

DRAFT

ITEM 5

**REGULAR MEETING #613
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS
MINUTES**

**Tuesday, June 30, 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

There were no public comments.

5. APPROVAL OF MINUTES - Meeting #612 of May 26, 2015

Board President Masto summarized the May 26, 2015 #612 Meeting Minutes.

MOTION - A motion was made by Director Clark and seconded by Director Haack to approve the Minutes of Meeting #612. The motion was passed by a vote of 5-0

6. SECURITY - Monthly Securitas Report for May 2015

Securitas Branch Manager Keirouz reported that the month of May was relatively incident free. Concerning the breach of security from the month of April, for all guest passes that are given to realtors who bring in prospective buyers, their guest passes are now being circled with a blue marker. This signifies to the guards that this is a "one-time entry only" pass.

Director Breeding suggested that there needs to be more training for the front gate guards. He has witnessed times where the front gate traffic is backing up to the railroad, due to guests with check in matters. The flow thru the front gate needs to be smoother, especially on Saturday's with the extra rental check-ins. Securitas Branch Manager Keirouz confirmed that during the summer months, on Saturdays, beginning with the July 4th weekend, there will be one additional guard on duty in the afternoon to help with the flow.

ACTION- District Manager Russell will be notifying homeowners, and the rental agencies, to make sure everyone is utilizing Dwelling Live or making sure they personally call in their guests and/or service companies.

Board President Masto brought up the matter of monitoring the pedestrian gate. Currently the gate is only monitored randomly. The guard at the gate house will ask the pedestrian what home they are going to just to make sure they belong within the community. But the majority of the time, the guard is busy with checking

in vehicles and does not catch the pedestrians walking or riding their bikes thru the pedestrian gate. After much discussion, Board President Masto decided to table the matter to a future meeting.

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

After reviewing the financial reports, Board President Masto conveyed that all the reports looked in order.

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

Board President Masto reviewed and summarized the draft Financial Management and Investment Policy. He stated that the document is fine as written.

MOTION – A motion was made by Director Breeding and seconded by Director Muller to approve the Financial Management and Investment Policy with the exception that the last bullet point on page 1 will be updated to say, “Adoption of the investment policies will be by (4) four votes or more of the Board of Directors (after legal review).” The motion was passed by a vote of 5-0

ACTION – District Manager Russell will obtain a new signature card from Farmers & Merchant and from Sunwest Bank so that Directors Muller and Carter may be added as signers to the accounts.

9. **FINANCE – FDIC Insured Bank Accounts**

The FDIC has provided some useful information regarding Public Funds Accounts that will serve to simplify the Board’s efforts to maintain maximum FDIC protection on all deposits. According to FDIC, public agencies are entitled by law to maintain \$250K in both a savings and a checking account. This translates into a total of \$500K that can be placed in a single banking institution.

For the near future, the District should be able to open a second account at our existing local Wells Fargo Bank, as well as our Farmers & Merchants Bank, to protect all the finds in both banks.

ACTION – Director Muller will be contacting FDIC to double check on the definition of Public Funds. How does a normal business checking and/or savings account obtain the status of Public Funds?

ACTION – Authorized Agent Morris will be contacting the CPA, Chris Vossman, to ask his clarification of Public Funds vs Annual User Fee income. “Public Funds would be the Property Tax Revenue from the County and Annual User Fee income would be categorized as?”

ACTION – District Manager Russell will be looking into the option of Treasury Bills as an additional protected depository for some of the District’s money.

10. **FINANCE – FY16 DRAFT BUDGET – PROGRESS REPORT**

The Board of Directors reviewed the FY16 Draft Budget and have recommended the following two revisions:

- Revision 1 – Provide a raise to certain tenured Securitas Officers as per the Manager’s recommendations.
- Revision 2 – Provide a stipend to all Board Members not to exceed \$599 per year.

ACTION – Authorized Agent Morris will increase the budget item for board meetings by \$3000 to cover the Directors’ meeting stipends.

MOTION – A motion was made by Director Muller and seconded by Director Clark to approve the FY16 Budget in the amount of \$1,072,706.72, with the above two revisions included, as presented June 30, 2015. The motion was passed by a vote of 5-0.

11. ADMINISTRATION OFFICE – Progress Report on Moving to the Grass Area

The Board approved the hiring of Dave Gutierrez to complete drawings, details and plans for completing the exterior renovations to the Administration Office. Plans have not been completed as of Friday, June 26, but are expected by mid-next week (week of June 29). Four contractors have been solicited for bids and all are waiting for the completed drawings so they can finish up their proposals.

The four contractors are:

- Dunn Construction
- Damaske Construction
- Crawford/Staggs Builders
- Orion Construction

Whatever time the plans are completed and can be distributed to the bidders, the contractors should be given 10 days to submit their proposals. One of the challenges will be to locate enough of the special dark lava stone. It has to match the color of the lava at the entry area or at least be close. Fortunately there is some distance separating the two areas so a perfect match is not necessary.

Construction Schedule:

If plans are ready in first week of July, bids could be submitted and a contractor possibly selected by late July. This does not mean the contractor would start immediately. It is possible this project might not get underway until September depending on the contractor's current schedule, work load and availability of his subs. Every effort will be made to focus on fast-tracking this project wherever possible.

12. Old Business – Undergrounding Utilities

Moved to July Meeting per Director Muller, however there may be a possible interim meeting with an expert consultant.

13. New Business

No new business for this month.

14. WEBB MANAGEMENT – Monthly Report through June 26, 2015

May Financials were completed and emailed to the Board on June 17, 2015.

15. Written Communications

There were no written communication presented at this Meeting.

16. CBRA REPORT

CBRA announced upcoming event:

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

17. BOARD AND STAFF COMMENTS

Board of Directors announced there will be no August Board Meeting.

ADJOURNMENT

Board President Masto officially adjourned the Meeting at 8:10 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 #613 held on June 30, 2015.

Donal S. Russell
DONAL S. RUSSELL, Manager
CAPISTRANO BAY COMMUNITY SERVICES DISTRICT

July 13, 2015
DATE