



Sunset Beach Sanitary District

P.O. Box 1185

Sunset Beach, CA 90742

(562) 493-9932

www.sunsetbeachsd.org

Minutes for the General Meeting of the Board of Directors

November 8th, 2018 - 7:00 p.m.

Sunset Beach Woman's Club – 16812 Bayview Drive

Directors present: President John Woods, Secretary Graham Hoad, Treasurer Bernard Hartmann

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

Community: None.

President Woods called the meeting to order at 7:00 p.m.

Community Input: None.

Review and Possible Approval of the October 11th, 2018 General Board Meeting Minutes:
After Directors reviewed the October 11th, 2018 General Board Meeting Minutes, Treasurer Hoad moved to approve as prepared. Director Hartmann seconded, and the motion passed unanimously.

Current Bills: Clerk Montana presented the November 8th, 2018 Claims Transmitted for Payment in the amount of \$62,572.79 for current bills. After review and discussion, Secretary Hoad moved to approve as presented, Director Hartmann seconded, and the motion passed unanimously.

Fund Balance Report: Treasurer Hartmann reported the Fund Balance as of October 31, 2018 to be \$1,334,103.

Clerk's Report: Clerk Montana reviewed the trial balance with the Board. Clerk Montana reported that the City of Huntington Beach is processing payment of sewer fees related to the 5 greenbelt restrooms in the amount of \$8,000. The Clerk also reported that proceeds had been received from the insurance claim against the motorist damaging the utility cabinet in the amount of \$9,500. Also, 3rd Quarter federal and state payroll tax returns had been prepared and filed.

Superintendent's Report: See attached. In addition, Superintendent Caslin discussed the status and scheduling of FOG inspections in conjunction with EEC as well as recent generator maintenance.

Engineer's Report: See attached. After reviewing the report and recommended actions, the following motions were made and carried:

Sunset Beach Sanitary District
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General Meeting of the Board

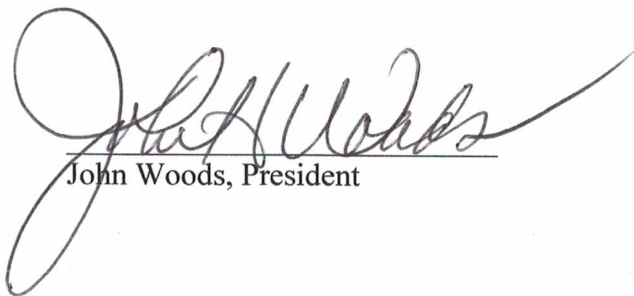
MOTION: Treasurer Hartmann moved to approve the Proposal submitted by GPA Consulting for an Eel Grass survey in an amount not to exceed \$10,619.32 in order to meet Coastal Commission permit requirements for the Broadway sewer siphon replacement. Secretary Hoad seconded and the motion passed unanimously.

MOTION: Secretary Hoad moved to authorize President Woods to send a letter to notify residents within 100 feet of the eel grass study. Treasurer Hartmann seconded and the motion passed unanimously.

MOTION: Treasurer Hartmann moved to schedule and waive the first reading of Ordinance 18-01, Regulating Sewage Collection, and to mail the related Prop. 218 notice to notify property owners within the District of a proposed sewer fee connection increase, after Board recommended changes have been made. In addition, the 2nd reading and public hearing will be scheduled for January 10th. Secretary Hoad seconded and the motion passed unanimously.

MOTION: Treasurer Hartmann moved to schedule and waive the first reading of Ordinance No. 19-01, Regulating Collection of Refuse. In addition, the 2nd reading and public hearing will be scheduled for January 10th. Secretary Hoad seconded and the motion passed unanimously.

Adjournment: There being no further business to come before the Board, Treasurer Hartmann moved to adjourn the meeting at 7:55 p.m., Secretary Hoad seconded, and the meeting was unanimously adjourned.



John Woods, President



Graham Hoad, Secretary



Sunset Beach Sanitary District

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

Superintendent's Report
Board Meeting

November 8, 2018

1. Quarterly maintenance of mobile equipment completed at shop. All equipment operated correctly. **(Staff)**
2. Performed drive-by inspections of restaurants with ECC environmental in preparation for revised F.O.G. program. **(Staff, ECC)**
3. Review Flow Report. **(Normal Flows)(Staff)**
4. Monthly training Completed: **(Staff)**
 - a. Fire Safety
5. Safety Inspection of Shop by S.D.R.M.A. is scheduled in the near future. Should not be an issue.
6. Annual Maintenance and load testing completed on both Generators. Minor fuel leak repaired on Broadway Generator. **(Quinn Power Systems & Staff)**
7. All updates to this report will be presented at the Board Meeting..

MEMORANDUM
November 2nd, 2018

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

From: Tom Dawes

SUBJECT: Engineer's Report for the November 8th, 2018 Regular Board Meeting.

Note, because of the large amount of documents, this report and its attachments are being mailed to you in print form.

1. Status of Broadway Sewer 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 the permit status:

- 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.
- B. California Coastal Commission.
I have submitted an application for a coastal permit from the CCC for the work within the channel. (We may need a second coastal permit from both the CCC and the City of HB coastal program for work inland from the channel sides). HB cooperated in the permit application.
- C. Regional Water Quality Control Board (Region 8).

We have applied for a federal Clean Water Act 401 Certification. They have deemed the application 'incomplete', pending approval of other applications, and completion of CEQA. I've made re-submittals, and the application is still not deemed complete. The RWQCB wanted proof that I applied to the Ca Fish and Wildlife, which I provided, and perhaps coincidentally, (which I doubt), when they found out F & W didn't require an Ell Grass survey, added that to their demands (generally unreasonable demands, in my opinion). They also said I needed a federal 404 permit, which is issued by the C of E.

My recommendations include approval of a contract with a consulting firm to do the Ell grass survey.

D. U. S. Army Corps of Engineers.

We have applied for both a C of E Nationwide permit and a 404 permit. The C of E is now requiring an Ell Grass survey.

E. California State Department of Fish and Wildlife.

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. At the demand of the RWQCB, I had to get that in writing.

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.

I'm told the Coastal Commission will also want an Ell Grass survey. I got the name of a consulting firm from the City of Huntington Beach, GPA Consulting, which did an Ell Grass survey for HB on the Warner Bridge. Turns out, they do this survey work for many public agencies. I asked the RWQCB and C. of E. for a protocol for an Ell Grass Survey; no response from the RWQCB, and a 50 page protocol from the C. of E.

Last month, the Board authorized me to seek a proposal from the firm, and attached is an October 25th, 2018 proposal in the amount not to exceed \$10,619.32

RECOMMENDED ACTIONS: (1) Approve the October 24 2018 Proposal submitted by GPA Consulting for an Ell Grass Survey in an amount not to exceed \$10,619.32.

Now that the Application to the CCC has been submitted, I plan to finalize the RWQCB and C. of E. applications, and call on the utility companies to mark their underground facilities.

Part of the requirements for the CCC application is furnishing mailing envelopes to all property owners within 100-feet of the project. The CCC will mail out soon. I believe we should send a package to Captain Jacks and Mr. Norek, and have prepared the enclosed draft for your review.

RECOMMENDED ACTION: (2) Authorize the President to send the enclosed Letter.

2. Proposed Sewer Collection Ordinance No. 18-01

At the last four meetings, you reviewed possible revisions and made suggestions to our current Sewer Ordinance, adopted in 2012. I believe it should be revised in order to strengthen our authority in dealing with private laterals and connection fees. A revised draft is enclosed.

This draft has new Connection Fee amounts which include provisions for new capital expenditures. While the recommended action is to schedule the first reading of Ordinance, you can still make changes to the recommended fees, or the language itself before adoption. Adoption would be scheduled in January, 2019. The actual reading can be waived.

RECOMMENDED ACTION: (3) Schedule the First Reading of Ordinance NO. 18-01.

3. Proposed Trash Ordinance No 19-01.

We discussed a possible revision to Ordinance No. 17-02 which regulates the collection of refuse in the District. It includes a policing power over the placement of containers in public view. As you know, this has led to a lot of trouble, particularly between neighbors who are upset when a container isn't put away timely. Both the Cities of Huntington Beach and Seal Beach have municipal codes which regulate the placement of refuse containers in public view. Both Cities have Code enforcement officers and we could drop the enforcement of container placement in public view, and leave it to the Cities.

By way of history, the policing power was necessary when the District served unincorporated county. Now, 100% of our service area is within a city.

I have discussed this possible revision with the City of HB, but have been unsuccessful in reaching anyone in the City of SB. I have also sent a notification of possible action to the Surfside Colony requesting their thoughts.

Proposed Ordinance No 19-01 is attached which includes this revision for your consideration. The principal change is to Section 213. The actual reading can be waived.

RECOMMENDATION: (4) Schedule the First Reading of Proposed Ordinance No. 19-01.

4. Proposition 218 Notification.

Raising Connection Fees requires a Proposition 218 Notification. We will have a draft for you to review at the meeting.



Sunset Beach Sanitary District NOTICE OF PROPOSED ENACTMENT OF ORDINANCE NO. 18-01 AND SEWER FEE CHANGES

Why are you receiving this Notice?

This Notice is provided to you by the Sunset Beach Sanitary District (the "District") pursuant to Proposition 218, which requires public agencies to notify property owners of proposed changes to property-related fees. The Sunset District provides sewer and trash collection, treatment and disposal services for the communities of Sunset Beach (within the City of Huntington Beach) and Surfside Colony (within the City of Seal Beach). The District is funded by a portion of the property tax basic levy, service fees collected on property tax bills, and sewer connection permit fees for new construction and remodels.

What fees are being proposed to change and why?

The District is proposing to charge a Capital Facilities Connection Fee in lieu of the current sewer connection permit fee when an owner builds or remodels property that connects to the District's sewer system. Currently, the sewer connection permit fee is \$1,000 for residential units and \$1,500 for commercial/industrial units. The Capital Facilities Connection Fee would apply to new construction and remodels (exceeding \$100,000 in cost), and be equal to \$3,000 per residential unit and a \$3,000 minimum per commercial/industrial unit up to 2,000 square feet. Commercial/industrial units in excess of 2,000 square feet, would be charged an additional \$1.50 per square foot for areas greater than 2,000 square feet.

What if only a property sewer lateral needs repair?

An \$800 fee would be charged for inspections of private sewer laterals.

Are the annual sewage fees collected on property tax bills increasing?

No.

Why are the new fees being proposed?

The District's sewer lines, sewage pumps and siphons were originally constructed in 1935 and require continuous rehabilitation. In order to meet the District's capital improvement needs, new funds need to be raised. The proposed Capital Facilities Connection Fee will cover the cost of issuing the permit as well as a component to contribute towards necessary capital improvements. If these new charges are implemented, the District expects to raise an estimated additional \$25,000 per year.

How does the Capital Facilities Connection Fees compare to connection fees in the cities of Seal Beach and Huntington Beach not in the District?

If your property was not in the District, connection fees charged by your city and OCSD for a single-family home would be around \$10,000, depending on factors such as water service size and number of bedrooms.

How were the new fees calculated?

The Board has previously adopted a Capital Improvement Plan. Pursuant to Government Code section 66013, the Board has based the proposed Capital Facilities Connection Fee on the estimated reasonable cost of capital improvements necessary to provide sewer service. The costs were then allocated to the estimated total number of future built-out units within the District.

How do I protest the proposed Ordinance and new fees?

The Board of Directors of the District (the “Board”) will hold a Public Hearing on Thursday, January 10, 2019 at 7:00 pm at the Sunset Beach Women’s Club, 16812 Bayview Drive, Sunset Beach (corner of Broadway and Bayview Drive). The Board will then consider all written and oral comments regarding the proposed Capital Facilities Connection Fee, and may adopt the Ordinance and fees described in this notice. However, if written protests are received that represent a majority of the affected parcels, the Ordinance and proposed fees will not be adopted. Oral comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest. Only one written protest will be counted per identified parcel which receives sewer service. The Board of Directors will receive a final tabulation of all written protests received by the District at the hearing. Written protests must be received prior to the close of the public hearing, which may be delivered by U.S. Mail or in person at the public hearing. Written protests must contain the address, parcel number, and include the name and original signature of the property owner submitting the protest. **Send written protests to Sunset Beach Sanitary District, P.O. Box 1185, Sunset Beach CA 90742.** Email protests cannot be accepted.

When will Ordinance 18-01 become effective?

If a majority of written protests are not received, the proposed Ordinance 18-01 and Capital Facilities Connection Fee will become effective 30 days after adoption by the District’s Board.