

Sunset Beach Sanitary District
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Minutes for the General Meeting of the Board of Directors

April 12th, 2012

7:00 p.m. - Sunset Beach Woman's Club

Directors present: President John Woods, Treasurer Greg Griffin, and Director Graham Hoad.

Staff present: Superintendent Jim Caslin, Engineer Tom Dawes, Clerk Chris Montana.

Community Members/Others: Mr. Tim Haley of Captain Jack's Restaurant and Mr. Applegate of Applegate Plumbing.

President Woods called the meeting to order at 7:00 p.m. President Woods and the Board agreed to move the Engineer's Report to Item #1 on the Agenda to accommodate Mr. Haley and Mr. Applegate.

Engineer's Report: See attached. Engineer Dawes reviewed with the Board the District's Ordinance requirement of grease traps/interceptors in restaurants. He stated that he had sent a letter on March 15th, 2012 to Mr. Tim Haley of Captain Jack's Restaurant informing him of his recommendation to revoke a previously-issued grease interceptor waiver (which was based on Best Management Practices, i.e. cleaning grease before it reaches the sewer). Engineer Dawes' recommendation was based on several sewer blockages resulting from the restaurant's grease discharge despite previous warning letters being sent out. Engineer Dawes expressed his concern of the District being charged fines for a sewer spillage resulting from the blockages. Superintendent Caslin stressed the importance of preventing sewer spills due to potential damage to surrounding environment.

Community Input: Mr. Tim Haley of Captain Jack's Restaurant and Mr. Applegate of Applegate Plumbing had attended the meeting in response to Engineer Dawes letter. Mr. Haley expressed how upset and surprised he was to have received the letter, since it had been his understanding that the restaurant had the proper procedures in place, but that he agreed that the evidence showed otherwise. He explained that a grease barrel was utilized and exchanged out daily and that he observes his team using grease-cleaning procedures during business hours. He also stated that the issue is serious to him and his staff (as well as to the restaurant's reputation) and agreed that it had to resolved immediately.

The Board, District staff, Mr. Tim Haley and Mr. Applegate discussed the costs and technical issues regarding the installation of a grease interceptor. Director Hoad discussed his research regarding a grease trap that could possibly fit underneath a sink. Treasurer Griffin stated that he was in favor of a technical solution in contrast to a change in Best Management Practices. The conversation ended by Mr. Haley agreeing to reimburse the District for the \$800 charge to clear the blockage and a tabling of the issue until next month's meeting while the parties involved devise a proposed solution.

Engineer's Report-Surfside Sewer Extension Update: Engineer Dawes discussed with the Board the options available regarding "non-responses" to the District's letter requesting permission to enter property to perform work associated with the Sewer Extension Project. Engineer Dawes also requested approval from the Board to further investigate financing options available for future projects with a State of California lending agency.

MOTION: Treasurer Griffin moved to authorize Engineer Dawes to further investigate financing options with a State of California lending agency. Director Hoad seconded. Motion passed unanimously.

Minutes of the March 8th, 2012 General Board Meeting: The Directors read the minutes of the March 8th, 2012 General Board meeting. Director Hoad moved to approve the minutes as prepared. Treasurer Griffin seconded. The motion was passed unanimously.

Current Bills: The Directors reviewed Claims Transmitted for Payment dated April 12th, 2012, totaling \$51,796.88. Treasurer Griffin moved to approve the Claims Transmitted for Payment as prepared. Secretary Hoad seconded. The motion was passed unanimously.

Treasurer's Fund Balance Report: Treasurer Griffin reported the Fund Balance as of March 31st, 2012 to be \$1,509,728.

Clerk's Report: Clerk Montana presented a draft of the bi-annual audit report and presented the Management Representation letter for signature. As a follow-up to the auditor's recommendations, a draft of a Cash Reserve Policy and Investment Policy was distributed for Board review, to be adopted in conjunction with the 2012-13 budget. The Clerk reported that the March 2012 No Spill Report and annual Questionnaire had been filed with CIWQS (a copy of questionnaire was given to Engineer).

Superintendent's Maintenance Report: See attached. The Superintendent reported that a new sewer connection permit had been issued for 16785 Bayview Drive. The Superintendent also discussed with the Board the Smart Cover upgrade necessary to convert existing covers from a terrestrial configuration to a satellite configuration. He presented a quote from Hadronex to upgrade 10 manhole covers and requested the Board to approve the inclusion of the cost of the upgrade in the amount of \$25,943.55 in the 2012-13 budget.

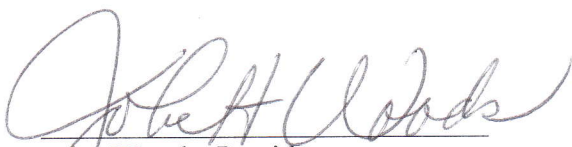
MOTION: Treasurer Griffin moved to include the cost of the Smart Cover upgrade in the amount of \$25,943.55 in the 2012-13 budget. Director Hoad seconded. The motion was passed unanimously.

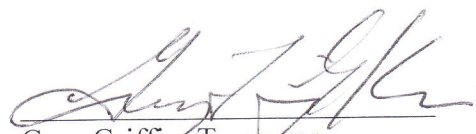
The Superintendent also requested that the Board approve the purchase of District shirts with logo to increase visibility of District staff.

MOTION: Treasurer Griffin moved to approve purchase of District shirts with logo for a cost not to exceed \$300. Director Hoad seconded. The motion was passed unanimously.

Other Business: President Woods agreed to remain the designated voting member in the election to select the special district representative to LAFCO. Secretary Hendler was chosen to remain the alternate.

Adjournment: There being no further business to come before the Board, Director Hoad moved to adjourn the meeting. Secretary ~~Hendler~~ Griffin seconded. Meeting was unanimously adjourned at 8:32 p.m.


John Woods, President


Greg Griffin, Treasurer