

# 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

November 9th, 2023 - 6:30 p.m.

Sunset Beach Woman's Club - 16812 Bayview Drive, Sunset Beach CA 90742

**Directors present:** President Graham Hoad, Secretary John Woods, Dave Evans, and K.C. Coultrup.

**Staff present:** Superintendent Brad VanMalsen, Superintendent II Rolf Pridham, Asst. Superintendent Eric Schlange, District Engineer Tom Dawes, and District Clerk Chris Montana.

**Community:** Debbie Killey, Municipal Sales Manager of Republic Services.

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

Clerk Montana requested that the following two items be added to the Agenda in accordance with Calif. Govt Code §54954.2(b)(2), based on the fact that the information was not available prior to posting the Agenda and that immediate action is required.

**MOTION:** Director Coultrup moved to add both Agenda Items #7e, to adopt Resolution No. 2023-11-01, to authorize the District to submit an application to Ibank for capital improvement financing, and #7f to accept Willdan's proposal for mailing Prop. 218 notices. Secretary Woods seconded, and the motion passed unanimously.

**Community Input:** Debbie Killey of Republic Services presented a revised SB 1383 Waiver Proposal dated October 20<sup>th</sup>, 2023 to generate physical space constraint waivers for all properties within the District and become compliant with SB1383. For a fixed fee of \$20,000 the proposal included the creation of the waiver form, field site visits, photos, documentation, and final report. The fee was reduced to \$20,000.00, which was the amount of the CalRecycle grant received by the District. Director Evans inquired regarding the basis of waivers and details of implementation. After discussion, a motion was made and carried as follows:

**MOTION:** Director Evans moved to accept Republic's Proposal to Generate SB1383 Mandatory Organic Waste Waivers in an amount not to exceed \$20,000. Secretary Woods seconded, and the motion passed unanimously.

**Review and Possible Approval of the October 12th, 2023 Minutes of General Meeting of the Board:** After Directors and staff reviewed the October 12<sup>th</sup>, 2023 Minutes of the General Meeting of the Board, a motion was made and carried to approve as follows:

**MOTION:** Director Coultrup moved to approve the October 12<sup>th</sup>, 2023 General Meeting of the Board Minutes as prepared. Director Evans seconded, and the motion passed unanimously.

**Current Bills:** District Clerk Montana presented the November 9th, 2023 Claims Transmitted for Payment in the amount of \$310,285.52. After review and discussion of the details causing the 94% increase in the OCSD annual bill, Director Evans moved to approve the current bills for payment as prepared, Director Coultrup seconded, and the motion passed unanimously.

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Fund Balance: In Treasurer Hartmann's absence, President Hoad reported the Fund Balance as of October 31st, 2023 to be \$2,494,734. The Board reviewed current and prior year cash balance fluctuations.

Clerk's Report: Clerk Montana updated the Board on the status of funding for the Broadway Pump Station Bypass Sewer, and noted that Engineer Dawes and LSA had answered all engineering and environmental inquiries from CWSRF. The Clerk distributed for review and possible approval a Notice of Public Hearing to Amend Ordinance No. 22-01, Regulating Organic Waste, and stated that legal counsel had reviewed for publication. The amendment would allow the District to issue physical space waivers to residential property owners as well as commercial owners, as CalRecycle recently clarified. A motion was made and carried as follows:

**MOTION:** Director Coultrup moved to approve the above Notice of Public Hearing to amend Ordinance No. 22-01, Regulating Organic Waste, for publication. Secretary Woods seconded, and the motion passed unanimously.

The Clerk distributed the 3<sup>rd</sup> Draft of the Trash and Sewer Rate Analysis which had been updated for the recent OCSD bill. The Analysis projected 2024-25 annual, per-unit cost of trash pick-up at \$419, sewer at \$885, and restaurant sewer cleaning at \$3,696. Current fees are \$240, \$200, and \$475. Based on the Rate Analysis and District's overall financial position, the Rate Analysis proposed increased annual rates, commencing 2024-25 and billed on property tax bills to be: Trash: \$300 per unit; Sewer: \$300 per unit; Restaurant Sewer Cleaning: \$625 per unit.

**MOTION:** Director Coultrup moved to approve and accept the 2024-25 Trash and Sewer Rate Analysis as prepared. Director Evans seconded, and the motion passed unanimously.

Clerk Montana distributed a Prop. 218 Rate Increase Notification for review and discussion. As the rates agreed with the above approved Rate Analysis, a motion was made as follows:

**MOTION:** Director Evans moved to approve the Prop. 218 Rate Increase Notification for publication and mailing, upon final review by District's Assessor, Willdan Financial Services. Secretary Woods seconded, and the motion passed unanimously.

Clerk Montana distributed Resolution 2023-11-01, authorizing the District to submit an application to California Infrastructure and Economic Development Bank (Ibank) for financing the Broadway Pump Station Bypass Sewer project. The Clerk stated that while the resolution allowed for the District to apply for financing, per Section 2 of the Resolution, the District would not be bound "to make any expenditure, incur any indebtedness, or proceed with the Project. A motion was made and carried as follows:



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**MOTION:** Director Coultrup moved to adopt Resolution 2023-11-01 authorizing the District to submit an application to California Infrastructure and Economic Development Bank (Ibank) for financing. Secretary Woods seconded, and the motion passed unanimously.

Clerk Montana distributed a proposal from Willdan Financial Services for Prop. 218 Noticing Services, including the mailing of the Prop. 218 Notice to all residential and commercial property owners within the District, for an amount not to exceed \$2,500. A motion was made and carried as follows:

**MOTION:** Director Coultrup moved to accept the proposal from Willdan Financial Services for Prop. 218 Noticing Services in an amount not to exceed \$2,500. Secretary Woods seconded, and the motion passed unanimously.


**Superintendent's Report (see attached):** Superintendent VanMalsen discussed the attached report and annual flows with the Board. There were no emergency call-outs during this period. The Superintendent also reported on the Wipes in Collection Systems webinar that he attended.


**Engineer's Report (see attached):** District Engineer Dawes discussed the attached Engineer's Report with Board and staff and recommended that the Board authorize a negotiation of an addendum to the Agreement with Lee & Ro for added Design and Construction Services, which would be returned for later Board approval. A motion was made and carried as follows:

**MOTION:** Director Evans moved to authorize the District Engineer to negotiate an addendum to the Agreement with Lee & Ro for added Design and Construction Services, said Addendum to be returned to the Board for consideration of approval later. Secretary Woods seconded, and the motion passed unanimously.

**New Business / Board Member Items:** None.

**Adjournment:** As no other business was presented to the Board, a motion was made by Director Coultrup to adjourn the meeting at 7:10 p.m. Secretary Woods seconded, and the motion to adjourn passed unanimously.

  
Graham Hoad, President

  
John Woods, Secretary