

**MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS
AUGUST 27, 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 August 27, 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.

B. Sheriff

Deputy Donoho gave the Sheriff's Report for July 2008 and updated the Board on August activities. The written report is on file with the District. He also discussed the recent traffic enforcement efforts, marijuana cultivations, and graffiti eradication.

C. Public Hearing

Assistant Secretary Gipson stated that in addition to the publication and posting of the Public Hearing, the affected property owner was notified via certified mail and confirmation of his receipt was received.

The Public Hearing was opened by President Rubin.

General Manager Holmes explained that there are two parcels at the intersection of Rancho California Road and Sycamore Mesa that are currently assigned to Zone IV.

Staff has recommended that the parcels be moved to Zone V in order to bring the entire intersection of Rancho California Road at Sycamore Mesa into Zone V.

President Rubin called for comments from the public.

Property Owner Bruce Egge asked how much money would be transferred from Zone IV to Zone V as a result of reassigning the parcels.

Property Owner Susan Egge discussed the number of parcels and miles of road in Zone V.

The hearing was closed by President Rubin.

D. Resolution Adjusting Zone IV and Zone V Boundary

Motion was made by Boyer, seconded by Bianchi, to adopt Resolution No. 08-16: Adjusting Zone Boundary between District Zones IV and V (Government Code Sections 61140-61142)

The motion carried unanimously.

As a result of the boundary adjustment, Counsel will research the possibility of transferring to Zone V, funds that were previously collected for Zone IV.

E. Public Expression

Property Owner Susan Egge expressed concern that the \$175,000 from Zone V Special Paving, currently being used as collateral for the FEMA line of credit, be available to Zone V when projects are ready to be constructed. She also expressed that the District needs to set a standard for all Primary roads.

Property Owner Steve Brown stated that he would like to see the width of the west end of Carancho Road increased. He also said that the Arizona crossing needs to be improved.

F. Information Only

The Financial Statements, and 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

General Counsel Jackson discussed AB983 concerning estimates and plans and specifications for public contracts, and said he will give a Proposition 218 update next month.

I. Approval of Updated Conflict of Interest Code

General Counsel Jackson presented the revised Conflict of Interest Code and recommended that the Board approve the changes.

Motion was made by Boyer, seconded by Adams, to approve the 2008 Revision of the District's Conflict of Interest Code.

The motion carried unanimously.

J. Finance Committee Report

Director Boyer reported that at their meeting, the Finance Committee discussed the proposals being received for Proposition 218 consulting. The Committee hopes to make a recommendation to the Board at the September Board Meeting.

K. Engineering Committee Report

Director Rubin reported that at their recent meeting, the Engineering Committee approved a waiver of DIF fee for an existing guest house on La Cruz.

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. He stated that Bureau Veritas has promised the PMS report by 8/29.

M. Adjournment

There being no further business, President Rubin adjourned the meeting at 6:58 p.m.

Rob Holmes
Secretary, Board of Directors

ATTEST:

Steve Rubin
President, Board of Directors