



Sunset Beach Sanitary District

P.O. Box 1185

Sunset Beach, CA 90742

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Minutes for the General Meeting of the Board of Directors

August 9th, 2018 - 7:00 p.m.

Sunset Beach Woman's Club – 16812 Bayview Drive

Directors present: Secretary Hoad, Treasurer Bernard Hartmann, Jon Regnier, and Josh Westfall

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

Community: None.

Secretary Hoad called the meeting to order at 7:00 p.m.

Community Input: None.

Review and Possible Approval of the July 19th, 2018 General Board and Annual Board of Equalization Meeting Minutes: After Directors reviewed the June 14th, 2018 General Board and Annual Board of Equalization Meeting Minutes, Director Westfall moved to approve as prepared. Director Regnier seconded, and the motion passed unanimously.

Current Bills: Clerk Montana presented the August 9th, 2018 Claims Transmitted for Payment in the amount of \$75,270.38 for current bills. After review and discussion, Director Regnier moved to approve as presented, Director Westfall seconded, and the motion passed unanimously.

Fund Balance Report: Treasurer Hartmann reported the Fund Balance as of the July 31, 2018 fiscal year-end to be \$1,572,849.

Clerk's Report: Clerk Montana reviewed the trial balance with the Board.

Superintendent's Report: See attached.

Engineer's Report: See attached. After reviewing the report and draft Sewer Ordinance was reviewed, the following motions were made and carried:

MOTION: Director Regnier moved to direct Engineer Dawes to bring an updated draft of the Sewer Ordinance to the September meeting. Director Westfall seconded and the motion passed unanimously.

MOTION: Director Westfall moved to table the acceptance of the EEC FOG services proposal until the September meeting to allow for further review. Director Hartmann seconded and the motion passed unanimously.

Sunset Beach Sanitary District
General Meeting of the Board
August 9th, 2018 Minutes

New Business / Board Member Items: None.

Adjournment: There being no further business to come before the Board, Director Westfall moved to adjourn the meeting at 7:45 p.m., Director Hartmann seconded, and the meeting was unanimously adjourned.



Graham Hoad, Secretary



Jon Regnier, Director



Sunset Beach Sanitary District

Of Orange County
P.O. Box 1185
Sunset Beach, CA 90742

Superintendent's Report
Board Meeting

August 9, 2018

1. High Tide's starting Thursday evening, 7 Ft Plus.
2. Monthly Training completed. **(Staff)**
 - a. Housekeeping Safety.
3. Three Emergency Call-outs. Two Edison issues, one Smart Cover High Level Alarm. **(Staff)**
4. Review Flow Reports.
5. Shop & Equipment maintenance completed. **(Staff)**
6. Upgrade to Broadway Generator and Electrical control system hopefully will be completed the week of the 17th..
(Flo-Systems.&Staff)
7. I will be unable to attend the September Board Meeting.
8. All updates to this report will be presented at the Board Meeting.

MEMORANDUM

August 3rd, 2018

To: Board of Directors of the Sunset Beach Sanitary District
District Counsel
Superintendent
District Clerk

From: Tom Dawes

SUBJECT: Engineer's Report for August 9th, 2018 Regular Board Meeting.

1. Broadway Siphon Replacement.

I have sent exploratory permit request to the following agencies:

City of Huntington Beach (Public Works)
California Coastal Commission
RWQCB, Region 8
U.S. Army Corps of Engineers
California State Fish and Wildlife
California State Lands Commission
County of Orange Public Works

As of this writing, I've had feedback from all but the County of Orange. Following is a summary of what I believe are the next steps and we must do for each agency.

A. City of Huntington Beach (both Public Works and Planning).

I've met and sent information to both departments. I won't be doing much with them directly until we get permits from several other agencies, as the permit process will greatly affect the construction work and the City's permit requirements. For now, I'm keeping them informed every step of the way. Our permitting with the Coastal commission will depend on City cooperation.

B. California Coastal Commission.

We need a permit from the CCC for the work within the channel, and we need a second coastal permit from both the CCC and the City of HB coastal program for work inland from the channel sides. The CCC is open to a joint permit issued by both agencies if HB agrees; to me that seems like the best approach (at this time). I plan to meet with HB planning soon to get their thoughts. The permit process itself seems very similar to what we did a few years ago for the generator building. It will take time, money and patience.

C. Regional Water Quality Control Board (Region 8).

The Santa Ana RWQCB (#8) has said we must get a federal Clean Water Act 401 certification. Their permit process is laborious; it requires permit approvals from other

state and federal agencies so that with some of the others, you almost have to do 1 at a time. I hope to work around that. They charge fees for permit processing. They (and others) require compliance with CEQA (more about that later).

D. U. S. Army Corps of Engineers.

The C of E permit process is very broad and time consuming. The C of E will process this permit in consultation with the U. S. Fish and Wildlife Service; we will not permit direct to them (I don't know if this is good or bad). Also, they will deal with the Coast Guard, so again we won't permit directly with them. We must fill out forms for the Endangered Species Act, the National Historic Preservation Act and a Pre-Construction Notification form. Prior to the final pipe installation, we will have to do it all over again. There will be a lot of work in this application and it calls for the results of all kinds of studies and investigations. I'm taking the position that the site has been 100% disturbed, many times, by the original siphon installation, bridges, 2 sets of channel walls, and dredging, and no more investigations are warranted. I think this approach has a chance.

E. California State Department of Fish and Wildlife.

I've also had a telephone response from the California State Department of Fish and Wildlife, who on July 5 inspected the site and, finding no Ell Grass, said we did not need a permit from them (which I documented)

F. California State Lands Commission.

On July 23rd, I received notice that we did not need a permit from them via telephone (which I documented).

G. County of Orange.

The County of Orange has not responded. I don't think they have any role, and by not responding, it seems they don't care. (It's been nearly 2 months). Unless you direct otherwise, I don't plan to contact them again.

H. CALTRANS.

We will need an encroachment permit to replace the manhole in the intersection of PCH and Broadway, but that's a construction issue that we need plans for and were a long way from that.

We must comply with CEQA. I believe replacing 230-feet of old 6-inch pipe with 230-feet of new 6-inch pipe is Categorical Exempt. I'll probably file an exemption with you, and then to the County recorder in the next couple of months. I'm waiting to see if any of the agencies think different.

I'll need added help from Jones- Cahl to complete the applications for such things as preparation of exhibits, mailers, typing etc. With your concurrence, I'll solicit a new proposal for consideration at the September Board meeting.

2. Sewer Collection Ordinance and Development Issues.

In my July report to you, I stated my opinion that our current Sewer Ordinance, adopted in 2012, should be revised in order to strengthen our authority in dealing with private laterals and connection fees. A draft of my recommendations is enclosed. I also send you a comparison of connections fees with the Cities of Seal Beach and Huntington Beach. As you know, connection fees for the Orange County Sanitation District are collected in those cities, but not in SBSD. Here it is again:

- A. The OCSD bases commercial connections on square footage. In Huntington Beach and Seal Beach, commercial fees are based on water meter size. In SBSD, it's a flat fee regardless of size. Here an example comparison for a 2000 sf commercial building:

Commercial Rates (1-inch water meter; 2,000 sf)

SBSD:	\$1,500
Seal Beach: City fee: \$5,191 plus OCSD fee: \$3,855 min.	Total \$9,046
Huntington Bch: City fee: \$5,269; OCSD: \$3,855 min.	Total \$9,124

- B. For residential connections, SBSD and Huntington Beach have a flat fee. In Seal Beach, It's based on water meter size. OCSD fees are based on the number of bedrooms. Here is an example for a 4-bedroom house with a 1-inch water meter:

Residential Rates (1-inch water meter, 4-bedrooms)

SBSD:	\$1,000.
Seal Beach: City Fee: \$3,210 plus OCSD fee \$4,586	Total \$7,786.
Huntington Bch: City fee: \$2,317 plus OCSD fee \$4,586	Total \$6,903.

The draft of Ordinance 18-01 includes some significant changes. Proposed deletions are shown in ***Bold Italic***. Additions are shown in *Italic*. Some of the tougher recommendations follow:

Section 210 C. Adds requirement that nearly all laterals must be upgraded when construction on the parcel takes place.

Section 201 C. Deletes reusing nearly all laterals.

Section 201 E. No Change. It's always been in our Ordinance sine I wrote the first one. 15 years ago. It's in the City of HB's ordinance. I mention this because of the proposed new air bomb hotel.

Section 210 F. Allows only 1 service per use. Probably needs to be re-worked.

Section 203 B. New fees go here.

Section204 H. Stops pools from draining to the system.

Connection Fees

I recommend we greatly increase our connection fees. We need the new connection fees to help pay for all the rehab we have done, and must do. For example, if we raised the residential fee to \$5,000, we would still be much lower than the fees in Huntington or Seal Beach. For Commercial, the corresponding fee could be \$2.50 per square foot, minimum \$5000, (based on 2,000 sf equaling a house). A connection fee increase of this size would add about \$50,000 per year, equivalent to our last property tax fee increase. Note: An increase in connection fees will trigger a Proposition 218 Notification.

RECOMMENDED ACTION: Consider the issues re our Sewer Ordinance and provide direction to the District Engineer to bring a final draft to the September Board for consideration.

3. FOG Inspections.

I have solicited the attached proposal dated June 21, 2018 from EEC Engineering, the leader in FOG programs in Orange County. It includes a review of our FOG program and our 2002 FOG Ordinance, a review of all commercial establishments and a quarterly inspection program.

I've always said that our frequent line cleaning is the most important thing we can do, and that will not change. We supplement the quarterly line cleaning with yearly inspections by the OCHCA, the latest inspection having occurred in May and June of this year (I'll bring their results for your review to the meeting).

If we're going to upgrade our FOG inspection program, this is the time to do it, ahead of the expected new SSMP order

The proposal calls for an expenditure of about \$28,400 the first year; after that about \$17,000 per year. As I stated, the first year is a complete review of our program and Ordinance.

Our existing program has and is working well, but if we have a spill, what will the RWQCB think of it?

RECOMMENDED ACTION: Consider adding all, part or none of the FOG Services in the EEC Proposal.

4. Invoice for Professional Services.

I have submitted an invoice in the amount \$9,533.93 for professional services and expenses at cost for the 2 month period ending July 31, 2018. If you have any questions, please give me a call.