

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 15, 2011
TIME OF MEETING: 2:00 P.M.

***** MINUTES *****

- I. Call To Order:** President Miller called the meeting to order at 2:13 P.M.
- II. Roll Call:** Present: Brand, Gilbert-Snyder, Merrill, O’Keefe , Miller
Absent: None
Others Present: Rex Delizo, District Manager
Kary Richardson, Administrative Supervisor
Ben Reyes, District Counsel
John Cropper, Cropper Accountancy
Doug Humphrey, Humphrey Consulting, LLC

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.

Item VII. A was taken out of order at this time in the meeting.

VII. Business

A. Fiscal Year 2010-2011 Financial Audit

Delizo introduced the District’s auditor, John Cropper from Cropper Accountancy. Cropper made a presentation to the Board and answered several questions. Cropper discussed segregation of duties which is always a concern for smaller organizations. He explained that critical monitoring activities are already in place but recommended making cash deposits more than once a month. The Administrative Supervisor, Kary Richardson, said that staff, based on the Auditor’s recommendation, will begin making cash deposits every two weeks.

MOTION: By O’Keefe, seconded by Brand, to accept the Fiscal Year 2010-11 Financial Audit report, as corrected.

VOTE: AYES: Brand, Gilbert-Snyder, Merrill, O’Keefe , Miller
NOES: None
ABSTAIN: None

Item VI.B.4.a was taken out of order at this time in the meeting.

VI. Reports of Staff and Officers

B. Manager’s Report:

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

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Humphrey provided the Board a handout on the status of the Stipulated Orders and informed the Board about the final East Bay Collection System Advisory Committee (EBCSAC) comments to the East Bay Municipal District (EBMUD) Flow Modeling and Limits Report (FMLR).

NOMINATION AND ELECTION OF OFFICERS

Nomination and Election of Officers – 2012

MOTION: By Merrill, seconded by O’Keefe, to elect Alan Miller for President of the Stege Sanitary District Board of Directors for 2012.

VOTE: AYES: Brand, Gilbert-Snyder, Merrill, O’Keefe , Miller
NOES: None
ABSTAIN: None

MOTION: By Brand, seconded by Merrill, to nominate Beatrice O’Keefe for Vice President of the Stege Sanitary District Board of Directors for 2012.

VOTE: AYES: Brand, Gilbert-Snyder, Merrill, O’Keefe , Miller
NOES: None
ABSTAIN: None

CLOSED SESSION

Conference With Labor Negotiator (Government Code Section 54957.6)

Agency Representative: Board President, Al Miller

Unrepresented Employee: District Counsel, Meyers Nave

The Board entered the closed session at 4:17 P.M. and returned to open session at 4:32 P.M. President Miller reported that the Board agreed to accept the CPI-U increase proposed by District Counsel for the Principal, Associate, Rack and Retainer rates. The Board did not agree to the request of an automatic adjustment of CPI-U at the start of each fiscal year. The Board instead suggested Counsel request the review every year.

IV. Approval of Minutes

A. Approval of Minutes of November 17, 2011 Board Meeting

MOTION: By Merrill, seconded by Brand, to approve the minutes of the November 17, 2011 Board Meeting, as corrected.

VOTE: AYES: Brand, Merrill, Miller
NOES: None
ABSTAIN: Gilbert-Snyder, O’Keefe

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V. Communications

A. Oral Communications:

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

Miller reported on his attendance at the November 21, 2011 City of El Cerrito City Council Meeting. At the Council Meeting, Miller announced the appointment of Paul Gilbert-Snyder as the new Director of the Stege Sanitary District. Miller informed the Board about the approval of a City animal ordinance and also the transit oriented development feasibility and parking studies for the Specific Plan Update and Del Norte Transit Oriented Development Strategy.

B. Written Communications:

1. January 18-20, 2012 California Association of Sanitation Agencies (CASA) Conference

The Board was provided a Preliminary Program and reminded that rooms have been reserved for all Directors from Tuesday, January 17 to Friday January 20. Merrill and Miller gave their intentions on attending the conference. O'Keefe and Brand will not attend and asked to have their rooms reservations cancelled. Gilbert-Snyder is still undecided but will let staff know his intentions before the deadline.

2. California Special District Association (CSDA) Effective Board Member Workshop

The Board was provided information on the CSDA workshop "How to be an Effective Board Member" for both experienced and newly elected/appointed board members. The Bay Area workshop date is in conflict with the CASA Conference but another workshop is available in Sacramento the following week.

3. Free CSDA AB 1234 Ethics Compliance Online Training

In appreciation of renewing membership early, CSDA is providing free on-line AB 1234 Ethics Compliance training in January or February 2012. Reyes informed the Board that Meyers Nave will also be providing a live training session as well.

VI. Reports of Staff and Officers

A. Attorney's Report:

Reyes provided a handout to the Board regarding AB 1344 that was signed by Governor Brown on 10/09/11. Reyes explained the bill is one of 33 bills sponsored in the aftermath of the City of Bell fiasco and went over the key points of the bill including the added remedies relating to Abuse of Office.

B. Manager's Report:

1. Monthly Maintenance Summary Report – November 2011

The Board was informed that about 62,000 feet of lines had been cleaned and that about 26,000 feet of lines had been videoed. There were 5 service

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calls and 2 of these were related to problems in private laterals. There were no service calls after normal working hours and no overflows caused by problems in District main lines.

3. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects

There were no repairs or projects to report.

4. Capital Improvement Projects

D'arcy and Harty is scheduled to return next month to resume sewer line rehabilitation.

5. Miscellaneous Items

b. 2012 Board of Directors' Meetings Calendar

The Board was provided the meeting scheduled for 2012. There are several conflicts with CASA conferences and the Thanksgiving holiday which will need to be resolved. To work around the conflicts, Merrill suggested new dates for the Board Meetings in April, August and the last meeting in November as follows:

April ~~12~~ **05**, 2012
April ~~26~~ **19**, 2012
August ~~09~~ **16**, 2012
August ~~23~~ **30**, 2012
November ~~22~~ **29**, 2012

The Board will check availability for the revised meeting dates and confirm a change at a future Board Meeting.

c. Long Range Planning – Facilitators / Dates

The Board was provided a short list of proposed facilitators for the Long Range Planning workshop. Merrill informed the Board he will not be available in February and prefers the workshop be in March or April. The Board asked staff to get more proposals from other facilitators and bring the item back on the agenda at a future Board Meeting.

VII. Business:

B. Flexible Benefits Plan - Contribution Rate for 2012

The Board was provided a staff report that indicated health care premiums for the Kaiser Family rate will increase 7.3% in 2012. There was a brief discussion, but due to the meeting running very long, the Board asked staff to bring the item back on the agenda at a future Board Meeting.

VIII. Monthly Financial Statements – November 2011

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

B. Monthly Operating, Statement, November 2011

C. Financial Issues

There were no outstanding issues to discuss.

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IX. Approval of Checks

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

MOTION: By O'Keefe, seconded by Merrill, to approve payment of the bills, Check Nos. 21445 through 21506, in the amount of \$161,515.79

VOTE: AYES: Brand, Gilbert-Snyder, Merrill, O'Keefe, Miller
NOES: None
ABSTAIN: None

X. Future Agenda Items

January 12, 2012

Flexible Benefits Plan – Contribution Rates

Board Governance Issues

District of Distinction

100th Year Anniversary Planning – Event Planner

January 26, 2012

Long Range Planning Topics/Dates/Facilitator

Quarterly Claims Report

Stege Sanitary District Stipulated Order

East Bay Municipal Utility District Stipulated Order

CSRMA SHELL Award

Actuarial Analysis of Retiree Benefits

XI. Adjournment

The meeting was adjourned at 6:04 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, January 12, 2012 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California

Rex Delizo
STEGE SANITARY DISTRICT
Secretary