

# DRAFT

# ITEM 5

**REGULAR MEETING #612  
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS  
MINUTES**

**Tuesday, May 26, 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, Haack, Masto & Muller  
Directors Absent: None  
Staff: District Manager Russell  
Agents: Authorized Agent Morris, Webb Community Management, Inc.  
Contractors Absent: Securitas, Branch Manager Keirouz

**4. PUBLIC COMMENTS**

Homeowners Jeff Lurner (35621), Mario Sustayta (35605) and Chris Miller (35119) all spoke in opposition to sober living homes in the Beach Road community.

**5. APPROVAL OF MINUTES - Meeting #611 of April 28, 2015**

Board President Masto summarized the April 28, 2015 #611 Meeting Minutes.

*MOTION* - A motion was made by Director Muller and seconded by Director Breeding to approve the Minutes of Meeting #611 with one correction: to input Director Clark's last name correctly on Page 1, Item 5. The motion was passed by a vote of 4-0-1 (Haack was absent for the April meeting).

**6. SECURITY - Monthly Securitas Report for April 2015 and Crime Awareness Day Reminder**

There was no formal security report given due to the fact that Securitas, Branch Manager Keirouz was absent. Director Muller is requesting to have Securitas monitor sprinkler usage.

*ACTION*- From the list generated by Securitas concerning homeowners who may be overwatering, District Manager Russell will be notifying said homeowners of over water usage.

**7. FINANCE - Report of Monthly Expenses through March 2015**

*ACTION* – Authorized Agent Morris will be researching a new bank account to help distribute funds from the operating Farmers & Merchant Account.

**8. FINANCE – Draft Financial Management and Investment Policy**

The draft is under review by Fieldman Rolapp & Associates, but will not be available for further Board action until the June 30, 2015 Board Meeting.

**9. FINANCE – FY16 Draft Budget – Progress Report**

The budget for the upcoming fiscal year is currently in preparation and will be available to the Board for review no later than Wednesday June 10th with a budget workshop scheduled for Tuesday June 16th, 9:30 am

at the District office. The purpose of the workshop is to review and discuss each line item, both revenue and expenses, for any adjustments that might be necessary. This schedule allows a full 15 days for revisions before final approval at the June 30th board meeting.

**ACTION** – Workshop Meeting, June 16, 2015, 9:30 am, at the District Office to go over Draft Budget, with a possible second meeting TBD.

**10. Administrative Office – Progress Report**

The proposed positioning of the office on the grassy area was approved by the Board after staking was placed to show exactly how the office placement will impact the surrounding vegetation, irrigation system and landscape accent lighting. Some sprinkler heads and lighting fixtures will have to be capped off/relocated and three hibiscus bushes will have to be permanently removed.

Currently, the office is being repainted and any rust abated in preparation for relocation and exterior improvements.

Concept sketches were provided by homeowner, Dave Gutierrez, that are being used to solicit bids for the exterior work. The contractors have indicated that some specific details are not shown on the sketches, making it difficult to zero in on pricing. This type of uncertainty usually results in cost estimates that are inaccurate and inflated to cover the unknown details. The significant missing details are with the roof framing, method of attachment to the building, slab/footings, entry door specs, plan view measurements and setbacks and details on converting the second doorway to a solid wall with window. Dave is out of the country and will not return until the end of the month. At that time some of the final measurements and details can be determined and that information provided to the contractors who can then work out their final bids.

**ACTION** – As soon as missing architectural details are finalized, the plans will be sent out for bid by District Manager Russell.

**11. Old Business – Sober Living Homes on Beach Road – Review of Draft Letter**

The following is the draft of a proposed notice to be sent out to property owners and property managers expressing opposition to sober living/recovery homes in the Beach Road community:

*To all property managers and owners of short-term rental properties; The Board of Directors of the Capistrano Bay District strictly prohibits Short and Long term Rentals which involve any type of Commercial Venture. Possible examples of this could include Corporate Retreats, Business Conferencing, and Rehabilitation Units. The Board also recommends that Realtor Agents and Owners of Rental Properties resist an apparent growing trend of renting solitary bedroom units to individual persons, a process usually reserved to Hotels or Boarding Houses. The Board is concerned that this type of rental invariably leads to parking issues in a community that is already severely hampered by a lack of public parking spaces. Additionally, increased traffic on our narrow, frequent, one way roadway is hazardous and presents many safety concerns. Violators of these policies may be subject to significant assessments. Thank You*

The Board gave their approval of the community letter.

**ACTION** – District Manager Russell will be mailing out the notice on May 27, 2015.

**12. Old Business – Short Term Rentals – Letter sent to Coastal Commission on 05/12/15**

On May 13th, the District sent a letter to the California Coastal Commission (CCC) expressing concern regarding the City's application to the CCC for a Zoning Amendment to legalize short term rentals. Since the community of Beach Road is within the 'Coastal Overlay Zone', any zoning or local coastal plan changes must be approved by the CCC. In a telephone call to the CCC, it was explained that the City was asked to submit additional information to make the application complete. That has been done and the CCC has now requested a time extension to schedule a public hearing. The District was told a hearing might not be set until late 2015 or early 2016.

A copy of the District's letter to the CCC is available on the District's website under "Your Government", "Reports", Item 12 "Short Term Rentals"

13. **Old Business – Undergrounding Utilities** – Moved to June Meeting  
Director Muller is working on obtaining a proposal.
14. **Old Business – District Newsletter** – Further Discussion  
Board President Masto is working on formulating a District Newsletter. More discussion to follow at June 30, 2015 Board Meeting.
15. **New Business** –  
No new business for this month.
16. **WEBB MANAGEMENT - Monthly Report through May 21, 2015**  
April Financials were completed and emailed to the Board on May 18, 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. Authorized Agent Morris contacted the District's CPA to request this update to the Financials. Per an email from Chris Vossman on May 15, 2015, the adjustment will be as follows: the amount of \$6,969.81 will be placed on the April Balance Sheet under Fixed Assets: Depreciable Assets: Entryway. Director Muller approved the reallocating of the funds as they were shown on the April Financials.

17. **Written Communications**  
There were no written communication presented at this Meeting.
18. **CBRA REPORT**  
CBRA reported on two events.
  - The May 23, 2015, Spring Meeting, at 35147 Beach Road, the home of Gretchen Augustyn was a great success. A very informative meeting on the decommissioning of San Onofre Nuclear Plant.
  - 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 9:00 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 a *DRAFT* copy of the Minutes of meeting #612 held on May 26, 2015.

Donal S. Russell

DONAL S. RUSSELL, Manager  
CAPISTRANO BAY COMMUNITY SERVICES DISTRICT

June 24, 2015

DATE