



# 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

June 13th, 2024 - 6:30 p.m.

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

**Directors present:** President Graham Hoad, Secretary John Woods, Treasurer Bernard Hartmann, K.C. Coultrup, and Dave Evans.  
**Staff present:** Supt. Brad VanMalsen, Supt. II Rolf Pridham, Asst. Supt. Eric Schlange, District Engineer Thomas Dawes, and District Clerk Chris Montana.  
**Community:** None.

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

General Community Input: None.

Review and Possible Approval of the May 9th, 2024 Minutes for the General Meeting of the Board: After Directors and staff reviewed and discussed the May 9<sup>th</sup>, 2024 Minutes for the General Meeting of the Board, a motion was made and carried to approve as follows:

**MOTION:** Director Coultrup moved to approve the May 9th, 2024 General Meeting of the Board Minutes as prepared. Secretary Woods seconded, and the motion passed unanimously.

Current Bills: District Clerk Montana presented the June 13th, 2024 Claims Transmitted for Payment for County processing in the amount of \$94,761.73. After Board and Staff reviewed and discussed, Director Coultrup moved to approve the Claims Transmitted for County processing as presented. Treasurer Hartmann seconded, and the motion passed unanimously.

Fund Balance: Treasurer Hartmann reported the Total Fund Balance as of May 31st, 2024 to be \$3,238,313.

Clerk's Report and Review of Trial Balance: The Clerk reviewed the year-to-date trial balance with Board and staff.

Review, Discussion and Possible Adoption of the 2024-25 Preliminary Operating Budget, Reserve and Investment Policies: Clerk Montana presented the 2nd draft of the 2024-25 Preliminary Operating Budget, including Reserves and Investment Policies, for review and discussion, in the amount of \$14,426,975. The budget included the financing and funding of \$13,200,000 for the Broadway Pump Station Bypass Sewer Project. A motion was made and carried as follows:

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**MOTION:** Treasurer Hartmann moved to approve the 2024-25 Preliminary Operating Budget in the amount of \$14,426,975, the Updated Cash Reserve Policy, and Investment Policy. Secretary Woods seconded, and the motion passed unanimously.

**Review, Discussion, and Possible Adoption of 2024-25 Trash and Sewerage Fees for Publication:** Clerk Montana reviewed the Notice of Filing Report to inform the public of trash pick-up, sewage transport and treatment, and sewer cleaning charges for fiscal year 2024-25. While the Prop. 218 mailing and notification process for the fee increase had been undertaken in January 2024, this Notice was to inform the public that a report of fees to be charged to each parcel and collected on the 2024-25 tax roll would be prepared, and to establish the hearing date for protests as July 10<sup>th</sup>, 2024.

**MOTION:** Treasurer Hartmann moved to adopt and publish the Notice of Filing Report, which establishes the 2024-25 annual residential service charges as follows: trash pick-up charge at \$300.00 per unit, sewage transport and treatment charge at \$300.00 per unit, and restaurant sewer cleaning charge at \$625.00 per unit, and to direct the Clerk to publish the Notice. Director Evans seconded, and the motion passed unanimously.

**Review, Discussion and Vote for Candidate for CSDA – Seat A:** Clerk Montana distributed a candidate nomination letters and CSDA ballot to the Board for review and discussion. A motion was made and carried as follows:

**MOTION:** Director Coultrup moved to vote for the sanitary district candidate, Jason Dafforn of Valley Sanitary District, for the CSDA Board of Directors, Seat A – Southern Network, and to direct the District Clerk to electronically file the ballot. Treasurer Hartmann seconded and the motion passed unanimously.

**Review and Possible Adoption of Resolution No. 2024-06-01 to Reimburse the State Water Board for Project Funds in the Maximum Principal Amount of \$10,500,000:** The Clerk distributed Resolution No. 2024-03-02, Reimbursement Resolution, to update previously adopted Resolution and 2024-03-02, as required for a loan from the CWSRF to finance the construction of the Broadway Pump Station Bypass Sewer Project. A motion was made as follows:

**MOTION:** Treasurer Hartmann moved to adopt Resolution No. 2024-06-01 Reimbursement Resolution to enable the District to apply for a CWSRF loan for a maximum principal amount of \$10,500,000 (a \$500,000 increase). Secretary Woods seconded; the motion passed unanimously.

**Superintendent's Report (see attached):** Superintendent VanMalsen discussed the attached report and sewer system flows, manhole maintenance plans, and a proposal received for generator maintenance. A motion was made and carried as follows:



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**MOTION:** Treasurer Hartmann moved to approve a generator maintenance agreement with West Coast Energy Systems, opting for the semi-annual basic maintenance plan for an annual price of \$1,560. Treasurer Hartmann seconded, and the motion passed unanimously.


**Engineer's Report (see attached):** District Engineer Dawes discussed the attached Engineer's Report and the recommended action to enter into an attorney services agreement with Lagerlof LLP. A motion was made and carried as follows:

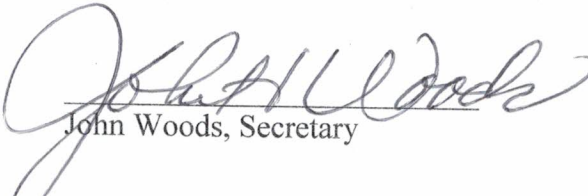
**MOTION:** Secretary Woods moved to approve an attorney services agreement with Lagerlof LLP to provide legal services for issuance of a Legal Opinion on the District's loan application with CWSRF, at the rate of \$375 per hour, and authorize the President and Secretary to sign same on behalf of the District. Director Evans seconded, and the motion passed unanimously.

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

**Adjournment to Closed Session:** Treasurer Hartmann moved to adjourn the meeting into Closed Session under the Personnel Exception Pursuant to Govt Code Sec. 54957.6 and 54957(b). Secretary Woods seconded, and the motion to adjourn to Closed Session passed unanimously.

**Reconvene to Open Session, Report of Action, and Adjournment:** President Hoad reconvened to Open Session and reported that the Board had unanimously voted to increase all employees' salaries and hourly rates by 3%, as reflected in the Preliminary 2024-25 Operating Budget. Director Coultrup moved to adjourn the meeting at 7:25 p.m., Secretary Woods seconded, and the meeting was unanimously adjourned.

  
Graham Hoad, President

  
John Woods, Secretary



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## Minutes for the Closed Session of the Board of Directors

June 13th, 2024

Sunset Beach Woman's Club

Closed Executive Session was called to order under the Personnel Exception, Performance Review and Labor Negotiations Pursuant to Government Code Sections 54957.6 and 54957(b).

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

**Staff/Community present:** District Engineer Thomas Dawes and District Clerk Chris Montana.

Board members discussed staff performance and compensation.

The Board unanimously agreed to the following 2024-25 compensation increases as reflected in the Preliminary 2024-25 Operating Budget accordingly:

District Superintendent VanMalsen's monthly salary to increase from \$8,085.00 to \$8,330.00), effective July 1, 2024. Over-time rate, as applicable, will increase from \$51.97 per hour to \$53.00. The Monthly Vehicle Allowance will remain at \$400.00.

District Superintendent II Rolf Pridham's monthly salary to increase from \$3,331.02 to \$3,450.00), effective July 1, 2024. Over-time rate, as applicable, will increase from \$51.97 per hour to \$53.00. Mileage will continue to be reimbursed at the Internal Revenue Service's standard mileage rate.

District Assistant Superintendents Todd Healy's and Eric Schlange's monthly base (on-call retainer) to increase from \$1,873.69 to \$1,930.00), effective July 1, 2024. The Emergency Call-out hourly rate will increase from \$34.65 per hour to \$36.00, and the overtime premium rate will remain will increase from \$51.97 per hour to \$53.00 per hour. Mileage will continue to be reimbursed at the Internal Revenue Service's standard mileage rate.

There being no further business, the Closed Executive Session was concluded and President Hoad reconvened into Open Session at 7:25 p.m.

Graham Hoad, President

John H. Woods, Secretary