

REGULAR MEETING #597
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES
Tuesday, December 10, 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 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

Directors Present: Breeding, Haack, Masto, Muller

Directors Absent: Zerboni

Staff: District Manager Russell

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

Contractors: Securitas, Branch Manager Keirouz

D. PUBLIC COMMENTS

Tom Bonigut, Public Works Engineer for the City of San Clemente, gave a quick update to the Board concerning the Poche Flood Channel and how it is being maintained. The City is aware that the high-frequency noise emitter has not worked to keep the seagulls away but the more recent use of the fake coyotes and the falconer with live raptors have proven to be very effective. He listed several long term plans that the County may initiate in the future, including a more regular grading of the scour pond to keep the water from building up behind the sand berm, but explained that the Coastal Commission has been a continual obstacle. He promised to keep Capistrano Bay District informed of their plans.

Patrick Thompson from "American Dream Builders" informed the Board that their NBC Film Studio was interested in utilizing two homes on Beach Road for filming an episode of a home improvement TV show. There was a lengthy discussion as to which homes would be included and how the community would be impacted during the seven-day project. The Board strongly urged Mr. Thompson to use the homes in the 100 block, as those homes are located closer to the front of the road where there is railroad parking and easier access from the front entrance.

President Masto recommended that District Manager Russell talk with the City about a possible compromise involving the location of the District administration office. The Board considered denying the NBC proposal if the City was not amenable to the compromise but chose to wait and see how the City responds.

E. APPROVAL OF MINUTES

1. Approval of Minutes of November 05, 2013, Meeting # 596

Board President Masto summarized the November 05, 2013 Meeting #596 Minutes. A motion was made by Director Haack and seconded by Director Breeding to approve the Minutes of Meeting #596. The motion was passed with a vote of 4-1. (Director Zerboni absent)

F. SECURITAS ACTIVITY REPORT

1. One Month Period for October 2013 (Securitas)

Securitas reported that in the month of October, trespassers were scaling the railroad side wall. There was no resolution to this matter. The Board asked Securitas to look for and pick up screws and nails in front of job sites. Securitas will also inform general contractors that they need to be keeping the job sites cleaned up at all times. Director Breeding recommended that Securitas keep a record of flat tires to see if there is a trend. He also recommended that the Security truck be fitted with a magnetic bar under the front bumper in order to pick up any loose nails & screws. Reports were received and filed. No further action was taken by the Board.

2. License Plate Video Camera at Community Entrance

The camera is working well. Securitas may need a sign to direct vehicles to wait in a certain spot in the driveway before pulling forward, so the view to the license plate is not blocked.

3. Solutions to Illegal Parking Problems in the Railroad Parking Areas

Twenty seven homeowners have agreed to install the new proposed NO PARKING sign.

ACTION ITEM – District Manager Russell will re-circulate a second letter concerning the NO PARKING signs at all railroad parking areas after the New Year.

ACTION ITEM - District Manager Russell will make a sign order in January 2014 after a few more homeowners have agreed to participate in the sign program.

6. OCTA Request to Remove Chain-Link Safety Fence Along Railroad Tracks

There are no bids as of yet on fence removal. District Manager Russell has met with Bill Mock, OCTA Representative. Mr. Mock said that the temporary fence is too close to the tracks and that it needs to be removed.

ACTION ITEM – District Manager Russell will check with MCI to see if they have easement restrictions over their underground fiber optic cable. The Board would like to meet with Bill Mock again after the first of the year to determine an exact fence placement. No meeting time or date has been set as of yet.

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 October 31, 2013

The Board reviewed the monthly expenses and year-to-date status report for the period ending October 31, 2013. Director Muller noted that Securitas was paid double in the month of October.

ACTION ITEM - Director Muller requested that Webb break down the payments for Securitas since the beginning of this current fiscal year. In the October Financials there was a double payment to Securitas and Director Muller wanted to know what month was missed.

3. Recommendation by the District's Accountant to Establish a Separate Reserve Bank Account

The Board is moving forward with setting up the reserve accounts. They will begin by utilizing the current accounts with Wells Fargo Bank and the Local Agency Investment Fund (LAIF) that are already set up. The Board discussed when the next Municipal Services Review (MSR) of the Capistrano Bay District's operations is scheduled. District Manger Russell thought that the District had a review recently but will check with LAFCO. These reviews are scheduled every 5 years.

ACTION ITEM – The Board asked that Webb move money from the Sunwest Bank account into the other accounts already in use, not to exceed \$250,000 per account. Accounts to use: Wells Fargo Bank Non-Interest Checking Account, LAIF and Farmers & Merchants Account.

4. *Review Draft Resolution For Establishing a Reserve Bank Account.*

The Board was in agreement that once the draft resolution has been finalized, it should be reviewed by legal counsel. District Manager Russell recommended that Foresight Financial would be a good resource for review ahead of a legal review. It was also recommended that the District seek insight from ISDOC, the entity that represents all Special Districts in Orange County to the State Legislature regarding political matters.

ACTION ITEM – The Draft Resolution is to be reviewed by all Board members and discussed further at the next Board Meeting which is scheduled for January 28, 2014.

H. DISTRICT ADMINISTRATION OFFICE / PERMITS

Discussion ensued concerning the re-location of the District Office, that with NBC desiring to shoot on location on Beach Road, that the District may have some leverage with the City in gaining a concession that would allow the District Office to permanently remain in its current location.

ACTION ITEMS – District Manager Russell was directed to meet with City officials to discuss the NBC TV show proposal and the District Administration Office. And as an alternate plan, to investigate whether the existing electrical conduit from the guard building power panel to the northgate maintenance yard is adequate to increase the wire size for bringing additional electrical power to the northgate in the eventuality that the office has to be moved to that location.

I. COMMITTEE REPORTS

CBRA Activity Report

No activity reported.

J. MANAGER'S REPORT and OLD BUSINESS

1. *Webb Community Management Monthly Report*

Financial Statements for the month of October were completed and emailed to the Board on November 22, 2013. **DONE**

All requested documents from the District's audit company, Rogers, Anderson, Malody & Scott, LLP, have been delivered. Audit is in process. Projected completion date; mid-December 2013. **IN PROCESS**

Homeowners who participated in this year's Summer Trash Program were mailed statements on November 20, 2013. **DONE**

The Tax Apportionment Schedule will be forwarded to the CPA to incorporate a more accurate picture of the Property Tax Revenue on the Profit & Loss Reports for future monthly financial reporting. **IN PROCESS**

2. *Review of Meeting with Greenfield Communications Concerning Undergrounding Utilities*

District Manager Russell met with Mike Powers and Dennis Eastman in mid-November. They discussed several options and may have cost estimates in time for the January 28, 2014 Board Meeting. A rough estimate may be \$1 to \$1.5 million per mile. No further action was taken at this time.

3. *Manager's Priority List*

District Manager Russell briefly reviewed items that he is currently working on. Discussion ensued concerning the rentals on Beach Road having to comply with the City of Dana Point's new permit rules. On December 03, 2013, the City passed the first reading of the Ordinances legalizing short term rentals. It was decided that the Board would have no involvement with this matter and they will let the City pursue each rental home.

35691 Beach Road has a corroded and damaged drain pipe at drain #13. The City of Dana Point has been contacted as this drain facility belongs to them.

ACTION ITEM - District Manager Russell will contact City Engineering to look into making the outfall safer.

K. NEW BUSINESS

1. *Review of RFP for Landscape Maintenance Bids*

The Board reviewed the details of the general work description of the RFP and directed District Manager Russell to prepare a final Request for Proposals to mail out in January 2014.

2. *Approval of Railroad Parking Improvement for 35585 Beach Road*

The owner is proposing to enlarge his existing parking area by cutting into the embankment to make the parking area deeper, thus enabling parking perpendicular to the roadway similar to that of his neighbors. The Directors approved the proposal and directed District Manager Russell to inform the owner that he is cleared to proceed as per the drawings dated November 12, 2013. Additionally, Director Muller pointed out a possible discrepancy in the dimensions on the plans and requested District Manager Russell to field verify the actual measurements.

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 9:20 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 #597 held on December 10, 2013.

Donal S. Russell
DONAL S. RUSSELL, Manager

January 28, 2014
DATE