

**REGULAR MEETING #611
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES
Tuesday, April 28, 2015
REGULAR MEETING: 6:30 pm
OPEN TO THE PUBLIC
Location: Palisades United Methodist Church
27002 Camino de Estrella, Capistrano Beach, CA**

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

Board President Masto led attendees in the Pledge of Allegiance.

3. ROLL CALL

Directors Present: Breeding, Clark, Masto & Muller
Directors Absent: Haack
Staff: District Manager Russell
Agents: Authorized Agent Morris, Webb Community Management, Inc.
Contractors Present: Securitas, Branch Manager Keirouz

4. PUBLIC COMMENTS

No public comments.

5. APPROVAL OF MINUTES - Meeting #610 of March 31, 2015

Board President Masto summarized the March 31, 2015 #610 Meeting Minutes. Director Breeding brought up a discrepancy in the Meeting Minutes #610, page 3, #13 New Business. The verbiage, "The City of Dana Point states that they cannot stop this type of house from entering a neighborhood," should be corrected to read, "One City official gave their opinion that the City of Dana Point cannot stop this type of activity in a residential zone."

MOTION - A motion was made by Director Breeding and seconded by Director Clark to adjust the verbiage on point #13 in the Minutes of Meeting #610 and re-vote approval of the Minutes #610 at the May 26, 2015 Board Meeting. The motion was passed by a vote of 4-0-1. (Director Haack absent)

6. SECURITY - Monthly Securitas Report for March 2015 and Crime Awareness Day Update

Branch Manager Keirouz addressed the Board concerning a security breach that happened last week wherein vehicles gained unauthorized access into the community. Security staff was directed to devise a procedure for gate attendants to prevent this from occurring in the future and report back at the May 2015 board meeting.

7. FINANCE - Report of Monthly Expenses through March 2015

Director Muller requested that the expense under "Metrolink Parking/Entry Project" for \$6,969.81 be reallocated so as to not affect the current fiscal year budget, with the possibility of moving the funds under Capital Improvement.

ACTION – Authorized Agent Morris will be contacting the District's CPA to request this update to the Financials. There will be a motion made at the next Board Meeting, May 26, 2015, to approve reallocating the funds.

8. FINANCE – Draft Financial Management and Investment Policy

Board President Masto drafted the Financial Management and Investment Policy and he recommends that the District have at least 30% liquidity of funds to cover natural disasters. Director Muller requested each Board member review the Draft Financial Management and Investment Policy and vote on approval at the next board meeting on May 26, 2015.

ACTION - District Manager Russell will be clarifying the first point in the policy and will distribute an updated Draft Financial Management and Investment Policy to a consultant for review.

9. FINANCE – Development Impact Fee

The Board reviewed the methodology of the District's Development Impact Fee program (Ordinance No. 05-206) and has determined to not amend or revise the process of calculating the amount of fees charged to a homeowner at the present time. However, the Board has determined to carefully review the next, several permitted projects to more closely evaluate the actual scope of work being proposed and compare it to the fee being assessed. District Manager Russell is to review plans and develop the proposed fee and, prior to assessing the owner, the Board is to review and approve all fees. This protocol will ensure that any fees charged are commensurate with the scope of work for the project.

10. Administrative Office – Progress Report

The Board has worked out the details of maintaining the District Administrative Office on Beach Road and is now able to begin organizing the final placement and completion of the office project over the next two months.

The proposed plan is to relocate the office onto the grassy area just to the south of the community entrance. There will be some slight grading required and concrete footings placed to support the structure in its new location. The exact location will be more to the south of the flagpole, about midway between the flagpole and the last palm tree on the grass.

Drawings are currently undergoing minor revisions relating to the exact positioning of the office on the grass. The next phase will include solicitation of bids for the improvements followed by the actual construction.

A lengthy discussion ensued regarding the desired placement of the office within the grassy area, angled vs. squared-up with the exiting curb line.

MOTION - A motion was made by Board President Masto and seconded by Director Breeding to request that the District Office be positioned parallel to the street and not at an angle, as proposed in the concept drawings. The motion was passed by a vote of 4-0-1. (Director Haack absent)

11. Old Business – Sober Living Homes on Beach Road

There was discussion over a proposed letter to the Beach Road community concerning the District's opposition to sober living homes on Beach Road. Directors Clark and Breeding both cautioned that the language of the letter must be very carefully worded to ensure compliance. Homeowner, Sheila Bullock, agreed to this point and suggested that it would be helpful make a distinction between sober living home operations and short-term vacation rentals to ensure that property owners understand that this not to be construed as an opposition to vacation rentals. District Manager Russell inquired if the Board would like the draft of the proposed letter to be reviewed by legal counsel prior to mailing. Board President Masto indicated that there would be no legal review at this time.

ACTION - Board President Masto will be revising the draft, proposed notice and circulate a copy to the Board for comments prior to mailing to the community.

12. Old Business – Short Term Rentals

In completing the process of legalizing short-term rentals within the City of Dana Point, the City has proposed an amendment to the Zoning Code, which must be approved by the California Coastal Commission (“CCC”) prior to implementation. The application has been submitted to the CCC but not yet approved.

The Board reviewed and discussed the City’s application to the CCC and the response letter from the CCC, (both posted on the District’s website under Agenda Reports, Item 12). This document was obtained by Beach Road homeowner, Sandy Hoose, who contacted the CCC staff recently and was provided with the copy.

Throughout the Environmental Impact Checklist in the application packet, there are asterisks noted by Mr. Hoose, questioning the truthfulness and the accuracy of the City’s “No Impact” responses to several of the questions about impact to the environment.

ACTION – President Masto and District Manager Russell will phone the CCC Analyst, Mr. Fernie Sy, and address the report and the fact that many of the responses do not accurately reflect the existing conditions in the Beach Road community. At that time, President Masto and District Manager will also request the District be placed on a mailing/notification list for communications and noticing of all public hearings on the matter.

13. Old Business – Undergrounding Utilities

The Board’s efforts with progress on the matter of undergrounding utilities stalled during the discussions with Greenfield Communications regarding fiber optic cable for Beach Road. The owner of Greenfield Communications reportedly had a staff member with the firm who was formerly employed by AT&T and had experience with undergrounding utilities. The possibility of making progress through Greenfield on this topic never materialized, as the matter of fiber optic service never came to fruition.

Board President Masto requested this item be revisited so the Board can reexamine the topic once again in the future. There was discussion on the need to set up a timetable and obtain a scope of work from a construction contractor, including the potential need to re-pole the community.

ACTION – Director Muller will be contacting a construction contractor to prepare a proposal and cost estimate for the District.

14. New Business – Drought-Water Use Restrictions

The State of California’s new water use limitations are resulting in irrigation restrictions, which now restricts commercial irrigation systems to run for 10 minutes only and one day per week. As a consequence, the grassy area at the community entrance is dying for lack of water.

The local South Coast Water District is offering a rebate to agencies and homeowners who remove grass and replace with either artificial turf or drought-tolerant plants.

The existing grass area encompasses approximately 1,525 sq. ft. When the District administrative office is placed on the grass, approximately 450 sq. ft. of grass will be eliminated, which will bring our grass area total closer to the 1000 sq. ft. limit being offered in rebates by the Water District. The Water District will rebate up to \$2.00 per sq. ft. to a maximum of \$2,000 per project, however, average costs for artificial turf can run from \$5.00 to \$8.00 per square foot. The discussion on the possible replacement of the grass with artificial grass has been tabled at this time.

15. New Business – District Newsletter

There was discussion regarding keeping the community informed on a regular basis.

ACTION – Board President Masto will be composing a community newsletter.

16. WEBB MANAGEMENT - Monthly Report through April 22, 2015

March Financials were completed and emailed to the Board on April 22, 2015.

Authorized Agent Morris assisted Board President Masto and District Manger Russell in preparing the Draft Investment Policy which was presented to the Board at the April 28, 2015 Board Meeting.

17. Written Communications

There were no written communication presented at this Meeting.

18. CBRA REPORT

CBRA reported two upcoming events.

- May 23, 2015, will be the date of the Spring Meeting, at 35147 Beach Road, the home of Gretchen Augustyn.

- August 15, 2015, will be the date of the annual Summer Party, at 35811 Beach Road, the home of Wayne Schafer.

19. BOARD AND STAFF COMMENTS

No comments were presented at this Meeting.

20. ADJOURNMENT

Board President Masto officially adjourned the Meeting at 9:40 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 #611 held on April 28, 2015.

Donal S. Russell

DONAL S. RUSSELL, Manager
Capistrano Bay Community Services District

May 26, 2015

DATE