

**REGULAR MEETING #603
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES**

**Tuesday, June 26, 2014
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 Present: Securitas, Branch Manager Keirouz

D. PUBLIC COMMENTS

No public comments.

E. APPROVAL OF MINUTES

1. Approval of #602 Meeting Minutes from May 27, 2014

Board President Masto summarized the May 27, 2014 #602 Meeting Minutes.

MOTION - A motion was made by Director Haack and seconded by Director Breeding to approve the Minutes of Meeting #602. The motion was passed by a vote of 4-0-1 (Director Zerboni absent).

F. SECURITAS ACTIVITY REPORT

1. One Month Period for May 2014 (Securitas)

Branch Manager Keirouz re-stated the importance of homeowners reporting all thefts, major or minor, to the police department. To date there have been no beach fire complaints.

ACTION ITEM – The Board will be posting a bulletin to the Community about the petty theft security matter. Homeowners need to lock up their valuables and report to the police when items have been stolen.

ACTION ITEM – District Manager Russell will look into finding a contact on the police force that the District would be able to send a monthly report concerning all petty theft matters.

2. Progress Report for Assembly Bill 1102 – Regulating Beach Fires

The District will continue to enforce its own Ordinance that regulates recreational, outdoor, wood-burning fires.

3. Discussion Regarding Leaving the Community Exit Gates Open During Busy Times

Director Breeding proposed that the exit gates be left open during the busy times of the day. The purpose would be to extend the lifespan of the gate motors and decrease the resulting repair and maintenance costs by reducing the usage.

ACTION ITEM – The cost of spike strips is still needed for next Board Meeting of July 29, 2014.

ACTION ITEM – For a one month period, Securitas will leave the gates open between 6-9am and then again 3-5pm. There will be a cone holding a “Slow Sign” positioned at the exit gate. A progress report will be provided to the Board at the next Board Meeting July 29, 2014.

4. *Review of Parking Problems by Construction Workers and Cleanup Responsibilities*
No discussion ensued regarding this matter.

G. FINANCIAL REPORT

1. Monthly Payment Claims

The Board reviewed the Monthly Payment Claims with no action taken.

2. Report of Monthly Expenses and Year-to-Date Status Through May 31, 2014

Director Muller gave a short update on the AD99-1 Bond matter. After his discussion with the District Auditor, Scott Manno, it was recommended that the District have the financials split into two separate balance sheets; one for day-to-day operations and one for the AD99-1 Bond matter.

ACTION ITEM – Authorized Agent Morris will follow up with the District Auditor, Scott Manno, to make sure he connects with the District CPA, Chris Vossman, to set up the two balance sheets. This process will begin with the new Fiscal Year beginning July 1, 2014..

3. Review and Possible Approval of the Draft Budget for Fiscal Year End June 30, 2015

MOTION – A motion was made by Director Muller and seconded by Director Haack to approve the budget for Fiscal Year End June 30, 2015, in the amount of \$1,039,455.74, pending distribution to the board of a three year comparison of figures for review at the next board meeting.

ACTION ITEM – Authorized Agent Morris will be compiling a multiple year comparison to include in the Fiscal Year End June 30, 2014 budget.

H. DISTRICT ADMINISTRATION OFFICE

1. Moving the District Office

On June 3, 2014, the District received a communication from the City indicating their receipt of a letter from a law firm representing a group of homeowners who are concerned that the District Administration Office is in use without permits.

Since the existing zoning laws do not allow for the current use (commercial activity within the Transportation Corridor Zone), the District has been asked by the City to relocate the administration office into the northgate maintenance yard (near where the dumpsters are located).

In order to comply without delay, the District will apply to the City for a temporary power permit, install a temporary power pole and electrical panel and move the office into the maintenance yard area. Once this has been completed, the District will proceed with the proposed exterior architectural improvements.

Much discussion ensued regarding the pros and cons of the timing of moving the District office.

ACTION ITEM – Board President Masto and Director Muller will be drafting a letter to the community bringing awareness of the District’s predicament on the final placement of the District Administrative Office. The letter will be reviewed at the next Board Meeting July 29, 2014.

ACTION ITEM – District Manager Russell will be creating a contingency plan in preparation for the possible move to the District Administration Office. Locating a trailer that can come on a moment’s

notice to pick up the office and relocate it to the northgate storage area and explore different ways to pull electricity to the northgate area.

ACTION ITEM – Director Muller has requested that District Manager Russell look into finding someone in the California Special District’s arena to possibly give the District some counsel in this district office location matter.

I. COMMITTEE REPORTS

1. *CBRA Activity Report*

Board President Masto is requesting that CBRA put into their next Quarterly Newsletter the information regarding the petty theft matter and a sting-ray article that he has come across.

J. MANAGER’S REPORT and OLD BUSINESS

1. *Short Term Rentals and Rentals in General*

District Manager Russell has samples of the data currently being collected by the District relating to all the rental activity. The majority of the community’s rental activity is created from the summer weekly vacationers, although there are several that rent for periods greater than a month. The following is the rental inventory for the week of June 21st (week starts on Saturdays)

- Short term units 25
- Long term units 12

Technically it is still early for the rental season. Vacation rentals tend to increase in July and August then drop off sharply after Labor Day in September. While the long term rental count should remain static, the short term count will definitely increase.

Current Data Collection:

- Vehicle Counts at the Entrance Gate – Every vehicle entering the community that is in any way linked to a rental, either short or long term (including service, is counted each day on a tally sheet and compiled each month.
- Phone Calls and Patrol Responses – On the same tally sheet with vehicle counts are the number of phone calls and patrol officer responses
- Nightly Renter Vehicle Counts – One of the major issues stemming from rental activity is with over occupancy. The City’s amended zoning code specifically restricts the occupancy limit to two people per bedroom plus an additional two occupants. In other words, a three bedroom unit would be limited to 8 people. Since the City is not on duty to count heads in the rentals, the District is making a vehicle count at each rental every morning at 4:00 AM and keeping a daily tally report.

There was much discussion on the desire to create a monthly master spreadsheet with all the stats relating to the following rental matters:

- Expenses
- Noise Violations
- Fire Pit Violations
- Over Occupancy
- Parking
- Counting Cars by Securitas
- Vehicle Entry Counts

President Masto pointed out that Peggy Webb has recommended the development of a monthly spreadsheet to include all expense-related items and that a meeting is to be arranged to review the data being collected and to finalize the details. With input from the Board, the District Manager is to be responsible for tracking all expense items in any category not specifically delegated to Security.

2. *Webb Community Management Monthly Report*

A. Financial Statements for the month of May 2014

Progress: Completed and emailed to the Board on June 24, 2014.

B. Budget Development for the new fiscal year June 30, 2015

Progress: A working budget was presented at the June 26, 2014 Board Meeting.

3. *Manager's Priority List*

A. Update the Security Post Orders

Progress: Ongoing as the need for revisions arise.

B. Work on cleaning out the District storage unit and creating onsite storage in the north gate yard.

Progress: This item is on hold until the administration office relocation is finalized.

C. Continue monitoring progress by the County on the Poche water quality control program.

Progress: Nothing new to report as of June 25, 2014

D. Repair of corroded and damaged drain pipe at drain #13 at 35691 Beach Road.

Progress: The City expects to put this out to bid for work to be done this summer.

E. Bids for a community-wide CCTV system for security monitoring purposes.

Progress: This item is still pending and may become a part of the Greenfield Communications effort. (See item F)

F. Follow up with Greenfield Communications regarding the possibility of fiber optic cable and underground utilities.

Progress: Greenfield Communications presented the service to the homeowners at the CBRA meeting on May 17, 2014. The next step is a mail marketing campaign by Greenfield Communications to the community to compare costs with the existing Cox service..

4. *Approval of Trash Enclosure Improvements at 35527, 35567 and 35631 Beach Road*

During the Board's budget meeting held on June 24, 2014, the Board approved the trash enclosure improvements proposed by the owners of 35527, 35567 and 35631 Beach Road. Details of the improvements are available to view at the District Manager's office.

ACTION ITEM – District Manager Russell has been directed to obtain the trash enclosure plans for 35147 Beach Road and present to the Board at the next Board Meeting July 29, 2014.

K. NEW BUSINESS

ACTION ITEM – District Manager Russell will look into the possibility of having CR&R steam clean all the trash barrels along Beach Road.

ACTION ITEM – District Manager Russell will be contacting OC Vector Control concerning rat control and the associated costs and procedures regarding rat control.

There was some discussion concerning recognizing a "Person of the Month" and rewarding them for a job well done. No further action was taken at this time.

L. WRITTEN COMMUNICATION

Board President Masto requested that the Lawyer's letter on behalf of concerned homeowners regarding the location of the District Office be attached to the next Board Meeting packet July 29, 2014, and be posted on the community bulletin board for the community to see.

M. BOARD AND STAFF COMMENTS

No comments at this time.

N. ADJOURNMENT

Board President Masto officially adjourned the Meeting at 8:55 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 #603 held on June 26, 2014.

Donal S. Russell
DONAL S. RUSSELL, Manager

July 29, 2014
DATE