



Sunset Beach Sanitary District

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Minutes for the General Meeting of the Board of Directors

June 11th, 2026 - 7:00 p.m.

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

Directors present: President Graham Hoad, Secretary John H. Woods,
Treasurer Bernard Hartmann, John Dentzer, and Dave Evans.
Staff present: Superintendent Brad VanMalsen, Supt. II Rolf Pridham, District
Engineer Mark Lewis, and District Clerk Chris Montana.
Community: None.

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

Community Input: OC LAFCO Commissioner Annual Outreach: Commissioner Doug Davert and Vice Chair Jim Fisler discussed recent operational efficiencies and accomplishments. Stacy Taylor of Mesa Water District announced her retirement. President Hoad thanked the representatives for their efforts throughout the years.

Review and Possible Approval of the May 14th, 2026 Minutes for the General Meeting of the Board of Directors: After Directors and Staff reviewed the minutes of the May 14th, 2026 General Meeting of the Board of Directors, a motion was made and carried as follows:

MOTION: Treasurer Hartmann moved to approve the minutes of the May 14th, 2026 General Meeting of the Board of Directors as prepared, Director Dentzer seconded, and the motion passed unanimously.

Current Bills: Clerk Montana presented the June 11th, 2026 Claims Transmitted for Payment for County processing totaling \$183,811.94, as well as invoice #10 from Vido Artukovich & Sons, Inc./Vidmar Inc., a JV (VAS) in the amount of \$772,872.50 for the construction of the Broadway Pump Station Bypass Sewer (BPSBS) Project, for a grand total of \$956,684.44. After Board and Staff reviewed and discussed, Secretary Woods moved to approve the current months bills as presented, Director Dentzer seconded, and the motion passed unanimously.

Fund Balance: Treasurer Hartmann reported Total Fund Balance as of May 31st, 2026 to be \$3,281,560. The Treasurer also reviewed the May 2026 bank reconciliations.

Clerk's Report and Review of Trial Balance: The Clerk reviewed the May 31st, 2026 trial balance with the Board and Staff. Also presented and discussed was a Summary of Total State Loan Proceeds received, receivable, and paid to the BPSBS Project contractor. The Clerk also provided a Project Cost Update and Summary of Contracts.

a) Review and Possible Adoption of the 2026-27 Preliminary Operating Budget: Clerk Montana presented the 2nd draft of the 2026-27 Preliminary Operating Budget, in the amount of \$7,979,000, which included \$6,100,000 for construction costs related to the Broadway Pump Station Bypass Sewer Project. Reserved Funds and Investments (LAIF) were also reviewed and discussed. A motion to adopt was made as follows:

Sunset Beach Sanitary District
General Meeting of the Board Minutes
June 11th, 2026

MOTION: Treasurer Hartmann moved to adopt the 2026-27 Preliminary Operating Budget in the amount of \$7,979,000. Director Dentzer seconded, and the motion passed unanimously.

b) Annual Certification of Prohibited Interest: Clerk Montana distributed the County of Orange Auditor-Controller Certification of Prohibited Interest to President Hoad, Secretary Woods, and Treasurer Hartmann as signors of the monthly Claims for Payment. The Certifications were signed accordingly and Clerk Montana agreed to transmit to the County Auditor Controller.

Superintendent's Report (see attached): Superintendent VanMalsen reviewed the monthly Superintendent's Report and Flow Report with the Board and stated that no emergency call-outs occurred during the past month.

Engineer's Report (see attached): District Engineer Lewis discussed his monthly report with the Board. While the Project been suspended until after Labor Day due to State and City permit requirements, the contractor has been working with the City to restore irrigation and greenbelts as much as possible. Additionally, two concrete shafts located on greenbelt have been removed.

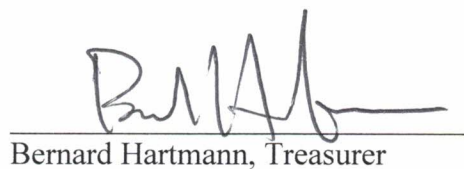
New Business / Board Member Items: President Hoad stated that he would not be available to attend next month's meeting. Secretary Woods agreed to preside over the July 2026 meeting.

Adjournment to Closed Session: Director Dentzer 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 5%. Director Dentzer moved to adjourn the meeting at 7:45 p.m., Secretary Woods seconded, and the meeting was unanimously adjourned.



John H. Woods, Secretary



Bernard Hartmann, Treasurer