

REGULAR MEETING #581
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES
May 29, 2012
REGULAR MEETING – 6:30 PM
OPEN TO THE PUBLIC
Palisades United Methodist Church
27002 Camino de Estrella, Capistrano Beach, CA 92624

A. CALL TO ORDER

Board President Ambrose Masto called the meeting to order at 6:39 PM.

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL/CLOSED SESSION REPORT OF ACTION

Directors Present: Bell, Haack, Masto
Directors Absent: Martinez, Zerboni
Staff Present: District Manager Russell
Guests Present: Nicole McDargh, Area Vice President, Securitas

President Masto presented a plaque on behalf of the Board of Directors and Capistrano Bay Community to Kirk Bell, to thank him for serving as previous Board President for years 2010-2011.

1. The Board met in closed session on Wednesday, May 9th to discuss legal matters relating to the Community Entry Improvement Project. The application to the City for a Coastal Development Permit for the Admin Office Project was rejected. The Board met in closed session to discuss the details (for further discussion see Item H of these minutes).

D. PUBLIC COMMENTS

Homeowner/past Director Bob Bancroft shared some details regarding the Admin. Office Project. Group discussion followed on the permit rejection but was curtailed by President Masto's request to hold further comments until the Board can get to that discussion item later in the agenda.

E. APPROVAL OF MINUTES

1. Regular Meeting #580 held on April 24, 2012. Motion by Director Bell, 2nd by Director Haack, passed 3-0-2 (Martinez and Zerboni absent), to approve the minutes of meeting #580 held on April 24, 2012.

F. SECURITY ACTIVITY REPORT

*1. One month period for April, 2012 (Securitas).
There was no discussion.*
*2. Introduction of new Securitas Branch Manager.
Nicole McDargh, regional VP for Securitas has removed Brian Sanchez as Branch Manager and will be naming a replacement in the very near future.*

3. Securitas annual service contract renewal.

Mrs. McDargh presented Securitas' annual service contract pricing and cost increase details indicating a 5% increase and explained that there was no contract increase the prior year. Securitas' operating costs have increased and is only asking for enough to cover those costs and to provide merit increases to a select few officers with no profit worked in for this year. The Board is not prepared to reach a decision at this time and requested Securitas provide further details on how the increase would be applied . The Directors can review this additional material and make a decision as the upcoming budget is evaluated over the next few weeks.

4. Discussion regarding a summer uniform style for security officers.

Nicole/Russell/Masto discussed how uniforms could be changed to Hawaiian style or polo shirts and khaki pants or shorts for the summer season only. The Board would like to apply the summer uniform style only for gate officers. Board President Masto asked that Securitas gate staff foster the "Helpful" quality at gate and pick up newspapers to ensure a less trashy appearance of the road/driveways. Patrols need to walk the community more; report homeowner doors that are left open, etc.

5. Discussion of annual Fourth of July Community Safety Program.

Manager Russell reported that no ATV's will be used this year on the beach. Cost savings on the ATV's will allow for 5 patrol officers on foot to work the beach. There will be two Securitas gate officers on duty and two Sheriff's officers on patrol at the intersection. All officers will have 2-way radios. Manager Russell will be on duty to coordinate all patrol officer resources. The five patrol officers on the beach will be in well-marked Securitas uniforms. Manager Russell met today with fire/police/County/marina/parks groups to coordinate those resources for the south end of town. Sheriff's deputies will be at the beach park entrance to check for alcohol. At the end of the evening, traffic signals will blink red and Sheriff Deputies will take over traffic movement in the intersection. Director Haack suggested that we let the rental companies know the rules. Any violators will be shut down. Bancroft suggests that Manager Russell have rental companies report in. Bullock related how past renters came to community with fireworks and didn't know about restrictions. Leases covering the Fourth of July should include the fireworks restrictions.

G. FINANCIAL REPORT

1. Claims and Demands. Received and filed.

2. Report of monthly expenses and year to date status through April 30, 2012.

President Masto reported that we are well within the current year budget. Bell asked how much Matt/patrol officer is working as there are no charges in April. Matt has been out; may be coming back in a few weeks. Bell asked why April Securitas expenses do not show up on the monthly expense report. It should be on the *Statement of Net Assets* under Accounts Payable. The *Checks Written During the Month* report shows we wrote Securitas a check for \$27,693.55 but it doesn't show for April on *Budget vs. Actuals* report.

3. Collection of fees for services.

There was no discussion on this item.

4. Review of Draft Budget for upcoming fiscal year.

Fiscal year ends June 30. Board will have a budget workshop to review next year's budget sometime in mid-June.

H. ADMINISTRATION OFFICE RETURN TO BEACH ROAD

The Coastal Development Permit application has been rejected by the City after receiving written protests from two Beach Road property owners. Board President Masto commented that the total dollar figure for the Admin office and restroom was a sizeable amount. Manager Russell should be on Beach Road. Masto looked at the guard shack and the space is 11' x 5' feet. Securitas is on one side. There is hardly any space and not enough storage. It could work as a satellite office, but there is no way that office records, etc. could fit. An alternative is to get a trailer, gut it, remodel it, make it an office and a Beach Road museum showing art, pictures, and origins of Beach Road. Use satellite office; have ancillary items close at hand. Group discussion on the protest letters sent after we were well into the permit process. Permit money was refunded but other money was already spent for plans and engineering. The Webb proposal is important to get Russell back on the road. Rental office is still needed for now. Inside of the guard shack can be renovated; move Security to the front; move equipment up. Homeowners Bancroft/Wilson suggested history could be put on a 5GB hard drive. The property mgmt company would outsource digitizing at an additional cost. Masto suggests a satellite trailer and let's see how good hybrid management is once they are on board. Russell suggested that we could get a motor home; no permit needed but we would need permit for plug-in electrical connection. Sheila Bullock/Bell suggested renting a house on the road. Cost? Wilson suggested we start guard shack remodel. Bell asked how Webb and Russell will interface and have access to the same files. Keep the present office for now, but have Manager Russell work in new office. Homeowner Bullock wants 5 or 6 people to be able to sit in the Beach Road office. We should find out the feelings of the community.

Sheila Bullock announced that the CBRA Board of Directors Meeting is June 11. CBRA needs time for discussion on the structure/RV. Haack thinks it is important to get Russell's office set up. The office will need to be remodeled. Surveillance camera equipment must be relocated up and off of the desk workspace. How will Webb and Russell communicate regarding bills? They need a computer system that both can log into. We need to know how they will interface electronically as it is not primary function to have Webb on site. Bell wants to know how to control extra charges and what the process will be.

The Board agreed to bring in a carpenter to make minor improvements to the rear office of the guard building to allow working space for the Manager, set up regular office hours at the guard building, begin organizing, condensing and digitizing the District files and maintain the offsite office rental, and research any remaining available long-term options for housing the District office back on Beach Road.

Motion by Director Bell, seconded by Director Haack, passed 3-1-1 (Martinez voted no by proxy and Zerboni was absent) to hire Webb Community Management company, with start date contingent on having timeline of digitizing files, eliminating secretary/accounting, and written memo for standards of communication between Manager Russell and Webb.

I. COMMITTEE REPORTS

1. *LCP Committee* - Annual Mean High Tide Line survey will be performed June 11-13. The survey crew will be on our beach one of these three days to conduct the survey.

2. *CBRA Activity report*.

There is no CBRA report. President Masto congratulated Gail Becker for the great flags!

3. *Ad Hoc Committee Report – Contracted Management Support Services*.

This item was discussed out of agenda order in the previous Item H.1.

J. MANAGER’S REPORTS

1. *Review of Manager’s PRIORITY list*.

Manager Russell discussed CCTV systems. The District received a 2003 bid for \$87,000 - which excluded the \$30,000 cost of bringing power to stations. Need to update figures to today’s prices. Prices may be less. When Russell back on the road, Wilson requests that this be a higher priority. CCTV is for Beach Road, not for the beach area. Its use would not cut down on patrols. Homeowner Bancroft stated that recent thefts were due to us letting people onto the road. He suggested we get rid of window stickers. We should use transponder or go through as guest and gate guard can issue the paper pass. Russell to post sign out front and notify community, effective immediately, no stickers accepted; if you have a sticker then you must use the guest gate. We delete parking info in computer when a home is sold when we are notified.

2. *Community entrance area landscape and lighting maintenance report*.

Mgr. Russell reported that after the last Board meeting, Bemus moved aggressively to pick up on the declining service. The area is now in much better condition with new mulch placed in all the bare areas and much of the vegetation trimmed and thinned out to allow for more new growth. The new planting should be coming next week.

3. *Progress on Storm Drain No. 2 improvement project*.

The Coastal Development Permit application is in the City’s plan check process. There is no chance to do the work before the end of summer. We can’t dig up the side yard during rental period. We will be ready at the end of September.

4. *Orange County Grand Jury’s recommendation to get rid of special districts*.

Manager Russell reported that we need to respond to the Orange County Grand Jury’s recent inquiry. We received copies of responses from CSDA (*California Special Districts Association*), and LAFCO (*Local Agency Formation Commission*). Russell to send our response draft to Board and legal counsel. Group discussion ensued. This could be a big issue for our community. The State wants our tax revenue. Sheila Bullock will place in newsletter and add, if you have questions, see Manager Russell. Masto commented that we have the issues of the beach, drain problems, flooding, and dead animals. We need management onsite to take care of them. The due date for the Board of Directors’ response to the Orange County Grand Jury is July 26. Group discussion followed on strategy. Russell reported that we have gone to CSDA, LAFCO, and ISDOC (*Independent Special Districts of Orange County*). Legal firm Rutan & Tucker has an attorney who is a member of ISDOC and will help us draft our response.

K. OLD BUSINESS

Coastal Commission Issue. Director Bell asked for status on the issue with the fisherman on the beach. Manager Russell has not heard back from the commission since September.

Annual Budget. Next year's draft budget will be available by mid-June. Board will have a budget workshop to review. Masto/Bell will review the manager appraisal to be included as part of budget. Clarification of costs, services and Webb's extra items need to be put in the Board budget. Russell to resend list of cost items with Webb's explanations to Bell.

Security. Director Bell suggested sending a letter from the Board of Directors to Securitas apologizing for rude occupants that berate guards. The property owners did receive a letter from Securitas' legal counsel. President Masto announced that Securitas requests to have small Friday night security staff "get together" without alcohol as weekly office party.

L. NEW BUSINESS

No new business at this time.

M. WRITTEN COMMUNICATIONS

No written communications.

N. BOARD AND STAFF COMMENTS

No comments at this time.

O. ADJOURNMENT

The meeting was officially adjourned at 9:01 PM.

ATTEST:

State of California)
County of Orange)ss
Capistrano Bay District)

I, Donal S. Russell, Manager of the Capistrano Bay Community Services District hereby certify that this is an *APPROVED* copy of the Minutes of meeting #581 held on May 29, 2012.

DONAL S. RUSSELL
DONAL S. RUSSELL, MANAGER

JUNE 26, 2012
DATE