



# Sunset Beach Sanitary District

**P.O. Box 1185**

**Sunset Beach, CA 90742**

**(562) 493-9932**

**[www.sunsetbeachsd.org](http://www.sunsetbeachsd.org)**

**Minutes for the General Meeting of the Board of Directors**

**August 8th, 2019 - 7:00 p.m.**

**Sunset Beach Woman's Club – 16812 Bayview Drive**

**Directors present:** President Graham Hoad, Secretary John Woods, Treasurer Bernard Hartmann, and Jon Regnier  
**Staff present:** Superintendent Jim Caslin, Engineer Tom Dawes, Clerk Chris Montana  
**Community:** Craig Hoad, Sunset Beach resident.

President Hoad called the meeting to order at 7:02 p.m.

Community Input: Sunset Beach resident Craig Hoad attended the meeting to learn more about the District's operations. Mr. Hoad stated that the trash was being picked up, the toilets flushed, flushed, and that he was satisfied with the District's service.

Review and Possible Approval of the July 10th, 2019 General Board Meeting Minutes: After Directors reviewed the minutes of the July 10th, 2019 General Meeting of the Board, Director Regnier moved to approve the minutes as presented. Secretary Woods seconded, and the motion passed unanimously.

Current Bills: Clerk Montana presented the August 8th, 2019 Claims Transmitted for Payment in the amount of \$130,992.18 for current bills. After review and discussion, Treasurer Hartmann moved to approve as presented, Secretary Woods seconded, and the motion passed unanimously. The Claims were signed by President Hoad and Secretary Woods as presented.

Fund Balance: Treasurer Hartmann reported the Fund Balance as of July 31, 2019 to be \$1,990,516.

Clerk's Report: The Clerk reviewed the June 31, 2019 trial balance and reported that 2<sup>nd</sup> quarter quarter payroll tax returns had been timely filed and that 2018-19 sewerage fees had been collected from the City of Huntington Beach. The Board and staff discussed the large increase in the City of Huntington Beach's annual invoice. Back-up calculations were received just this afternoon and time hadn't permitted a proper review. While the Board agreed to pay the invoice as part of above approved claims, back up calculations would be further reviewed for accuracy.

Superintendent's Report: See attached

Engineer's Report: See attached. In addition, Engineer Dawes presented a sewer repair agreement with Surfside Colony, Ltd. for Board consideration and approval. A motion was made and carried as follows:

**Sunset Beach Sanitary District  
Minutes of the August 8<sup>th</sup>, 2019  
General Meeting of the Board**

**MOTION:** Director Regnier moved to approve the Replacement Sewer Agreement between the Sunset Beach Sanitary District and Surfside Colony, Ltd. (see attached). Director Hartmann seconded and the motion passed unanimously.

After review and discussion, the Board unanimously agreed with the District Engineer's recommendation to table the approval of smoke testing.

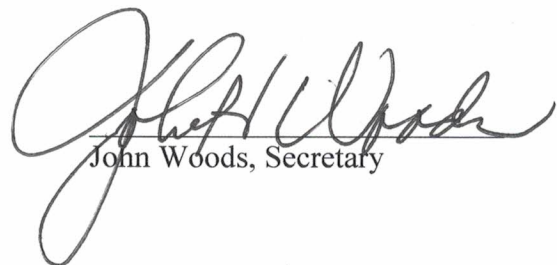
Engineer Dawes also provided a draft of an amended Ordinance Regulating the Sewage Collection System for further review and consideration at a future meeting.

New Business/Board Member Items: - None.

Adjournment: There being no new business to come before the Board, Director Hartmann moved to adjourn the regular meeting at 7:50 p.m., Director Regnier seconded, and the meeting was unanimously adjourned.



Graham Hoad, President



John Woods, Secretary



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

Superintendent's Report  
Board Meeting

August 8, 2019

1. One (1) Emergency call-out - Edison Power Outage. **( Staff )**
2. TV'ing of Surfside "C" Row project scheduled for later this month.  
**( Performance Pipeline and Staff )**.
3. Monthly Training conducted this month:
  - a. Customer Service
  - b. Distraction II
4. I will be conducting a computer operations class later this month covering "Smart Cover Operations". This class is open to whomever would wish to attend. Please contact me if you wish to attend, the class will be scheduled in the afternoon. **( Staff )**
5. Review Flow Report.
6. I will be unable to attend the September Board Meeting.
7. There are No major issues with equipment or system operations at this time.
8. All updates to this report will be presented at the Board Meeting.



MEMORANDUM

August 2<sup>nd</sup>, 2019

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

From: Tom Dawes

SUBJECT: Engineer's Report for the August 8<sup>th</sup>, 2019 Regular Board Meeting.

**1. Actions Re. I & I in District Sewers and Private Sewer Laterals.**

A. 'Test Project' in Surfside Colony.

As we have discussed in the past, Surfside Colony is bidding the replacement of portions of the 'C' Row Street and has offered to replace the private sewer laterals with new laterals and install a cleanout when needed. This project is similar to one we did with them a couple of years ago, also on 'C' row. Surfside will rebuild the laterals in the project area at their cost, the District will inspect, waiving inspection fees, and TV the lines and laterals. Additionally, if damage is found on the District sewer, the District will repair it at District cost. All of this is in the enclosed 'Sewer Repair Agreement' prepared by District counsel.

B. Consulting Services for Test Project.

EEC Environmental provides this type of service and I recommend we hire them for the Test Project. They will provide the smoke testing (via a subcontractor, ADA: It could be that we will contract directly with ADA) of the line and private laterals, and provide a drone to look for escaping smoke. The District will hire Performance Pipeline TV the project area and to send a camera up the lateral. The estimated cost for EEC services including drone services and smoke testing is approximately \$7,000.

C. Notification of Lateral Replacement, lateral condition inspection, and Smoke Testing.

We need to tell the residents what we are doing, as well as the Seal Beach fire and police departments. Enclosed is a draft notification letter that I recommend we mail to each affected property owner by the middle of August. Then our staff should knock on each door and deliver the letter or post the letter if no one is home. They should keep a log as to the delivery method. Note that more may be affected by the smoke testing than are receiving new laterals.

D. Revisions to our Sewer Ordinance.

Enclosed is draft Sewer Ordinance 19-01, which hasn't yet been reviewed by Counsel. I'll go over the proposed changes with you at the meeting to seek direction. I tried to show changes in *Italic*, but wasn't always successful. Sections 102 (22) and 202 (G) are new: 202 (G) is a change in direction to consider if you do not want to proceed with a District wide I & I program at this time. Section 203 (A) has added significant language.

Our existing Sewer Ordinance is adequate for the test project.

E. District-wide I & I program.

We discussed this last month and didn't reach a decision. I'm working on a more detailed outline of a District-wide program and will have more information after we do the test case.

- Recommendations:**
- A. Approve Sewer Repair agreement with Surf-Side Colony and Authorize the President and Secretary to sign.**
  - B. Authorize the District Engineer to issue a work order(s) in an amount not to exceed \$7,000 for the services described above.**

## **2. Status of Broadway Sewer Siphon Replacement Project.**

### **A. Permit Status.**

With the exception of the City of Huntington Beach, we have all necessary permits. I've had plan review with HB and they want 2 detour signs changed (I totally believe they are wrong; but it's no big deal). HB wants the District to take out the encroachment and our contractor take out a rider to it.

### **B. Utility Search.**

Completed. When we are doing the work, I plan to do some potholing to verify depths and locations.

### **C. Securing a Contractor.**

I've been working on this and believe I will have a firm proposal from Bali Construction Inc. to do the work for your consideration at the September Board meeting. While I don't know Bali, they are a \$75-100M per year sewer contractor. I, and some of you, know Tom Bensfield who now heads Bali's San Diego area operations. Mr. Bensfield did our Surfside Sewer project a few years ago, and I have known him for 40-years and have the upmost confidence in him. He has done water projects and has a lot of good ideas. Remember, this will not be a public bid project, but an investigation. The payment terms that I'm working on are based on Section 3.3 of the Standard Specifications for Public Works Construction, as follows:

1. All Employees will be paid Prevailing Wage Rates plus 20 % profit (Note: we must by law pay PWR).
2. Management Employees will be paid actual wages plus 20% profit.
3. Insurance, Bonds, and permit charges at cost.
4. Equipment at local Caltrans rated plus 15% profit.
5. Subcontractor work at cost plus 5% profit (traffic control, diving, specialty).

### **D. Plan of Action.**

As you know, we have permits to install dams and dig in the channel to find the openings in the steel sheet piling. Now I'm trying to find other ways to do it; I applied for the permits in the manner I did to cover any eventually. I'm looking at divers. I'll keep you updated.

## **3. Invoice for Professional Services.**

I have submitted an invoice in the amount \$9,006.03 for professional services and expenses at cost for the 2 month period ending July 31<sup>st</sup>, 2019. The major work items are the siphon replacement and surface water intrusion. If you have any questions, please give me a call.



## Replacement Sewer Agreement

This Replacement Sewer Agreement ("Agreement") is dated August 13, 2019 and is between **Surfside Colony Ltd.**, a California Nonprofit Corporation ("Surfside"), and **Sunset Beach Sanitary District**, a California sanitary district organized and existing under the provisions of the Sanitary District Act of 1923, California Health and Safety Code Section 6400 et seq., (the "District").

The District owns and operates the sanitary sewerage system in the area occupied by Surfside and wants to replace certain faulty private sewer laterals which are in generally poor condition and leaking. Surfside is planning to replace portions of the street pavement on its "A", "B" and "C" Rows during the Fall of 2019 and Spring of 2020 and has agreed to replace the aforementioned faulty private sewer laterals, and bear all the costs thereof, if the District provides related TV and inspection work at the District's cost. Recognizing the benefits to their joint residents and rate payers, Surfside and the District hereby agree to the following:

1. Surfside will:
  - A. Replace all sewer laterals that are found faulty, and replace all sewer laterals, in accordance with the District's specifications, older than 20-years regardless of condition. Replacement will include installing a clean-out at the property line if none exists. Inserta-tee (or equal) will be used at the connection to the District's main sewer line. Surfside will also use one-sack slurry over the connection to protect the joint.
  - B. Plug any abandoned connections.
  - C. If two (or more ) houses are found to be connected to the same lateral, at least one new lateral must be constructed so that there will be no more than one building per lateral.
2. District will:
  - A. TV its main sewer line to locate existing, active and abandoned connections. If available, a side camera will be sent up the lateral sewer line.
  - B. Smoke test the homes at District's discretion to see if illegal surface water connections are present.
  - C. Inspect the new sewer laterals installed by Surfside and waive all inspection costs.
  - D. Pay for any repairs necessary to the District's main sewer line.
3. Neither party shall sell, assign or otherwise transfer by operation of law or

otherwise, its rights or obligations under this Agreement, in whole or in part, without the prior written consent of the other party.

4. No amendment, modification, or change to this Agreement will be effective unless the amendment, modification or change is in writing and duly executed by both parties.
5. The terms and conditions of this Agreement will be construed in accordance with the laws of the state of California and the agreed venue for any litigation arising out of this Agreement shall be the Orange County Superior Court.
6. In the event of any dispute between the parties with respect to the subject matter of this Agreement, the prevailing party will recover its costs and expenses, including reasonable attorney fees, witness fees (including experts), and discovery costs, all of which will be included in and as a part of the judgment or award rendered in that litigation or arbitration.
7. The parties hereto each warrant that the persons executing this Agreement on their behalf are authorized to do so.

**IN WITNESS WHEREOF**, the undersigned parties have caused this Agreement to be duly executed as of the date first written above.

SURFSIDE COLONY, LTD.

By: 

President

ATTEST:


  
Secretary

SUNSET BEACH SANITARY DISTRICT

By: 

President

ATTEST:

  
Secretary