

**MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS
JULY 23, 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 July 23, 2008. Present at the meeting were the following Directors:

Director Adams
Director Bianchi
Director Buescher
Director Rubin

Director Boyer was absent.

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 reschedule the Public Hearing regarding Zones IV and V boundary adjustment that is currently scheduled as tonight's Agenda Item "C".

Motion was made by Rubin, seconded by Adams, to add setting of a Public Hearing to the agenda as Item K-1.

The motion carried unanimously.

Additionally, General Counsel Jackson asked that, under the provisions of Government Code Section 54954.2(b)(2), an open session item be added to the agenda following the closed session review of the performance of the General Manager, to consider any adjustment to his salary.

Motion was made by Rubin, seconded by Adams, to add consideration of the General Manager's salary to the agenda as Item M-1.

The motion carried unanimously.

B. Sheriff

Deputy Donoho introduced himself and gave a brief background of his experience. He then gave the Sheriff's Report for June 2008 and updated the Board on July activities. The written report is on file with the District. He also discussed recent graffiti incidents and marijuana discoveries.

C. Public Hearing

General Counsel Jackson explained that the two property owners involved in the boundary change did not receive formal notice of the hearing. Therefore, the hearing was cancelled.

D. Resolution Adjusting Zone IV and Zone V Boundary

As the Public Hearing was cancelled, this item was not considered.

E. Public Expression

None.

F. Information Only

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

G. Consent Calendar

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

The motion carried unanimously.

H. Discussion of Legal Matters

None.

I. Finance Committee Report

Director Adams reported that at their meeting, the Finance Committee met with Chuck Crandall from Bureau Veritas to discuss the potential Proposition 218 election.

J. Engineering Committee Report

Director Rubin reported that at their recent meeting, the Engineering Committee met with Chuck Crandall to discuss the PMS entry of new information gathered by Bureau Veritas. Mr. Crandall intends to have the information ready prior to the next Engineering Committee meeting.

K. Ad-Hoc Personnel Committee Report

Director Bianchi reported that at their recent meeting, the Ad-Hoc Personnel Committee met with General Manager Holmes to discuss his performance.

K-1. Setting Hearing on Zone Boundary Adjustment

General Counsel Jackson reported that a hearing was set for tonight's meeting to consider the zone boundary adjustment, however, the notices required to be given to affected property owners had not been sent. Therefore, he asked that the hearing be reset for August in order to allow Staff to complete the notice requirement.

Motion was made by Bianchi, seconded by Adams, to adopt Resolution No. 08-15:

Setting a Public Hearing for Consideration of Adjustment of Boundary between District Zones IV and V

The motion carried unanimously.

L. 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.

M. Executive Session

The Board met in closed session pursuant to Government Code §54957 to review the performance of the General Manager.

The Board reconvened in open session.

M-1. General Manager's Salary

The Board discussed the General Manager's salary. In addition to the cost of living adjustment of 3.3% received effective July 1, 2008 per his contract, the Board considered an additional 1.7% merit increase.

Motion was made by Buescher, seconded by Bianchi, to increase the General Manager's salary by a total of 5% effective July 1, 2008.

The motion carried unanimously.

N. Adjournment

There being no further business, President Rubin adjourned the meeting at 7:25 p.m.

Rob Holmes
Secretary, Board of Directors

ATTEST:

Steve Rubin
President, Board of Directors