against LA Community College District regarding what is a legislative body for purposes of the Brown Act.

H. Acceptance of Project: 2011 Crack & Slurry Seal Project

General Manager Holmes reported that this project was for the crack seal and slurry of various roads within the District. The work was performed by American Asphalt south, inc., for a total of \$219,526.00 funded by Roadway Rehabilitation Funds of the zones benefitted. He explained that the variance in cost was due to the replacement of centerline reflectors on Sycamore Mesa Road. 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 Buescher, seconded by Bianchi, to accept the 2011 Crack & Slurry Seal Project as complete.

The motion carried unanimously.

I. Purchase of District Vehicle

Director Bianchi reported that the Finance Committee reviewed the bids received for a replacement vehicle for the 1999 Chevy truck, which has logged over 200,000 miles. General Manager Holmes stated that the Committee also reviewed the trucks maintenance costs for the past three years. Funds are in the current budget for this replacement purchase. The Committee recommended that the Board approve the proposal from Quality Chevrolet.

Motion was made by Bianchi, seconded by Egge, to approve the purchase of a 2012 Chevrolet 2500 4WD Standard Cab vehicle in the amount of \$23,016 (plus applicable tax and license fees) from Quality Chevrolet, per specifications listed on their December 1, 2011 proposal.

The motion carried unanimously.

J. Election of Officers for Calendar Year 2012

Motion was made by Adams, seconded by Bianchi, to nominate the current slate of offices to serve for Calendar Year 2012: Director Rubin as President; Director

Buescher as Vice President; and Director Bianchi as Treasurer.

Director Bianchi withdrew his second to Director Adams motion.

Director Adams amended his motion, seconded by Egge, to nominate Director Rubin as President; Director Buescher as Vice President; and Director Egge as Treasurer to serve for Calendar Year 2012.

There being no further nominations, the ballot was closed and a unanimous vote was cast.

Motion was made by Buescher, seconded by Bianchi, to adopt Resolution No. 11-28:

Electing Officers for Calendar Year 2012

The motion carried unanimously.

Additionally, the following appointments were made by adopting Resolution No. 11-28: Rob Holmes as District Secretary, and Cher Ruzek as Assistant Secretary.

K. Appointment of Engineering Committee

President Rubin appointed himself and Director Bianchi to serve on the Engineering Committee for Calendar Year 2012.

L. Engineering Committee Meeting Schedule

It was the consensus of the 2012 Engineering Committee that they conduct their meetings on the 2nd Wednesday of the month at 3:30 p.m.

M. Appointment of Finance Committee

President Rubin appointed Directors Egge and Adams to serve on the Finance Committee for Calendar Year 2012.

N. Finance Committee Meeting Schedule

It was the consensus of the 2012 Finance Committee that they conduct their meetings on the 2nd Wednesday of the month at 5:00 p.m.

O. Finance Committee Report

Director Bianchi reported that at their recent meeting, the Finance Committee reviewed the bid proposals for a new vehicle, and the Roadway Rehabilitation spreadsheet. He also stated that Staff has issued seven of ten partial deposit refunds regarding Tract 29851, and the projected launch date for the automation of the accounting software is January 1, 2012.

P. Engineering Committee Report

Director Buescher reported that at their recent meeting, the Engineering Committee discussed and will continue to watch TPM 36341 near Mirasol Way as it makes its way through the County process.

Q. Appointment of an Ad-Hoc Personnel Committee

President Rubin appointed himself and Director Buescher to serve on the Ad-Hoc Personnel Committee for Calendar Year 2012.

R. General Manager's Report

General Manager Holmes presented his written report which is on file with the District Office. He updated the Board regarding a recent power outage in the District as a result of an auto accident, and that a meeting has been scheduled for tomorrow with Scott Harvey and the Engineer for TPM 36341. He answered questions from the Board regarding trash on Camino Gatillo.

Executive Session

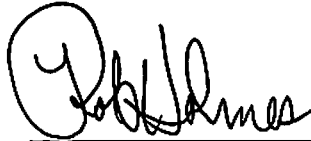
The Board met in closed session pursuant to Government Code Section 54956.9(b) to discuss potential litigation against the District - one case .

The Board reconvened in open session.

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

S. Adjournment

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



Rob Holmes
Secretary, Board of Directors

ATTEST:



Steve Rubin
President, Board of Directors