

**DIABLO COMMUNITY SERVICE DISTRICT
PO BOX 321
DIABLO CA 94528
MINUTES OF MEETING OF
BOARD OF DIRECTORS
DIABLO ROOM DIABLO COUNTRY CLUB
SEPTEMBER 9, 2014 at 7:30 p.m.**

CALL TO ORDER: **President Jeff Haug**

ROLL CALL: **Secretary Breitwieser**

1. The following directors were present: **HAUG, HEADEN, BRANT, TORRU, HOFFMAN**

No Directors were absent.

COMMENTS FROM THE AUDIENCE:

1. In response to a question by Dana Pingatore, President Haug stated that the Board has not acted on street sign replacement.
2. Maryann Cella made a presentation that requested that DCSD file a “Friend of the Court” brief in the appellate court on the Smmerhill law suit. Ms.Cella stated that SOS (plaintiff in the law suit) prevailed in the trial on two issues: a.) Danville did not follow its general plan protocol and; b.) the EIR did not address bicycle issues adequately. Kay Batts, a Diablo resident, questioned why this district should become involved in Danville matters.

After some discussion, it was moved by Director Brant, Second by Director Torru and unanimously passed that before deciding to file a “Friend of the Court” brief, the costs and expenses associated with filing the brief must be known. Furthermore the brief must be restricted to the trial courts finding that the EIR did not address the bicycle issue adequately and how that affects DCSD.

Counsel was directed to contact Ms.Cella and obtain this information.

Ms. Cella further requested that this District ask Supervisor Piepho to convene a task force on Diablo Road Safety, and to invite the Bicycle Coalition, Save Mount Diablo, Town of Danville, and interested Home owners Associations.

Ron Brown of Save Mount Diablo opined that the funds from Measure J have been allocated already.

The board took this matter under advisement.

REPORTS.

DPOA. By JEFF MINI:

1. The date of the Ice Cream Social has not been established.
2. DPOA is opposed to the PacBell towers on the Soule property.
3. The entry beautification on Avenida Nueva is progressing
4. DPOA is working on the Halloween Street Party

DIABLO COUNTRY CLUB: by HANK SALVO

1. Diablo Country Club will have 2 to 3 Deputies and 10 to 12 Cadets and two vehicles working on the Centennial party on September 27, 2014.

CONTRA COSTA COUNTY: by JENNIFER QUALLICK

1. The presentation by CECE SELLGREN, Storm Water Manager
For Contra Costa County re: CCC Trash Reduction Plan is continued to a future date.

SECURITY: by DIRECTOR BRANT

1. **ACTION ITEM:** Consider and action on appeals from traffic citations. – No actions pending.
2. **Receive Security Report for the Month August 2014.** The Security Report was presented by Director Brant and Deputy Sheriff Dan Buergi
3. **Mt. Diablo Challenge discussion** – Ron Brown stated that the Challenge is set for October 5, 2014 and Save Mount Diablo is anxious to work with DCSD in traffic control.

It was noted that:

Initial parking is set at Monte Vista parking lot.

DCSD will use “NO EVENT PARKING” SIGNS

DCSD will attempt to have a deputy sheriff at each entrance to Diablo.

As the bicyclists come down from the Mountain, each of the two entry gates from Mt. Diablo Scenic should be patrolled to prevent bicyclists from shortcutting through Diablo on the way down. Save Mount Diablo members should man these sites.

Director Brant will acquire signs with arrows directing traffic away from Diablo Roads

ROADS/HYDROLOGY/BRIDGE by DIRECTOR HEADEN/HOFFMAN

1. Report on status of 2014 Roads project – Director Hoffman reported that the Caballo Ranchero project was continued because the contractor did not have sufficient controls in place. The contractor will be contacted to establish controls and procedures to permit an orderly use of the road during the construction process.
2. On motion of Director Brant, second by director Headen, the Willis Construction Contract in the amount of \$20,000 for repair or the Alameda Diablo Bridge was unanimously passed.
3. On motion of Director Headen second by director Brant, the proposal of David Enke to place approximately 12 monuments on Diablo rods at a cost of \$4000 was unanimously approved.
4. On motion of Director Brant, Second by Director Headen, the proposal of Donald Bunce dated August 29, 2014 for \$4479.35 was unanimously approved.
5. Counsel was directed to send a copy of the Diablo Code Section that sets forth the requirements for acceptance by DCSD for conversion of a private to public road and subsequent maintenance of that road to Tom Edwards, a Diablo resident.

6. After some discussion, it was moved by Director Hoffman, second by Director Headen that the expenditure for creek monitoring be cancelled.
7. Counsel was requested to contact Stan Smalley, formerly of MCE regarding which principal of MCE oversees the Diablo account and to establish a contract for routine and emergency maintenance of Diablo Roads.
8. The Board discussed the request to exchange land at the base of the Hiking/Pedestrian trail. After some discussion, the board decided to defer this until existing surveys can be studied.

FINANCIAL REPORT: by DIRECTOR TORRU

1. Director Torru presented the financial report for the month of August 2014
2. The Board discussed whether the Budget should be amended to provide for future additional costs to maintain Diablo Roads. After some discussion, counsel was directed to seek an expert to study our fee/tax structure before addressing the amendment to the budget to provide for future costs to maintain Diablo Roads.

SECRETARY: RICHARD J. BREITWIESER

1. **ACTION ITEM:** Approve minutes of August 12, 2014 Regular Meeting. On motion of Director Hoffman, second by Director Torru, the minutes for the month of August were unanimously approved

ADJOURNMENT/ NEXT MEETING – The president called the next meeting for October 14, 2014. There being no further business/, the President adjourned the meeting at 9:50 p.m.

Diablo Community Service District
By

Richard J. Breitwieser, Secretary

Diablo Community Service District
Profit and Loss Statement
2 months ended August 31, 2014

| | July | August | YTD | Prior YTD | Budget |
|--------------------------------|----------|----------|----------|-----------|-----------|
| <i>Income</i> | | | | | |
| Ad Valorem Taxes | \$0 | \$0 | \$0 | \$0 | \$0 |
| Road & Security Fees | | | 0 | | |
| Traffic Fines | 84 | 239 | 323 | 150 | 800 |
| Interest Income | 21 | 21 | 42 | 62 | 25 |
| Total Income | 105 | 260 | 365 | 212 | 825 |
| <i>Expenses</i> | | | | | |
| Sheriff Security | 27,450 | 27,750 | 55,200 | 48,842 | 55,500 |
| Auto Repairs | 196 | | 196 | 0 | 1,250 |
| Cell Phone | | | 0 | 0 | 100 |
| Other | | | 0 | 9 | |
| Road Maintenance | | 552 | 552 | 290,300 | 550,000 |
| Bridge Maintenance | | | 0 | | |
| Bridge/Culvert Engineering | | | 0 | | |
| Storm Drain Maintenance | | | 0 | | |
| Tree, Bush and Weed Trimming | | | 0 | 1,090 | |
| Gardener | | | 0 | | 200 |
| Trail and Creek Maintenance | | | 0 | | |
| General Manager | 1,750 | 1,750 | 3,500 | 3,500 | 3,500 |
| Legal Retainer | 1,850 | 1,850 | 3,700 | 3,700 | 3,700 |
| Records Storage | | | 0 | | |
| Audit | | | 0 | | |
| Legal Notices | | | 0 | 42 | 100 |
| Assessors Roll | | | 0 | | 325 |
| Insur Director and Officers | | | 0 | | |
| Insur Commercial and Auto | | | 0 | | |
| Insur Excess General Liability | | | 0 | | |
| DMAC Operating Expenses | | | 0 | 60 | |
| Administrative | 5 | 66 | 71 | 21 | |
| Depreciation Expense | 132 | 132 | 264 | 2,186 | |
| Miscellaneous | | | 0 | | |
| Total Expenses | 31,383 | 32,100 | 63,483 | 349,750 | 614,675 |
| Net Income | (31,278) | (31,840) | (63,118) | (349,538) | (613,850) |

Diablo Community District Service District

Balance Sheet

August 31, 2014

| | July | August |
|--------------------------------|------------------|------------------|
| ASSETS | | |
| Current Assets | | |
| Wells Fargo Checking Acct | \$475,461 | \$496,655 |
| Wells Fargo Money Market 2 | 830,645 | 780,665 |
| Accounts Receivable | 0 | |
| Total Current Assets | <u>1,306,106</u> | <u>1,277,320</u> |
| Property and Equipment | | |
| Computer Equip | 5,917 | 5,917 |
| Automobile | 63,610 | 63,610 |
| Accumulated Depreciation | <u>(65,316)</u> | <u>(65,448)</u> |
| Total Property and Equipment | 4,211 | 4,079 |
| Other Assets | | |
| Automobile Sinking Fund | 62,833 | 62,833 |
| Bridge Sinking Fund | 65,000 | 70,000 |
| Total Other Assets | <u>127,833</u> | <u>132,833</u> |
| Total Assets | 1,438,150 | 1,414,232 |
| LIABILITIES AND CAPITAL | | |
| Current Liabilities | | |
| Accounts Payable* | 59,990 | 62,914 |
| Accrued Expenses | 300 | 300 |
| Total Current Liabilities | <u>60,290</u> | <u>63,214</u> |
| Long-Term Liabilities | | |
| Other Liabilities | 127,833 | 132,833 |
| Total Long-Term Liabilities | <u>127,833</u> | <u>132,833</u> |
| Total Liabilities | 188,123 | 196,047 |
| Capital | | |
| Opening Balance Equity | 1,239,979 | 1,239,979 |
| Retained Earnings | 41,324 | 41,324 |
| Net Income | <u>(31,278)</u> | <u>(63,117)</u> |
| Total Capital | 1,250,025 | 1,218,186 |
| Total Liabilities & Capital | 1,438,148 | 1,414,233 |

Diablo Community Service District
Cash Flow Statement
2 months ended August 31, 2014

| | July | August | Year to Date |
|--|-------------|-------------|--------------|
| <i>Cash Flows from operating activities</i> | | | |
| Net Income | \$ (31,278) | \$ (31,840) | \$ (63,118) |
| Adjustments to reconcile net income to net cash provided by operating activities | | | |
| Accumulated Depreciation | 132 | 132 | 264 |
| Accounts receivable | 0 | | 0 |
| Accounts Payable | 27,646 | 2,923 | 30,569 |
| Accrued Expenses | 0 | | 0 |
| Total Adjustments | 27,778 | 3,055 | 30,833 |
| Net Cash provided by Operations | (3,500) | (28,785) | (32,285) |
| <i>Cash Flows from investing activities</i> | | | |
| Used For | | | |
| Automobile Sinking Fund | | | 0 |
| Bridge Sinking Fund | (5,000) | (5,000) | (10,000) |
| Net cash used in investing | (5,000) | (5,000) | (10,000) |
| <i>Cash Flows from financing activities</i> | | | |
| Proceeds From | | | |
| Other Liabilities | 5,000 | 5,000 | 10,000 |
| Used For | | | |
| Net cash used in financing | 5,000 | 5,000 | 10,000 |
| Net increase <decrease> in cash | (3,500) | (28,785) | (32,285) |
| <i>Summary</i> | | | |
| Cash Balance at End of Period | 1,306,106 | 1,277,320 | 1,277,320 |
| Cash Balance at Beg of Period | (1,309,606) | (1,306,106) | (1,309,606) |
| Net Increase <Decrease> in Cash | \$ (3,500) | \$ (28,786) | \$ (32,286) |