

**DIABLO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS MEETING
MINUTES
CURTOLA ROOM, DIABLO COUNTRY CLUB
November 13, 2018 7:30 p.m.**

CALL TO ORDER: President Ray Brant called the meeting to order at 7:45 p.m.
ROLL CALL: Secretary Kathy Torru called the roll as follows:

Directors present: Brant, Torru, Urbelis, Langon, Watson
Directors absent: None

PUBLIC COMMENTS: Kay Batts asked the Board whether Kay’s Trail will be closed if the newly filed amended cause of action (lawsuit) by Bob Tiernan et al against the DCSD is successful. She also asked if the East Bay Regional Parks District’s Green Valley trail heads at the end of Diablo Lakes will also be closed.

INFORMATION ITEM: General Counsel Christie Crowl stated that on October 5th the court agreed with DCSD and ruled that it does not have the authority to prevent the general public (including cyclists, vehicles, and pedestrians) from using Calle Arroyo. However, the court granted the plaintiffs 30 days to add a new cause of action to the original complaint. The plaintiffs did file an amended complaint. This new complaint asks the court to compel DCSD to specifically close the Alameda Diablo to Mt. Diablo Scenic cut-through path, which is on private property. Last week, the court ruled on plaintiffs’ quiet title cause of action, which was opposed by Bike East Bay, not this Board. The court granted quiet title and confirmed that Calle Arroyo is a private road. The judge noted in his ruling that the Board should not be spending tax dollars illegally, and the Board will be consulting with legal counsel to determine future spending practices for purposes of maintenance and security.

INFORMATION ITEM: Director Brant announced that DCSD will host a recognition of 50 years of service event for Dick Breitwieser on December 6 from 6:30pm – 9:30 pm at the Diablo Country Club. Light hors d’oeuvres will be provided and a no host bar. All Diablo residents are invited.

ACTION ITEM: On motion by Director Torru, second by Director Urbelis, the Board unanimously adopted Resolution 2018-5 honoring Dick Breitwieser for his 50 years of service to the District and naming the west Alameda Diablo bridge the “Dick Breitwieser Bridge.”

ACTION ITEM: On motion by Director Urbelis, second by Director Langon, the minutes of the October 9, 2018 Regular Meeting were unanimously approved.

On motion by Director Urbelis, second by Director Watson, the minutes of the October 9, 2018 Special Meeting were unanimously approved.

On motion by Director Urbelis, second by Director Watson, the minutes of the October 14, 2018 Special Meeting were unanimously approved.

REPORTS:

CONTRA COSTA COUNTY:
No Report

Alicia Nuchols reported:

DIABLO COUNTRY CLUB:
No Report

Hank Salvo reported:

DIABLO PROPERTY OWNERS REPORT:

Don Nejedly reported:

Halloween was successful and uneventful and everyone who attended the pizza social event at Mark and Shannon Jones’ home had a wonderful time. A special thank you to Mark and Shannon for hosting the pizza event and a special thank you to the residents of lower Alameda Diablo for opening up their homes to ensure that the children of Diablo have a safe place to trick or treat.

ROADS:

Director Langon reported:

The Bella Vista curb that was installed a couple months ago is already damaged. After examination it was determined that the turning radius for the garbage trucks is too tight where Caballo Ranchero Rd meets Bella Vista and the impact from the garbage trucks is wearing down the curb. It was recommended by MCE that the Bella Vista be widened by 6 feet at the intersection.

There was a partial closing of Canada Via and Calle Arroyo for sewer district work during the month.

There was a road closure at Alameda Diablo and Club House Road for two days in November for a squirrel carving on private property located in the middle of the road.

DCSD had planned to replace and repair the trash rack and drain grate on Calle Arroyo near Canada Via in November but due to the unknown financial implications of the November 9th court ruling the work has been tabled.

SECURITY:

Deputy Sheriff Dan Buergi presented:

The October Security Report. There was an ID theft, a battery call and a few domestic issue calls during the month.

Halloween was uneventful and successful. The 6-8pm road closure worked well although there were several small children with parents trick or treating before 6 pm.

Traffic enforcement is ongoing....

FINANCIAL:

Director Torru presented:

The District’s October Financial Reports. The District’s legal costs associated with the Tiernan lawsuit are \$264K as of September 30th and continue to have a material impact on the District’s cash flow. The District had \$37K in cash at the end of October. The District will receive approx. \$400K in public tax money from the County mid-December. Outstanding invoices will be held until the tax revenue is received.

A copy of the District’s monthly Financial Reports, as well as the District’s current 12-month and 7-year Budgets and current Audit Report are available on the DCSD website “Meetings & Financial” page at www.diablocsd.org.

ACTION ITEM: On motion by Director Watson, second by Director Urbelis the Board unanimously accepted the 2018 DCSD Audit Report. The District received a clean audit opinion with no management or control deficiencies, as it has for the last 6 years.

ACTION ITEM: On motion by Director Brant, second by Director Urbelis the Board unanimously agreed to set the 2019 DCSD Board meeting dates for the second Tuesday of the month at 7:30 pm at the Diablo Country Club.

ACTION ITEM: On motion by Director Torru, second by Director Urbelis the Board

unanimously authorized movement of the District's bank accounts from Wells Fargo to Chase Bank and to add Kathy Urbelis as an account signer.

COMMENTS BY DIRECTORS: None

CALL OF NEXT MEETING/ADJOURNMENT:

The President called the next meeting for December 11, 2018. There being no further business, the President adjourned the meeting at 8:00 pm.

Diablo Community Services District by

Kathy Torru, Secretary

DIABLO COMMUNITY SERVICES DISTRICT

RESOLUTION HONORING

RICHARD BREITWIESER

RESOLUTION 2018-5

November 13, 2018

WHEREAS RICHARD and GAIL BREITWIESER have been residents of Diablo for more than thirty years, and;

WHEREAS RICHARD BREITWIESER contributed his time and energies freely for the betterment of Diablo, and

WHEREAS RICHARD BREITWIESER served with distinction as General Counsel for the Diablo Public Utilities District, and General Manager and General Counsel for the Diablo Community Services District for over 50 years, and;

WHEREAS Richard Breitwieser is considered a friend by all who know him, and;

WHEREAS it is appropriate to commemorate and remember his work for the community of Diablo in a permanent place

NOW THEREFORE BE IT RESOLVED THAT the Diablo Community Services District honor RICHARD BREITWIESER and recognize these many and substantial contributions that RICHARD BREITWIESER has made to the Community of Diablo.

BE IT FURTHER RESOLVED that the West Alameda Diablo Bridge be named the **RICHARD BREITWIESER BRIDGE** and that a plaque be installed on that bridge identifying it as such.

Ray Brant

Kathy Torru

Kathy Urbelis

Sheila Langon

David Watson

Diablo Community Services District
Profit and Loss Statement
4 month ended October 31, 2018

	July	August	September	October	YTD	Budget YTD	Prior YTD
Income							
Traffic Fines	29	-	16	151	197	400	287
Interest Income	6	4	2	1	14	20	14
Total Income	35	4	18	152	211	420	301
Expenses							
Sheriff Security	32,000	32,000	20,500	23,292	107,793	131,368	131,037
Auto Repairs	-	-	-	-	-	2,500	-
Other	-	-	-	1,191	1,191	-	-
Road Maintenance	-	5,000	-	-	5,000	-	-
Gardener	100	100	100	100	400	400	400
General Manager	2,500	2,500	2,500	2,500	10,000	10,000	7,000
Legal	670	60,863	16,299	15,668	93,501	54,800	9,140
Audit	-	-	-	6,600	6,600	-	3,500
Other Professional	55	55	469	2,001	2,580	200	527
Legal Notices and Fees	-	50	-	-	50	-	-
Insur Commercial and Auto	-	-	-	3,084	3,084	-	3,428
Insur Excess General Liability	-	-	-	4,070	4,070	-	-
DMAC Operating Expenses	82	-	-	-	82	-	-
Administrative	13	14	12	247	286	400	73
Depreciation Expense	755	755	755	755	3,021	3,020	3,021
Miscellaneous	-	-	-	435	435	100	409
Total Expenses	36,175	101,337	40,635	59,943	238,093	202,788	158,535
Net Income	(36,140)	(101,333)	(40,617)	(59,791)	(237,882)	(202,368)	(158,234)

Diablo Community Services District
Balance Sheet
October 31, 2018

	July	August	September	October
ASSETS				
Current Assets				
Wells Fargo Checking Acct	19,053	50,626	21,694	11,626
Wells Fargo Money Market 2	200,794	100,798	100,800	25,801
Accounts Receivable	2,200	2,200	2,200	2,200
Prepaid Expenses	11,358	11,303	11,248	11,193
Total Current Assets	233,405	164,927	135,942	50,820
Property and Equipment				
Computer Equip	5,917	5,917	5,917	5,917
Automobile	42,817	42,817	42,817	42,817
Other Fixed Assets	2,500	2,500	2,500	2,500
Accumulated Depreciation	(22,319)	(23,075)	(23,830)	(24,585)
Total Property and Equipment	28,915	28,159	27,404	26,649
Other Assets				
Automobile Sinking Fund	36,833	37,833	38,833	39,833
Bridge Sinking Fund	305,000	310,000	315,000	320,000
Total Other Assets	341,833	347,833	353,833	359,833
Total Assets	604,153	540,919	517,179	437,302
LIABILITIES AND CAPITAL				
Current Liabilities				
Accounts Payable	32,100	64,200	75,076	48,991
Total Current Liabilities	32,100	64,200	75,076	48,991
Long-Term Liabilities				
Other Liabilities	341,833	347,833	353,833	359,833
Total Long-Term Liabilities	341,833	347,833	353,833	359,833
Total Liabilities	373,933	412,033	428,909	408,824
Capital				
Opening Balance Equity	1,239,979	1,239,979	1,239,979	1,239,979
Retained Earnings	(973,620)	(973,620)	(973,620)	(973,620)
Net Income	(36,140)	(137,473)	(178,088)	(237,882)
Total Capital	230,219	128,886	88,271	28,477
Total Liabilities & Capital	604,152	540,919	517,180	437,301

11/8/18

Diablo Community Services District
Cash Flow Statement
4 month ended October 31, 2018

	July	August	September	October	YTD
Cash Flows from operating activities					
Net Income	(36,140)	(101,333)	(40,616)	(59,792)	(237,881)
Adjustments to reconcile net income to net cash provided by operating activities					
Accumulated Depreciation	755	755	755	755	3,021
Accounts Receivable	-	-	-	-	-
Prepaid Expenses	55	55	55	55	220
Accounts Payable	32,100	32,100	10,876	(26,085)	48,991
Sales Tax Payable	-	-	-	-	-
Accrued Expenses	(90,027)	-	-	-	(90,027)
Total Adjustments	(57,117)	32,910	11,686	(25,275)	(37,796)
Net Cash provided by Operations	(93,257)	(68,423)	(28,930)	(85,067)	(275,677)
Cash Flows from investing activities					
Used For					
Automobile Sinking Fund	(1,000)	(1,000)	(1,000)	(1,000)	(4,000)
Road Sinking Fund	-	-	-	-	-
Bridge Sinking Fund	(5,000)	(5,000)	(5,000)	(5,000)	(20,000)
Other Assets	-	-	-	-	-
Net cash used in investing	(6,000)	(6,000)	(6,000)	(6,000)	(24,000)
Cash Flows from financing activities					
Proceeds From					
Other Liabilities	-	-	-	-	-
Other Liabilities	6,000	6,000	6,000	6,000	24,000
Opening Balance Equity	-	-	-	-	-
Net cash used in financing	6,000	6,000	6,000	6,000	24,000
Net increase <decrease> in cash	(93,257)	(68,423)	(28,930)	(85,067)	(275,677)
Summary					
Cash Balance at End of Period	219,847	151,424	122,494	37,427	37,427
Cash Balance at Beg of Period	(313,104)	(219,847)	(151,424)	(122,494)	(313,104)
Net Increase <Decrease> in Cash	(93,257)	(68,423)	(28,930)	(85,067)	(275,677)