

**REGULAR MEETING #609
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES**

**Tuesday, February 24, 2015
REGULAR MEETING: 6:30 pm
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: Clark
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 #608 Meeting Minutes from January 27, 2015

Board President Masto summarized the January 27, 2015 #608 Meeting Minutes.

MOTION - A motion was made by Director Muller and seconded by Director Breeding to approve the Minutes of Meeting #608. The motion was passed by a vote of 4-0-1. (Director Clark absent)

F. SECURITAS ACTIVITY REPORT

1. One Month Period for January 2015 (Securitas)

Branch Manager Keirouz mentioned that the nearby transients are testing for locked doors on homes and camping out on deserted front porches. He is recommending that the homeowners are alerted to this current situation.

ACTION – District Manager Russell was encouraged to send out a community wide notice alerting all homeowners to keep their car doors and doors to homes, locked at all times and to notify security and the police department to any unauthorized entries or squatting of transients.

ACTION – District Manager Russell, along with Branch Manager Keirouz, will be working on organizing a weekend event wherein Securitas would set up a tent at the beginning of the road and hand out flyers and talk with homeowners about home and car safety matters.

ACTION – Branch Manager Keirouz will be notifying patrol to be diligent in notifying homeowners of garage doors which have been left open and to pick up from driveways, old flyers and newspapers.

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 January 31, 2015*

Board President Masto noted that expenditures for office supplies and health insurance were up in the month of January 2015. District Manager Russell explained that office supplies fluctuate month-to-month, however, the District is within the budgeted amount for this category. District Manager Russell also explained that the health insurance increase was anticipated and factored into the Fiscal Year End June 30, 2015 Budget.

Director Muller recommended that the District establish a written policy outlining guidelines regarding management of District money from investments to the transferring of AD99-1 monies.

ACTION – District Manager Russell is to retain an independent, third party to help create a money management policy for the District.

ACTION – Authorized Agent Morris will research what other homeowner association's utilizes for money management guidelines.

3. *Consideration of Proposal to Change Status of Wells Fargo Business Checking Account to an Interest-Earning Investment Account*

The Board received information last month from Mr. Shawn Sessions, Financial Advisor for Wells Fargo Bank Brokerage Services. The discussion ensued regarding the feasibility of the District to convert the current, non-interest bearing deposit account into some form of interest earning investment account. Before the Board can reach a decision regarding investing of the District's surplus funds, a request was made to perform preliminary research regarding the statutory guidelines that govern a special district regarding investment of public funds. It was reported that there are government codes that specifically address this matter. An inquiry has been made to the District's legal counsel and also the District's financial auditor for further information. A complete analysis and summary could potentially be available for the Board's review at the March 2015 Meeting. In the interim, it is recommended that the current status of the deposit account with Wells Fargo Bank be undisturbed until a full evaluation of this matter is concluded, at which time the Board will revisit this matter.

4. *Board Approval of Annual Financial Statement from the Auditor*

The Board did not have an opportunity to thoroughly review the 2014 Fiscal Year End Audit that was transmitted to the Board via email. This matter will be tabled until next Board Meeting, March 31, 2015.

ACTION – District Manager Russell will prepare and distribute hard copies of the 2014 Fiscal Year End Audit for Board members to review before the next Board Meeting.

H. DISTRICT ADMINISTRATION OFFICE

1. *Moving the District Office*

The Board is exploring options to keep the District office inside the community near its present location. Homeowner, Dave Gutierrez, was present at the Board Meeting and voiced his concerns, but was agreeable to be part of the solution. He presented a draft sketch for the District Administrative Office that depicts exterior beautification similar to the guard house building.

ACTION – District Manager Russell, in conjunction with Dave Gutierrez, will attempt to obtain endorsements from two homeowners who have previously voiced an opposition to the plan to keep the District office inside the community, in order to demonstrate to the City that the community is now in full support of this proposed project.

I. COMMITTEE REPORTS

1. *CBRA Activity Report*
No Report given.

J. MANAGER'S REPORT and OLD BUSINESS

1. *Webb Community Management, Inc. Monthly Report*

A. Financial Statements for the month of January 2015

Progress: January Financials were completed and emailed to the Board on February 17, 2015.

B. FYE June 30, 2014 Annual Audit

Progress: Annual Audit has been completed. Final reports were emailed and mailed to the District Office on January 29, 2015.

2. *Follow Up on Trash Barrel Cleaning*
Steam Cleaning Trash Barrels

The steam/pressure washing procedure is now complete. The District implemented this one-time service to determine how effective the cleaning would be and how long the barrels would remain clean.

Each Monday, after trash collection, a random inspection will be conducted to monitor the condition of the barrels. Over the next several months, the Board will be able to evaluate the effectiveness of the program.

One benefit was the detection of many black barrels with the bottoms worn through. Over the next few weeks, CR&R will be replacing these damaged barrels with new ones.

3. *Further Discussion on Proposed Modifications to the Planter behind the Guard Building*

Homeowner, Ernest Kline, presented to the Board a review of a site analysis and provided planter recommendations. The Board determined to table the matter at this time due to the possible relocation of the District Office.

4. *Update on Discussion with Cox Communications Regarding Fiber Optic Service to Beach Road*

In a meeting on Friday, February 20, 2015, with Erickson Rodriguez, Supervisor of Construction Services for Cox Communications, it was pointed out that, presently, there is no technology available to make a direct connection from a fiber optic line into a TV, TV box, computer or Modem. These devices are manufactured with ports/receptacles that are compatible with the fittings on coaxial cable. If a fiber optic cable was brought into the community along the existing power poles and thereafter, split and distributed to each home, the fiber would still, at some point, have to be converted to coaxial cable in order to directly connect with the media equipment in the home.

Cox Communications is not yet at the point in the evolution of their fiber optic service, to deliver this into existing residential neighborhoods. Some newer residential developments do have fiber delivered to the exterior of the home, however the wiring in the walls is still coaxial cable. The issue with coaxial cable, even the more precision RG6 cable, is that the copper line is subject to corrosion, which interferes with the quality of the signal. There are measures that can be taken by Cox field technicians to reduce the corrosion at the points of connection by using rubber moisture protection shields that seal out condensation and rain water.

Cox recommends that, for the time being, homeowners evaluate their existing cable wiring and upgrade to the precision RG6 cable, if it is not already wired into the home. The older RG59 cable is more susceptible to interference and does not carry the bandwidth of the RG6. This by itself should make a dramatic improvement to the home reception quality. Additionally, in this marine environment, the cable connections need to be regularly evaluated for corrosion and serviced to receive the maximum quality of reception.

Cox also recommends that the community save their money in attempting to get fiber service now and wait until the utility provider creates the program for delivering fiber to existing residential neighborhoods. It could be several years. The viable option today, is to upgrade existing coaxial cable and take advantage of the greater bandwidth that comes with the precision RG6 cable. The cable specified is Belden, 1694A (RG6), 4.5GHz

5. *Manager's Priority List*

- A. Work on cleaning out the District storage unit and creating onsite storage in the north gate yard
Progress: Continue scanning as much of the paperwork as possible and reduce what needs to be stored
- B. Continue monitoring progress by the County on the Poche water quality control program
Progress: Nothing new to report as of January 20, 2015. Remove from Manager's Priority list and report as needed
- C. Try to find a more cost-effective painter for re-oiling the woodwork on the guard building and gates
Progress: Board President Masto has suggested looking for a part-time handyman for this scope of work and other incidental jobs
- D. Repair of corroded and damaged drain pipe at drain #14, at 35691 Beach Road
Progress: The City completed this work in early January 2015, but have yet to install a flap gate
- E. Bids for a community-wide CCTV system for security monitoring purposes
Progress: This item may be incorporated into the eventual fiber optic service installation
- F. Follow up with Greenfield Communications regarding the possibility of fiber optic cable and undergrounding utilities
Progress: Consideration of Greenfield Communications is currently on hold
- G. Contact San Clemente High School Cross Country track team regarding the annual beach clean-up
Progress: The District may be able to revisit this item in the spring, after winter weather settles down

K. **NEW BUSINESS**

1. *Responsibilities and Duties for a Potential Handyman*

ACTION – District Manager Russell will compile a list of duties and responsibilities for a potential handyman.

L. **WRITTEN COMMUNICATION**

There were no written communications

M. **BOARD AND STAFF COMMENTS**

No Comments

N. **ADJOURNMENT**

Board President Masto officially adjourned the Meeting at 8:30 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 #609 held on February 24, 2015.

Donal S. Russell

DONAL S. RUSSELL, Manager
CAPISTRANO BAY COMMUNITY SERVICES DISTRICT

March 31, 2015

DATE