

**MINUTES**  
**ADJOURNED REGULAR MEETING**  
**OF THE BOARD OF DIRECTORS**  
**MAY 18, 2010**  
**6:00 P.M.**

**A. Call to Order & Roll Call**

An Adjourned Regular Meeting of the De Luz Community Services District was held at the De Luz CSD Office commencing at 6:00 p.m. on May 18, 2010. Present at the meeting were the following Directors:

Director Adams  
Director Bianchi  
Director Buescher  
Director Egge  
Director Rubin

Also present were General Manager Holmes.

President Rubin led the flag salute.

**B. Public Expression**

None.

**C. Legal Retainer**

President Rubin explained that last year Counsel had requested an increase in retainer, and the Board asked that he defer the request for one year. An analysis was presented of hours expended during the past nine months. The monthly retainer request was submitted to increase from \$1750 per month to \$2000 per month.

Director Egge asked for additional accounting and suggested that the Board investigate the possibility of having Counsel attend fewer meetings or that the District hire a more local attorney to avoid having to incur travel time.

Discussion followed and it was the consensus of the Board to review the actual accounting of Counsel's hours charged over the past nine months.

**D. General and Administrative Budget**

The Board reviewed the first draft of the General and Administrative Budget for Fiscal Year 2010-2011. General Manager Holmes discussed individual line items and answered questions from the Board.

Director Egge asked that, since she would not support a 218 election at this time, the Long Range Planning item be reduced to zero and the funds instead be appropriated to Roadway Rehabilitation. Discussion followed and it was the consensus of the Board to leave the \$20,000 allocated to Long Range Planning.

**E. Capital Expenditure Budget**

General Manager Holmes stated that there are no capital purchases scheduled for the coming year.

**F. Review of In-House Road Maintenance Costs**

The Board reviewed the first draft of the In-House Road Maintenance Budget for Fiscal Year 2010-2011. General Manager Holmes discussed individual items and answered questions from the Board.

**G. Review of Primary Roads**

Property Owner Rachel Hunter on Via Vaquero and Gillespie Court asked the Board to consider prioritizing that portion of Via Vaquero for attention.

Property Owner Bruce Egge on Via Vaquero stated that the primary roads need more attention than the secondary roads. He recommended that the primary collection be increased, and that they be prioritized by traffic flow, road condition, and parcels served. He stated that Via Santa Rosa should be Priority #1, and that the Board may determine the priority of the other roads.

Property Owner Mariann Byers of Via Vaquero and President of Santa Margarita POA concurred with Mr. Egge that emphasis be put on the Zone V roads.

At this time the Board considered written comments from Robert Stanton

(Cameron Road at Calle Angelina), Sophie Hogan (Cameron Road), Bill Kaffer (De Anza Road), Phanglin Lin (Sandia Creek at Avenida Del Oro), and Francesca and Carl Fisher (Skyrocket Drive).

The Board reviewed the first draft of the Maintenance Budget for Primary Roads for Fiscal Year 2010-2011. General Manager Holmes elaborated on the individual budget items in all the zones of benefit.

At Director Buescher's request, General Manager Holmes handed out an analysis of funding based on maximizing collection of the Primary Roadway Rehabilitation Fund. Discussion followed and it was the consensus of the Board that the Primary Zone's 2010-11 Roadway Rehabilitation collection be at the highest level possible within the parameters of Prop 218.

**H. Review of Zone I Maintenance Work**

The Board reviewed the proposed work to be performed in Zone I.

**I. Review of Zone II Maintenance Work**

The Board reviewed the proposed work to be performed in Zone II.

**J. Review of Zone III Maintenance Work**

The Board reviewed the proposed work to be performed in Zone III.

**K. Review of Zone IV Maintenance Work**

The Board reviewed the proposed work to be performed in Zone IV.

**L. Review of Zone V Maintenance Work**

The Board reviewed the proposed work to be performed in Zone V.

At this time the Board considered written comments from Mariann Byers representing Santa Margarita Ranchos Property Owners Association regarding Zone V roads.

**M. Review of Zone VII Maintenance Work**

The Board reviewed the proposed work to be performed in Zone VII.

**N. Review of Cost of Services**

The Board reviewed the proposed cost of services by zone, and the projected benefit fees related to those expenses and reserves. General Manager Holmes explained that any cash to be carried forward at the end of the fiscal year will be allocated to the respective zones' Roadway Rehabilitation Fund.

**O. Adjournment**

There being no further business, President Rubin adjourned the meeting at 8:30 p.m.

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Rob Holmes, Secretary  
Board of Directors

ATTEST:

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Steve Rubin, President  
Board of Directors