

MEETING OF FEBRUARY 14, 2008

TIME OF MEETING: 7:00 P.M.

***** MINUTES *****

I. Call to Order: O'Keefe called the meeting to order at 7:04 P.M.

II. Roll Call: Present: Brand (arrived at 7:07 P.M.), James, Merrill,
Miller, O'Keefe
Others Present: Douglas Humphrey, 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: None.

CLOSED SESSION

Public Employee Performance Evaluation (Government Code Section 54957)

Title of Position: District Manager

The Board entered to closed session at 7:07 P.M. The Board returned to open session at 7:36 P.M. and President O'Keefe announced the Board had taken no reportable action.

IV. Approval of Minutes

A. Approval of Minutes of January 31, 2008 Board Meeting.

MOTION: By Merrill, seconded by Miller, to approve the minutes of the January 31, 2008 Board meeting, as corrected.

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

V. Communications

A. Oral Communications:

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

There were no reports on this item by the Directors.

B. Written Communications:

1. Announcement of Upcoming Special District Vacancy on Local Agency Formation Commission (LAFCO) and Call for Nominations.

Humphrey introduced the item and informed the Directors about the upcoming vacancy on LAFCO. There was no action on this item.

C. Manager's Report:

Humphrey informed the Board about his conversations earlier this week with Jerry Bradshaw regarding the coordination of the El Cerrito and Stege efforts on lateral work and City paving projects. He said that the plan is to issue a joint letter explaining the process and highlighting the cooperation and coordination between the City and Stege. He said that Mr. Bradshaw also is

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working on the concept of some City assistance to owners in the replacement of their laterals in conjunction with the City's paving contractor. O'Keefe distributed a letter to the editor about lateral work effects on City paving, and gave the opinion that an "Op Ed" article or letter to the editor explaining the Stege process would be a good idea. The Directors discussed this idea and agreed that an "Op Ed" piece would be a good idea. The article should include information on the Stege rehabilitation program, environmental need for lateral replacements, and data on other utilities that also have patches in City streets. The Board directed Humphrey to draft an article for their review at the next Board meeting. Humphrey said he would do this after contacting the City staff for data regarding other utilities that cut and repave City streets.

Humphrey said that he has spoken to District Counsel about the Form 700 filing process and will provide more information about this at the next meeting.

VI. New Business

A. Administration Building Project – Environmental Review Requirements.

Humphrey said he has been working with District Counsel on this issue and Counsel believes, after some study and review of the project details, that the District project qualifies for a categorical exemption under the California Environmental Quality Act (CEQA). Humphrey said that Counsel is preparing a resolution for the next Board meeting that will find the project exempt. Humphrey was asked if the City of El Cerrito request for proposals (RFP) had been modified to reflect the fact that the Stege project did not need a negative declaration, and he answered that City staff was aware of what Stege was doing and the RFP had been changed. James reminded Humphrey about direct outside air for the new building, and Humphrey said he would contact Mr. Craig at VBN and get the mechanical designer in touch with James.

B. Long-Range Planning (LRP) Workshop – Agenda Review. Humphrey gave a brief summary of the revised draft agenda for the LRP and how the issues relate to the top three issues identified by the Board in June 2007. Brand asked why the lateral issue was not included, because he thought this issue was going to be on the agenda again this year. There was some discussion about the lower lateral workshops in July and August 2007 and what transpired. Brand said that he did not think there had been closure on the issue. Humphrey said he could revise the agenda and include an item on laterals, including a summary of last year's sessions and minutes.

C. Bill Paying Process. Humphrey explained his background memorandum on this issue and said that the credit card payment is the only bill that poses a real problem, since staff already handles the Pacific Gas & Electric (PG&E) and East Bay Municipal Utility District (EBMUD) bills in advance. O'Keefe suggested asking the credit card company if they can provide a payment date later in the month so this is not a problem. Humphrey said staff will follow up and make a request. Merrill asked Humphrey if staff could have a workshop presentation for the Board on the bill paying process, and said he remembers

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that this idea was discussed at the time Stege ended its use of the County as its treasurer. Humphrey said he would organize a brief presentation on the process for a future Board meeting.

VII. Approval of Checks

1. Checks for January 2008 - Fund No. 3418.

MOTION: By James, seconded by Merrill, to approve payment of the bills, Check Nos. 18144 through 18171 in the amount of \$382,370.41 from Fund Nos. 3418 & 3423.

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

VIII. Future Agenda Items

February 28, 2008

- Safety Superstar Award & Summary of Safety Program Update (D. Patzer)
- Administration Building Project Update
- Resolution Approving Categorical Exemption (CEQA) – Administration Building Project
- Long-Range Planning Workshop Discussion

Humphrey said other topics that will be added to this meeting are the draft Op Ed article regarding El Cerrito paving and Stege laterals and an update on the Municipal Service Reviews (MSR) process by LAFCO.

March 13, 2008

- Employee Benefits Discussion
- Audit Request for Proposal (RFP) Responses

IX. Adjournment

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:23 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, February 28, 2008 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
 STEGE SANITARY DISTRICT
 Secretary