

REGULAR MEETING #596
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES
Tuesday, November 05, 2013
REGULAR MEETING: 6:30 p.m.
OPEN TO THE PUBLIC
Location: Palisades United Methodist Church
27002 Camino de Estrella, Capistrano Beach, CA

A. CALL TO ORDER

Board President Ambrose Masto called the Meeting to order at 6:30 p.m.

B. PLEDGE OF ALLEGIANCE

Board President Masto led attendees in the Pledge of Allegiance.

C. ROLL CALL AND CLOSED SESSION REPORT

Directors Present: Breeding, Haack, Masto, Muller, Zerboni

Directors Absent: None

Staff: District Manager Russell

Agents: Authorized Agent Morris, Webb Community Management, Inc.

Contractors: Securitas, Branch Manger Keirouz

***There was no closed session meeting tonight*

D. PUBLIC COMMENTS

Homeowner, Dave Gutierrez, reported that the storm drain in front of his home at 35691 Beach Road has a rotted drain lid, leaving steel pipes exposed and presenting a danger for children and animals who may want to crawl inside the pipe.

ACTION ITEM – District Manager Russell will contact the City to repair this City-owned storm drain.

E. APPROVAL OF MINUTES

1. Approval of Minutes of October 01, 2013, Meeting # 595

Board President Masto summarized the October 01, 2013 Meeting #595 Minutes. There was a correction to section F. point 3. "ACR 52, Allen" was corrected to read, "AB 1102, Allen." A motion was made by Director Breeding and seconded by Director Haack to approve the Minutes of Meeting #595. The motion was passed with a vote of 5-0.

F. SECURITAS ACTIVITY REPORT

1. One Month Period for September 2013 (Securitas)

Securitas reported that in the month of September, guest and service vehicles were following parking instructions satisfactorily. The Board gave a reminder to Securitas to pick up newspapers from absentee homeowner driveways every couple of days. Reports were received and filed. No further action was taken by the Board.

2. Disaster Preparedness Progress Report From Jeff Lurner

Jeff Lurner was not present. The Board recommended that Mr. Lurner work with Securitas to keep them apprised of his Emergency Preparedness Plan. The Board will wait for Mr. Lurner to formulate his plan in writing. Once drafted, the Board requested Mr. Lurner to present his full plan at a future Board meeting before they will endorse any plan.

3. *Further Discussion on Prohibiting Wood Burning Beach Fires – Assembly Bill 1102, Allen*
Since it will not be until January 2014 before the Board will know if AB 1102 has passed, there was no further discussion. The Board will revisit this matter when further information becomes available.
4. *License Plate Video Camera at Community Entrance*
The original camera was not sensitive enough to capture nighttime images. A more sensitive camera was ordered but has not been delivered yet. The Board will be notified when the camera has been installed and is operational.
5. *Solutions to Illegal Parking Problems*
 - a) It was reported by District Manager Russell that the reminder to “Keep Pass Visible at All Times” cannot be automatically printed on guest passes. To rectify the situation, however, the new license plate camera system will provide security with a more effective method of identifying the owners of illegally parked vehicles.
 - b) The Board previously approved a notice to property owners regarding the District’s offer to install new NO PARKING signs at all railroad parking areas, which has been disseminated. The Board approved a more proactive towing policy that would follow the installation of new signs. The Board feels that standardizing the verbiage on the NO PARKING signs will enable Securitas to more effectively enforce the NO PARKING policy.
6. *OCTA Request to Remove Chain-Link Safety Fence Along Railroad Tracks*
Director Breeding is requesting the original documents on the OCTA correspondence that will substantiate that OCTA approved the temporary fence and the repositioning of the permanent fence. Homeowner, Dave Gutierrez, recommended that someone from the Board meet personally with Bill Mock, OCTA Representative, to discuss the matter.

ACTION ITEM – District Manager Russell will gather all documents and plans regarding the OCTA fence matter and deliver copies to the Board for their review during the December 10th Board meeting.

G. FINANCIAL REPORT

1. *Monthly Payment Claims*
The Board reviewed the Monthly Payment Claims.
2. *Report of Monthly Expenses and Year-to-Date Status Through September 30, 2013*
The Board reviewed the monthly expenses and year-to-date status report for the period ending September 30, 2013.

ACTION ITEM - Director Muller is requesting that the Property Tax Revenue that is reported monthly on the Profit and Loss Statement reflect a closer dollar figure to what the County’s Apportionment Schedule shows for each month.

3. *Recommendation by the District’s Accountant to Establish a Separate Reserve Bank Account*
At the October 1, 2013 Board Meeting, Director Muller asked if the District was under any requirement that stipulated that a District establish a reserve account. Webb referred this question to the District’s Auditor. The District Auditor recommended that it would be good business practice to have a reserve fund in place to protect the District and ensure that the District has adequate future funding for capital items. He also stipulated that it may assist the District if the State, or other entities, should question District funding. If the Board is agreeable to the District Auditor’s recommendation, a reserve study update will assist the District in substantiating their

current and future funding requirements for capital projects. A reserve study update should be performed by March of 2014, so that a draft of the FYE June 30, 2015 Budget may be reviewed at the April 2014 Board Meeting.

RECOMMENDATION - Directors Muller and Zerboni both agree that setting up a Reserve account would be wise. They are requesting two accounts to be set up. One for repairs and maintenance reserve and the other for building up a reserve for the future underground utility project

ACTION ITEM -. Director Muller asked to be put in touch with the District Auditor to obtain his advice.

ACTION ITEM – District Manager Russell to schedule an update to the Reserve Study to be completed in February or March 2014.

H. DISTRICT ADMINISTRATION OFFICE / PERMITS

District Manager Russell reported that the District Office will need to be relocated to the maintenance yard, as the City cannot issue a permit for the current office location.

ACTION ITEM – Director Breeding has requested that District Manager Russell draw up a layout sketch of what the maintenance yard will look like with the office, storage unit, electrical and landscaping. District Manager Russell will also look into getting an electrical permit from the City for convenience power for maintenance purposes.

I. COMMITTEE REPORTS

CBRA Activity Report

CBRA will hold a fall meeting on November 9, 2013 and will host guest speaker, Jeff Lerner, to hear his ideas on emergency preparedness and awareness.

J. MANAGER'S REPORT and OLD BUSINESS

1. Webb Community Management Monthly Report

Financial Statements for the month of September were completed and emailed to the Board on October 25, 2013. **DONE**

All requested documents from the District's audit company, Rogers, Anderson, Malody & Scott, LLP, have been delivered. Audit is in process. **ONGOING**

Per President Masto and direction given by the District Auditor, it has been recommended that the current FYE June 30, 2014 Budget be placed on the Capo Bay website by District Manager Russell. District Manager Russell will have the FYE June 30, 2014 Budget up on the website by end of the day, October 30, 2013. **DONE**

The billing for homeowners who lease railroad spaces went out by Webb the week of October 21st, 2013. There was a 5% increase per space this year, making the fee at \$99.75 per space. (Last year's cost was \$95.00 per space). **DONE**

The billing for homeowners who participated in this year's Summer Trash Program will be sent by Webb prior to the end of November. The fee this year is \$85 per household, double if the property is split into a duplex. **IN PROCESS**

Webb confirmed that the Bond call for September was made and processed by the Wells Fargo Trustees. **DONE**

Webb has compiled a list of landscape vendors for possible replacement of the District's current landscape company, Bemus. The Board may wish to discuss a bid specification list. At the Board's discretion, Webb can draft this bid specification list for Board approval or they may have District Manager Russell prepare the list. **IN PROCESS**

ACTION ITEM - Webb will present list of Landscape Companies at next Board Meeting December 10, 2013.

2. Follow Up on LAFCO Sphere of Influence Map

The title search showed that the parcel encompassing the Poche Creek outfall was deeded to the County of Orange as of January 1987. President Masto recommended that the Board consider using their sphere of influence to compel the County to clean up Poche.

ACTION ITEM – District Manager Russell will look into scheduling a speaker from the County to come to the next Board Meeting in December so that the Board may inquire what the County's plans are regarding improvement to the water quality of the Poche area.

3. District Document Storage Inventory Review

District Manager Russell presented to the Board a list of inventory items that were still in the off-site storage unit. It was recommended by the Board to bring in an on-site storage unit to go into the maintenance yard. Director Haack recommended that we leave the items in the off-site storage unit until the District relocates the District Office permanently.

4. Manager's Priority List

District Manager Russell briefly reviewed items that he is currently working on. Discussion ensued concerning the Sample Letter for the New Railroad Parking Policy.

ACTION ITEM - District Manager Russell will be emailing and mailing out a hard copy of the new Railroad Policy to all homeowners.

District Manager Russell is encouraging all railroad lease holders to have their spaces seal coated.

The Board recommends that the CCTV System to be considered as a reserve item.

There was a brief discussion concerning a homeowner that has staked off an area around a fire pit in front of their home with wire and flags since the Fourth of July holiday. The Board was concerned regarding the possible liability it presents. The Board directed District Manager Russell to resolve this potential problem immediately

ACTION ITEM – Manager Russell will visit the property owner and have the hazard removed.

K. NEW BUSINESS

There is no new business.

L. WRITTEN COMMUNICATION

No written communication was reviewed by the Board.

M. BOARD AND STAFF COMMENTS

No comments.

N. ADJOURNMENT

President Masto officially adjourned the meeting at 9:07 p.m.

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 #596 held on November 5, 2013.

Donal S. Russell
DONAL S. RUSSELL, Manager

December 10, 2013
DATE