

**DRAFT**

**ITEM NO. 5**

**REGULAR MEETING #636  
CAPISTRANO BAY DISTRICT BOARD OF DIRECTORS  
MINUTES**

**Tuesday, October 31, 2017  
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 6:32: p.m.

**2. PLEDGE OF ALLEGIANCE**

Board President Masto led attendees in the Pledge of Allegiance.

**3. ROLL CALL**

Directors Present: Breeding, Muller, Masto, Clark  
Staff: District Manager Russell,  
Absent: Director Haack  
Agents: Authorized Agents Jim Parsons, Webb Community Management, Inc.  
Contractors Present: Securitas Branch Manager, Jorge Moreno & P.C. Robert Stabenow.  
Guest Speakers: Mr. Lou Galuppo, attorney for Galuppo & Blake Law Firm attended the executive session only.

**CLOSED SESSION DISCLOSURE**

The Board advised members that the following issues were discussed in Closed Session prior to the Regular Session Meeting:

- Shoreline Protection Legal Matters
- Zone Ordinances and Resolutions
- Flood Plane District Position Letter by Legal to City.

**4. PUBLIC COMMENTS**

There were no comments from the members present.

**5. APPROVAL OF MINUTES**

**a. Meeting #635 of September 26, 2017**

Board President Masto summarized the September 26, #635 Meeting Minutes.

*MOTION* – A motion was made by Director Breeding and seconded by Director Muller to approve the Minutes of Meeting #635. The motion was passed by a vote of 3-0-1 (Haack absent tonight and Clark abstained due to absence at #635).

**6. SECURITY**

**a. Monthly Securitas Report for September, 2017:**

Security update presented by Securitas Post Commander. The Board was advised there are spotlights on the patrol vehicles overhead bars as requested by the Board of Directors. In addition, speed bumps have been installed at the 600 block which have improved traffic issues and checkpoints along Beach Road now have chips installed that are being scanned by the security guard to track their activity. Securitas personnel must exit their vehicles to activate the chips and log activity. The Board complemented Security on the hiring of additional female guards that have been positive for the community. Board asked staff to monitor and compile security responses related to renter activity for including in the monthly Board report.

7. **SHORELINE PROTECTION COMMITTEE**

Attorney Lou Galuppo from the District's Legal Team was not present to provide a progress report during Regular Session. The Board updated homeowners on the current Committee progress.

- **Legal Activity Status:**

There has been a hold placed on progress with the legal team pending a more clear presentation and review of step by step plans by Mr. Galuppo for moving forward with Committee action. The Board will approve services on a step by step basis.

Homeowner Dave Gutierrez commented that many properties are not impacted by shoreline erosion issues because several owners have caissons, boulders, and/or seawalls and that the legal costs could heavily impact the District's finances and unfairly burden owners who may not require protection. Director Muller suggested that owners who have the need for shoreline protection get together on their own vs. the District being involved. Currently many owners are taking independent action to protect their properties.

Homeowner Steve Schwartz warned the Board to be cautious of being guided by the legal team with high expenses and the possibility that no successful outcome may be attained for the community.

8. **FINANCE**

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

Board President Masto reviewed the Financials through September 2017. It was reported all looked in order year to date.

Current Assets: \$3,378,164.10

Current Liabilities: \$50,981.57

Total Equity: \$3,378,164.10

b. **Development Impact Fee (DIF) Report:**

The Board discussed the breakdown of the Development Impact Fee Report. No action was required by the Board.

9. **OLD BUSINESS**

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

The Board has contacted the District's bank, Farmers & Merchants Bank, to explore lending/financing options for possible funding of the proposed Underground Utilities project. It was also suggested that there may be financing possibilities by going through our representative with the Local Agency Investment Fund (LAIF). Staff was directed to contact that agency.

The Board of Directors visited homes south of the turn-around to inspect the potential locations for transformers and to discuss the proposed project with owners, given that transformers would have to be located on the seaward side of the road. Staff was directed to explore the possibility of using the SDGE power pole 'dripline easement' as a location for placing transformers.

The Board also suggested that a plywood model of a transformer cabinet be built, painted SDGE green and used to create photo samples of what the final look would be and share this with homeowners. Board carried over the issue for more review.

**10. NEW BUSINESS**

**a. Board Vacancies**

At the September meeting, Board President Masto had expressed interest in stepping down from the Board to devote time to continue his work with the District Newsletter. President Masto's term expires in December 2018, so the replacement would be made by appointment or a special election. A notice of upcoming vacancy on the Board was mailed out to homeowners in early October. The Board of Directors may schedule interviews with the current volunteers and possibly make an appointment at the next meeting.

**b. Trash Barrel Return at Enclosures**

The District will be labeling the regular and recycle barrels lids with addresses to assist with them being placed back in the correct enclosures.

**11. QUALITY OF LIFE and CBRA DISCUSSION TOPICS**

**a. Short-Term Rentals**

Karen Morris presented a report on the Short-Term Rentals. The City of Dana Point has hired a 3<sup>rd</sup> Party Company – "Host Compliance" to monitor and report on all short-term rental activity, as well as, make sure rental units are in compliance with all City Ordinances. Mrs. Morris will follow-up on the details of the new service and report back to the Board.

**Landscape Committee Recommendations**

The Committee provided recommendations to the landscaper and is awaiting proposals for the board to consider. The landscaping bids will be sent to the Board to review and consideration prior to the next meeting. The landscape has improved but there are still many dry and bare areas that need to be addressed.

**CBRA Annual Fall Meeting**

The meeting is scheduled for November 4, 2017 at 10:00 A.M. 35141 Beach Road. The following topics will be discussed: Surfside Bridge, Doheny Village and Development along PCH Corridor, Homeless and Transient issues.

**12. WRITTEN COMMUNICATIONS**

There were none to review.

**13. BOARD AND STAFF COMMENTS**

The next meeting will be moved to December 5th at 6:30 P.M.

**ADJOURNMENT**

Board President Masto officially adjourned the Meeting at 8:40 P.M.

**ATTEST:**

**State of California**            )  
**County of Orange**            )  
**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 #636, held on October 31, 2017.

DONAL S. RUSSELL, Manager  
Capistrano Bay Community Services District

DATE