



# 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

March 12th, 2020 - 6:30 p.m.

Sunset Beach Woman's Club – 16812 Bayview Drive

**Directors present:** President Graham Hoad, Secretary John Woods,  
Treasurer Bernard Hartmann, Jon Regnier, and Dave Evans.  
**Staff present:** Superintendent Jim Caslin, Superintendent II Brad Van Malsen,  
Asst. Supt. Rolf Pridham, Engineer Tom Dawes, Clerk Chris Montana.  
**Community:** None.

President Hoad called the meeting to order at 6:30 p.m.

Community Input: None.

Review and Possible Approval of the February 13th, 2020 General Board Meeting Minutes:  
After Directors reviewed the minutes of the February 13th, 2020 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 March 12th, 2020 Claims Transmitted for Payment in the amount of \$84,023.55 for current bills. After review and discussion, Treasurer Hartmann moved to approve as presented, Director Regnier seconded, and the motion passed unanimously. The Claims were signed as presented by President Hoad and Secretary Woods.

Fund Balance: Treasurer Hartmann reported the Fund Balance as of February 29, 2020 to be \$2,045,119.

Clerk's Report: The Clerk reviewed the February 29, 2020 trial balance with the Board. The Clerk distributed 2019 Form 700's, Statements of Economic Interests, to Board members and applicable staff for review, corrections and approval. Each Designated Filer returned Form 700 to the Clerk for electronic submission. The Clerk also reported that the annual General Liability and Workers' Compensation questionnaires had been electronically prepared and submitted to the District's insurer, SDRMA. In addition, late correspondence from ISDOC was presented to the Board for the approval of the restructuring of Orange County Special District LAFCO fees allocation. After consideration, a motion was made and carried as follows:

**MOTION:** Treasurer Hartmann moved to approve ISDOC's LAFCO Dues Reapportionment, which would result in a decrease of approximately \$5,000 in annual LAFCO dues being paid by the District. Secretary Woods seconded, and the motion passed unanimously.

Superintendent's Report: Superintendent Caslin reviewed the attached Superintendent's Report and Monthly Flow Report with the Board and Staff.

**Sunset Beach Sanitary District  
Minutes of the March 12<sup>th</sup>, 2020  
General Meeting of the Board**

Engineer's Report: Engineer Dawes reviewed the attached Engineer's Report with the Board and Staff. A motion was made and carried to approve the Engineer's Recommendation as follows:

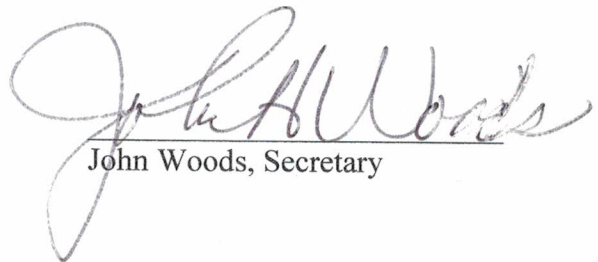
**MOTION:** Secretary Woods moved to approve to direct the District Engineer to prepare a 5-year revision to the District's Sewer System Management Plan (SSMP). Director Regnier seconded, and the motion passed unanimously.

New Business/Board Member Items: None.

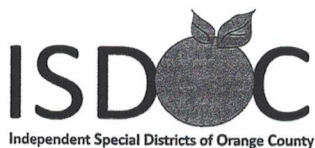
Adjournment: There being no new business to come before the Board, Director Evans moved to adjourn the regular meeting at 7:05 p.m., Treasurer Hartmann seconded, and the meeting was unanimously adjourned.



Graham Hoad, President



John Woods, Secretary



**Mailing Address**

P.O. Box 20895  
Fountain Valley, CA 92728

**Meeting Location**

MWDOC/OCWD  
18700 Ward Street  
Fountain Valley, CA 92708

(714) 963-3058  
(714) 964-5930 fax

[www.mwdoc.com/isdoc](http://www.mwdoc.com/isdoc)

**Executive Committee**

**President**  
**Hon. Sandra Jacobs**  
*Santa Margarita Water District*

**1<sup>st</sup> Vice President**  
**Hon. Mark Monin**  
*El Toro Water District*

**2<sup>nd</sup> Vice President**  
**Hon. Arlene Schafer**  
*Costa Mesa Sanitary District*

**3<sup>rd</sup> Vice President**  
**Hon. Mary Aileen Matheis**  
*Irvine Ranch Water District*

**Secretary**  
**Hon. William "Bill" Green**  
*South Coast Water District*

**Treasurer**  
**Hon. Joan C. Finnegan**  
*Municipal Water District of Orange County*

**Immediate Past President**  
**Hon. James Fisler**  
*Mesa Water District*

**Staff Administration**

**Heather Baez**  
*Municipal Water District of Orange County*

**Christina Hernandez**  
*Municipal Water District of Orange County*

February 24, 2020

Dear Members,

The ISDOC Executive Committee voted unanimously to approve the Ad Hoc committee recommendation for a new LAFCO dues structure to pay for our Special District portion of the LAFCO budget.

As a brief background, the ISDOC dues formula has not been updated since 2001. As such, several inequities in the dues apportionment were brought to the attention of the ISDOC Executive Committee by Director Nederhood with Yorba Linda Water District.

The Ad Hoc committee was formed to review a new dues structure. After numerous meetings and dues structure iterations, the Ad Hoc committee selected a Revenues-Based Factoring formula that will adjust as Special District revenues increase.

The recommended dues calculation builds upon the methodology that was originally adopted and implemented in 2001. In developing the proposed approach, the Ad Hoc committee wished to achieve the following objectives:

- Balance an agency's ability to pay with its share of service received from LAFCO;
- Limit significant cost shifts between agencies; and
- Create a methodology that was dynamic and easy to administer by LAFCO staff.

The committee recognized that non-enterprise agencies, which are primarily supported by property taxes, have less ability to increase revenues to account for higher dues. The committee also acknowledged that larger, enterprise agencies might not receive a greater share of services from LAFCO merely due the fact that they have greater annual revenues. These two factors, along with the requirement to proportionally allocate costs under Proposition 26, guided the committee's approach and its recommended methodology. The full methodology and spreadsheet are attached to this letter.

Lastly, the Ad Hoc committee recommended that this dues structure be reviewed every 5 years.

Today we ask for your support of this new dues formula and 5-year review. If approved by a majority of the membership, this formula would take effect in FY 2021-22. If a majority of the membership vote No, the current formula remains in place.

# LAFCO Dues by Agency

Annual Dues <sup>(1)</sup>: \$ 367,504

#	District	Revenue 2017	Recommended Revenue Based Factors	Percentage Share of Annual Dues	FY 2020 Dues	Estimated 2021 LAFCO Dues	Change from Previous Year
1	Silverado-Modjeska Rec & Park	\$312,556	0.1	0.12%	500	453	(47)
2	Surfside Colony Stormwater	\$312,929	0.1	0.12%	500	453	(47)
3	Rossmoor-Los Alamitos Sewer District	\$479,985	0.1	0.12%	500	453	(47)
4	Surfside Colony CSD	\$797,129	0.1	0.12%	500	453	(47)
5	Capistrano Bay CSD	\$1,151,362	0.5	0.62%	2,000	2,264	264
6	Rossmoor CSD	\$1,377,917	0.5	0.62%	2,000	2,264	264
7	Three Arch Bay CSD	\$1,859,915	0.5	0.62%	2,000	2,264	264
8	Emerald Bay CSD	\$2,188,987	0.5	0.62%	9,775	2,264	(7,511)
9	Buena Park Library	\$2,362,865	0.5	0.62%	2,000	2,264	264
10	Placentia Library	\$2,675,129	0.5	0.62%	2,000	2,264	264
11	Orange County Cemetery	\$5,988,529	0.75	0.92%	2,000	3,397	1,397
12	Orange County Vector Control	\$13,682,024	1	1.23%	2,000	4,529	2,529
13	Sunset Beach Sanitary District	\$1,083,390	1	1.23%	9,775	4,529	(5,246)
14	Serrano Irrigation District	\$6,045,914	3	3.70%	14,794	13,586	(1,208)
15	East Orange County Water	\$6,286,331	3	3.70%	14,794	13,586	(1,208)
16	Midway City Sanitary	\$9,685,641	3	3.70%	20,078	13,586	(6,492)
17	Trabuco Canyon Water District	\$11,320,583	4	4.93%	20,078	18,115	(1,963)
18	Costa Mesa Sanitary District	\$12,041,937	4	4.93%	20,078	18,115	(1,963)
19	El Toro Water District	\$27,600,993	5	6.16%	20,078	22,643	2,565
20	Mesa Water	\$31,150,322	5	6.16%	26,419	22,643	(3,775)
21	Yorba Linda Water	\$35,160,485	5	6.16%	26,419	22,643	(3,775)
22	South Coast Water District	\$36,197,754	5	6.16%	26,419	22,643	(3,775)
23	Moulton Niguel Water District	\$87,485,580	7	8.63%	26,419	31,701	5,282
24	Santa Margarita Water District	\$104,567,483	7	8.63%	26,419	31,701	5,282
25	MWD OC	\$163,412,555	8	9.86%	26,419	36,230	9,811
26	OCWD	\$165,150,987	8	9.86%	26,419	36,230	9,811
27	Irvine Ranch Water District	\$215,481,000	8	9.86%	26,419	36,230	9,811
			81.15	100.00%	356,800	367,504	

(1) Revenue requirement based on FY 2020 dues plus 3 percent



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

Superintendent's Report  
March 12, 2020

1. Repair and relining completed for nine (9) manholes. (**Ayala Engineering and Staff**)
2. Emergency Resource Directory updated. Will be included with new S.S.M.P. book.
3. Monthly training Conducted:
  - a. Safety Orientation, "A New Way of Thinking".
4. Review Flow Report. Flows are low due to very little I & I during the last two (2) reporting periods.
5. All systems are operating normally at this time.
6. One (1) "Smart Cover" repaired. Covered under extended warranty. (**Staff and Smart Cover**)
7. All updates to this report will be presented at the Board Meeting.

# MEMORANDUM

March 5<sup>th</sup>, 2020

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

From: Tom Dawes

SUBJECT: Engineer's Report for the March 12<sup>th</sup>, 2020 Regular Board Meeting.

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

The final bill in the amount of \$3,450.56 from the November siphon investigation is on the Current Bill calendar. I'll explain why this took so long at the meeting. I'm working now on a plan for the design and construction of a replacement siphon, which I'll review with you.

## **2. Inflow & Infiltration and a New Ordinance.**

Over the last several months, we've been looking at ways to deal with out I & I problem. The first option, which I thought was doable and reasonably easy, was a new Ordinance that would require repair or replacement of a house lateral prior to a recordation of a sale. The second option is smoke testing of lines to find illegal surface water connections (Inflow), plus a TV lateral inspection to find broken laterals (Infiltration), then requiring repair as a condition of continued sewer service.

For the following reasons, I no consider the first option doable. The hold on property transfer requires the cooperation of the Clerk-Recorder and that office has never returned a phone call or answered my January 2 letter. It's very apparent that they don't have to help us and they won't. I asked District Counsel to see how it's done in EBMUD, which serves Alameda and Contra Costa counties and the attached Memorandum from attorney Weissman explains that it is a much more involved process than I imagined. EBMUD doesn't rely on the Recorder; instead it enforces compliance with their Ordinance itself, using a private third party to garner information. They have a big and expensive operation going to do the job.

I now believe our best approach is to do the I & I investigation ourselves, and revise and strengthen our sewer Ordinance to require compliance with repair orders. We will need outside help to do the I & I inspection. We will also need to develop repair timing and criteria to include in the Ordinance.

I'll review these issues with you at the meeting.

### **3. Sewer System Management Plan (SSMP).**

Last November, your Board certified an audit of our SSMP. I recommended this action to you in lieu of doing the required 5-year revision of our SSMP because a draft of a new SWRCB order replacing the 2006 order was promised in January, 2020. It seemed logical to wait a few months and revise it in accordance with the requirements of the new order.

It didn't work. The new order first promised in 2018 and then in January 2019, didn't come out. Now it's proposed to come out in 2021. I learned all this at the February meeting of the CA WDR I attended. I asked this direct question at the meeting: 'what should we do?' and the best and safest answer was to do the 5-year revision of the SSMP, which is what I'm now recommending. If you approve the recommended action, I believe I will be able to submit the revised SSMP to you by April for consideration of certification. It would be my intention to get help with the typing of the document.

**RECOMMENDATION: Direct the District Engineer to prepare a 5 year Revision to the District's SSMP.**

### **4. Invoice for Professional Services.**

I have submitted an invoice in the amount \$3,045.00 for professional services and expenses at cost for the 2 month period ending February 29<sup>th</sup>, 2020. The major work items are the siphon replacement investigation, I & I intrusion, a new mapping system and miscellaneous administrative issues. If you have any questions, please give me a call.