

**REGULAR MEETING #635  
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS  
MINUTES**

**Tuesday, September 26, 2017  
CLOSED SESSION 5:45 PM  
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 6:35 p.m.

**2. PLEDGE OF ALLEGIANCE**

Board President Masto led attendees in the Pledge of Allegiance.

**3. ROLL CALL**

Directors Present:	Haack, Muller, Masto
Staff:	District Manager Russell,
Agents:	Authorized Agents Sascha Camargo & Jim Parsons, Webb Community Management, Inc.
Directors Absent:	Breeding, Clark
Contractors Present:	Securitas Area Manager, Kelly Becker and PC Robert Stabenow.
Guest Speakers:	Mr. Lou Galuppo, attorney for Galuppo & Blake Law Firm

**CLOSED SESSION DISCLOSURE**

The Board advised members that the following issues were discussed in Closed Session prior to the Regular Session Meeting and that no action was taken:

- Shoreline Protection Legal Matters

**4. PUBLIC COMMENTS**

Homeowner Jeff Lurner pointed out his concerns regarding security matters:

- new staff not asking for call-in passwords
- security should be checking authorization for UPS/FEDEX/COX/SDGE/GAS CO/ETC.
- still waiting for patrol electronic check-in stations throughout the community
- patrol vehicle spotlight/pick up old newspapers on driveways
- appears to be very slow activity by security in the early morning hours

**5. APPROVAL OF MINUTES**

**a. Meeting #634 of July 25, 2017**

Board President Masto summarized the July 25, 2017, #634 Meeting Minutes.

***MOTION*** – A motion was made by Director Haack and seconded by Director Muller to approve the Minutes of Meeting #634. The motion was passed by a vote of 3-0-2 (Directors Clark and Haack were absent).

**6. SECURITY**

**a. Monthly Securitas Report for August 2017:**

Security report presented by Securitas Post Commander. The Board requested Securitas enforce basic protocol by asking owners / vendors for their passwords. The security patrol needs to show a presence in the early hours of the morning and make sure there is a spotlight on the patrol vehicle. PC Stabenow explained that there is an auxiliary spotlight in the vehicle

plus the light bar is equipped with one forward-facing and two side-facing ‘alley lights’ on the vehicle light bar on the roof.

Securitas officers will contact the Police if required when guests attempt to gain or force access without authority. The Board agreed that short-term rentals should not be permitted on a home if three (3) incidents occur. In addition, renters will not be allowed access if not on the owner entry list.

Manager Russell will coordinate with PC Stabenow for additional training of the staff regarding the remaining security issues expressed by Mr. Lurner in Public Comments.

Securitas recommended adding one set of rubber speed bumps along the 600 block due to speeding. The Board approved the addition of the speed bumps.

**MOTION** – A motion was made by Director Haack and seconded by Director Muller to approve. The motion was passed by a vote of 2-1-2. Director Masto was opposed and Directors Breeding and Clark were absent.

**7. SHORELINE PROTECTION COMMITTEE**

The Attorney (Lou Galuppo) from the Districts Legal Team was present to provide a progress report.

- **The Shoreline Protection Phase Two is still in Process:**

Mr. Lou Galuppo attended to update the Board and Members on the status of phase two and the updating of the governing documents. Mr. Galuppo will be working on communications with Dave Skelly to update his ‘Beach Rocks and Sand Supply’ report from 2012 and to create an informational brochure or newsletter-type communication to educate homeowners on the Committee’s progress. Mr. Galuppo was also directed by the Board to draft a letter to the City of Dana Point opposing their recent action in re-zoning the entirety of Beach Road into the FP-3 floodplain.

**8. FINANCE**

**a. Report of Monthly Expenses through August 2017:**

Board President Masto reviewed the Financials through August 2017. It was reported all looked in order year to date except for what appears to be a donation to the Red Cross for \$250. Manager Russell explained this was the fee for attending the annual Disaster Preparedness Seminar sponsored by the Red Cross, which they classified as a ‘donation’.

Current Assets:	\$3,423,460.43
Current Liabilities:	53,117.88
Total Equity:	3,423,460.43

**9. OLD BUSINESS**

**a. Proposed New Railroad Parking License Agreement from OCTA:**

The Railroad (OCTA) has been sent a letter by the District outlining the district’s position that the proposed new license agreement is invalid. While OCTA has acknowledged receipt of the letter, there has been no further communication to date.

**b. Undergrounding of Utilities –Options and Cost Estimates:**

The Board reviewed the cost estimates for undergrounding utilities in both the north half and south half of the community:

PHASE 1 (north half of community)

- #1 - *Complete Underground Installation from entrance to turn around at 35537:*  
Underground all utilities - **\$2,783,000** (transformers on the ground, all poles gone)
- #2 – *Partial Undergrounding – leave poles, power lines and transformers in place*  
Underground TV & Phone only - **\$1,419,000** (transformers left on poles)

PHASE 2 (south half of community)

- Partial Underground Installation from turnaround south to 35857 at the end of the road*  
Underground TV & Phone Only - **\$1,016.800** (transformers/power lines stay on poles)

The Board continued the item to the next meeting for more information and discussion regarding a presentation to the community. It was pointed out that there may be a math error in the consultant’s cost estimate. Manager Russell was directed to look into this plus confirm whether the estimate included the cost for street lights and special street light poles. Obtaining a loan to finance the project was also discussed.

**c. Report on City Council action regarding flood control zone changes**

This item ended up being discussed back under agenda item 7 as it relates directly to the Shoreline Committee work. The attorney for the Committee was directed to draft a letter of opposition to the City regarding their action at the City Council meeting back in May 2017, to change the extent of the FP-3 coastal flood zone to include the entirety of the Beach Road community.

**10. NEW BUSINESS**

There was no new business

**11. QUALITY OF LIFE DISCUSSION TOPICS**

a. Short-Term Rentals

The discussion centered around continuing problems with parties and over-occupancy in the STR’s. The Board suggested establishing a three-violation limit on STR’s whereupon the District would terminate that property from operating as a rental. Admin Assistant Morris was directed to begin a more closely monitored file on rental violations.

b. Landscape Review Committee items

The Board approved an increase in the landscape maintenance monthly contract of \$450 to allow the crew more hours to provide a more detailed maintenance job each week.

**12. WRITTEN COMMUNICATIONS**

The Board reviewed correspondence from attorney Jeff Eddington related to the City’s efforts to change the FP-3 zone which was discussed in agenda item 7.

**13. BOARD AND STAFF COMMENTS**

Board President Masto announced his intent to step down from service on the Board of Directors and directed Manager Russell to send out a community notice soliciting interested volunteers to join the Board.

**ADJOURNMENT**

Board President Masto officially adjourned the Meeting at 10:03 P.M.

Meeting # 635  
September 26, 2017

**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 #635, held on September 26<sup>th</sup>, 2017.

          Donal S. Russell            
DONAL S. RUSSELL, Manager

          October 31, 2017            
DATE