

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF AUGUST 04, 2011
TIME OF MEETING: 7:00 P.M.

***** **MINUTES** *****

- I. Call To Order:** President James called the meeting to order at 7:00P.M.
- II. Roll Call:**
- | | |
|-----------------|---|
| Present: | Brand, Merrill, Miller, O’Keefe (7:02P.M.),
James |
| Absent: | None |
| Others Present: | Michael Riback, District Counsel
Doug Humphrey (8:30P.M.), Humphrey
Consulting, LLC
Rex Delizo, District Manager |

Agenda Items: Directors and Officers of the Board did not announce any conflicts of interest posed by items on the meeting agenda.

- III. Public Comment:** There was no public comment.

CLOSED SESSION

Public Employment (Government Code Section 54957 (b))
Title of Position: District Manager

The Board entered the closed session at 7:02 P.M. The Board returned to open session at 7:59 P.M. and President James announced that the Board had taken no reportable action in the session.

IV. Approval of Minutes

A. Approval of Minutes of July 19, 2011 Board Meeting

Miller requested page numbers and some detail be added to future meeting minutes.

MOTION: By O’Keefe, seconded by Miller, to approve the minutes of the July 19, 2011 Board Meeting, as corrected.

VOTE: AYES: Brand, Merrill, Miller, O’Keefe, James
NOES: None
ABSTAIN: None

V. Communications

A. Oral Communications:

1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings

Miller informed the Board about his attendance at a City of El Cerrito Design Review Board Meeting on August 3, 2011 which included a proposed 12 unit condominium development at 1715 Elm Street.

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B. Written Communications:

1. July 12, 2011 Notice from California Regional Water Quality Control Board re: Tentative Rescission Order for Cease and Desist Order (CDO) No. 93-134

The Board was informed of the Tentative Rescission of the CDO. The CDO is no longer necessary since all Stege projects required by the CDO have been completed and Stege is currently operating under an Administrative Order by the United States Environmental Protection Agency. The comment period will end on August 15, 2011. No comments have been received by California Regional Water Quality Control Board staff to date nor are any expected.

VI. Reports of Staff and Officers

A. Attorney's Report:

1. District Counsel briefed the Board on its options to fill the vacancy for Director James' position

Riback informed the Board of the three options available to them in anticipation of James' pending resignation from the Board. After a discussion regarding the process and procedures, the Board decided a Board Appointment within 60 days of the vacancy would be the best course of action. Miller offered to put together a white paper on the pay, hours and responsibilities of a board member that could be passed out to prospective candidates.

B. Manager's Report:

1. Monthly Maintenance Summary Report – June 2011

The Board was informed that about 44,000 feet of lines had been cleaned and that about 14,000 feet of lines had been videoed. There were 8 service calls and 6 of these were related to problems in private laterals. There were no service calls after normal working hours. There were 2 overflows caused by problems in District main lines.

2. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects

There were no repairs or projects to report.

3. Capital Improvement Projects

There were no items to report.

4. Miscellaneous Items

- a. East Bay Municipal Utility District (EBMUD) Stipulated Order (SO) and Stege Sanitary District Administrative Order (AO)

Humphrey provided the Board with an update of the status of the EBMUD and Stege SOs. The Stege SO is anticipated to be finalized sometime next week. A side letter was accepted by all parties in response to a comment letter by East Bay Municipal Utility District (EBMUD).

- b. Quarterly Claims Report

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The Board was given the status of open claims and claims that closed in the last quarter ending July 2011.

c. Quarterly Lateral Report

The Board was given the status of lateral inspections and replacements. EBMUD's regional private sewer lateral program will begin on August 22nd in Emeryville and Piedmont and then in Stege on October 17th. A public workshop on EBMUD's regional program was held in Emeryville and Piedmont on August 3rd and 4th, respectively and anticipated in Stege in early October.

VII. Business

A. Resolution No. 1985-0811, Commendation Upon Retirement of Douglas C. Humphrey

MOTION: By O'Keefe, seconded by Miller, to approve Resolution No. 1985-0811, Commending Douglas C. Humphrey Upon His Retirement from Stege Sanitary District, as corrected.

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

B. Ordinance No. 1986-0811, Addition of Section 2.5.2.11 to the Stege District Ordinance Code, Relating to Rules of Voting to codify the definition of a voting "Majority".

MOTION: By Miller, seconded by Merrill, to approve Ordinance No. 1986-0811, Addition of Section 2.5.2.11 to the Stege District Ordinance Code, Relating to Rules of Voting.

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

C. Resolution No. 1987-0811, Resolution Delegating Authority to Request Disbursements from the Other Post Employment Benefits (OPEB) Pre-Funding Plan. Riback confirmed that the positions are covered by a Public Official Surety Bond.

MOTION: By Merrill, seconded by Miller, to approve Resolution No. 1987-0811, Delegating Authority to Request Disbursements from the Other Post Employment Benefits (OPEB) Pre-Funding Plan to the Positions of District Manager and Administrative Supervisor.

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James

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NOES: None
ABSTAIN: None

D. Approval of Agreement with Humphrey Consulting, LLC (Doug Humphrey) for Professional Services

MOTION: By Merrill, seconded by Miller, to approve and sign Agreement with Humphrey Consulting, LLC (Doug Humphrey) for Professional Services related to the Stipulated Order and other transitional items, as amended.

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

E. Approval of Agreement with E Laurel Consulting, LLC (Erin Smith) and Causey Consulting (Paul Causey) for Professional Services on Behalf of East Bay Collection System Advisory Committee (EBCSAC)

MOTION: By Merrill, seconded by O'Keefe, to approve and sign Agreement with E. Laurel Consulting, LLC (Erin Smith) and Causey Consulting (Paul Causey) for Professional Services on Behalf of East Bay Collection System Advisory Committee (EBCSAC).

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

F. Approval of the Purchase of a Hybrid Vehicle

MOTION: By O'Keefe, seconded by Brand, to approve the purchase of a Toyota Prius hybrid vehicle.

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

VIII. Monthly Financial Statements – June 2011

A. Monthly Investment, Cash, Receivables Report, June 2011

B. Monthly Operating, Statement, June 2011

C. Financial Issues

The auditors performed their interim audit work on July 12-13 and had no concerns. They will return the week of October 17th for the final audit.

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IX. Approval of Checks

1. Checks for August 2011 - Fund No. 3418 & 3423.

MOTION: By O'Keefe, seconded by Brand, to approve payment of the bills, Check Nos. 21180 through 21224, in the amount of \$134,765.62

VOTE: AYES: Brand, Merrill, Miller, O'Keefe, James
NOES: None
ABSTAIN: None

X. Future Agenda Items

August 18, 2011

Stipulated Order (SO)

Closed Session – District Counsel Performance Evaluation

September 8, 2011

Presentation of Stege Flow Model

Operational Scheme – Update Report

Backflow Prevention Devices (BPDs) – Staff Recommendations

Brand gave notice that he will not be able to attend the meeting on September 8, 2011.

XI. Adjournment

The meeting of the Stege Sanitary District Board of Directors was adjourned at 10:07 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, August 18, 2011 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Rex Delizo
STEGE SANITARY DISTRICT
Secretary