

MEETING OF FEBRUARY 25, 2010

TIME OF MEETING: 7:00 P.M.

\*\*\*\*\* **MINUTES** \*\*\*\*\*

**I. Call To Order:** President Brand called the meeting to order at 7:07 P.M.

**II. Roll Call:** Present: James, Merrill, Miller, O’Keefe, Brand  
 Others Present: Ben Reyes, District Counsel  
 Doug 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:** Merrill commented there is a missing lamphole cover on Park Way, and a cleanout cover is missing on a line in Navellier Street in the Pacific Gas & Electric (PG&E) right-of-way. Humphrey said staff would follow up on these items.

**IV. Approval of Minutes**

A. Approval of Minutes of February 11, 2010 Board Meeting

MOTION: By O’Keefe, seconded by James, to approve the minutes of the February 11, 2010 Board Meeting, as corrected.

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

B. Approval of Minutes of February 13, 2010 Long Range Planning Workshop

MOTION: By O’Keefe, seconded by James, to approve the minutes of the February 13, 2010 Long Range Planning Workshop.

VOTE: AYES: James, Merrill, Miller, O’Keefe, Brand  
 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 reported on his attendance at the February 15th El Cerrito City Council meeting. Miller said there was an interesting budget review presentation at the meeting. He said that it was reported at the meeting that El Cerrito had the 6<sup>th</sup> lowest foreclosure rate in the East Bay area. O’Keefe mentioned that she had recently seen Rotary member Lee Prutton, DVM, of Abbey Pet Hospital, and expressed the idea that the Manager could give a talk at a future Rotary meeting on the subject of Stege’s recent Environment Protection Agency (EPA) Order and potential rate increases.

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Miller said Directors could also give talks. Merrill suggested that the District could pay for membership of the Deputy District Manager in El Cerrito Rotary.

B. Written Communications:

1. January 7, 2010 Letter from Bay Area Rescue Mission Regarding Donation by Stege

Humphrey said this letter was sent as a thank you for the “leftover” food that was donated by staff following the holiday luncheon.

**VI. Reports of Staff and Officers**

A. Attorney’s Report: Reyes reported on a recent case, Alvis vs. Ventura County, that involved design immunity and was a positive outcome for local agencies. He also agreed to follow up on Mike Riback’s promise to resolve the discrepancy between Mike’s June 2009 memo affirming Stege’s duty to defend officers and employees against civil lawsuits, and Kent Alm’s opinion at a January 2010 Novato Sanitary District (NSD) meeting that NSD was not allowed to defend a lawsuit against NSD Director Bill Long.

B. Manager’s Report:

1. Monthly Maintenance Summary Report – January 2010

Humphrey said January was a typical month for the first month of the quarter. Approximately 75,000 feet of line were cleaned and about 2900 feet were videoed. There were 19 service calls, an expected increase over average monthly figures because of the stormy weather in January. Six of these calls were related to problems in private laterals. There were four service calls after normal working hours, and three of these required immediate response.

2. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects

3. Capital Improvement Projects

4. Miscellaneous Items

Humphrey said there were no repairs or miscellaneous projects last month. He said the easement line upstream of the incident on Ramona Avenue will be replaced by the pipebursting contractor once he returns to Stege later this spring.

**VII. Business**

A. Administration Building Project – Project Status Update

Humphrey told the Board the project is progressing well. He said that he thought the color committee had some ideas regarding the color above the entry and what possible alternatives might be tried. James said he had taken the architect’s sample poster of the building and had Kelly-Moore mix a quart of a paint that matched the color on the poster. He suggested this be painted on a portion of the building and the Board could then look at it to decide if they want to use that color instead, as it was the color that was originally shown to the Board. O’Keefe and Merrill both said they believed that the architects had said the Board would have a chance to look at the color again prior to painting of the building. O’Keefe agreed that the quart that James had

obtained should be put on the area in question so the Board members could see how it looks on the building. Humphrey said he would have this done and would notify members once it was done so they could come and inspect it.

B. Draft Action Plan – 2010

Humphrey said the draft plan is his first attempt to capture the action items identified at the Long Range Planning (LRP) Workshop. Board members agreed they needed some time to review the draft and asked Humphrey to place this on the agenda for the next meeting so the Board can discuss it at that time.

C. Stege’s National Pollutant Discharge Elimination System (NPDES) Permit and East Bay Municipal Utility District (EBMUD) Stipulated Order (SO)

Humphrey gave an update on events related to the EBMUD SO. The most significant item addressed was the private lateral savings incentive program. Humphrey explained the draft program had many details left out and was very non-specific when it comes to process issues, or how funds will be distributed and to whom. He said he and staff from the other satellites made many suggestions and are gathering comments to address revisions to the draft program. He said he believes that Stege is in a good position to take advantage of whatever program is ultimately developed by EBMUD and approved by EPA. The area around Burlingame Pump Station is a potential condiate for use of such funds. The Board asked that pumping records be reviewed to see if such use would be warranted.

D. Consideration of Claim from Steve & Stephanie Glazer, 241 Ramona Avenue, El Cerrito

Humphrey explained this was the claim that resulted from the creek overflow in Sunset Cemetery on January 20th. He said there will be another separate claim next meeting from tenants who had items damaged by the backup.

MOTION: By Merrill, seconded by James, to reject the claim and direct the Manager to make the appropriate notifications to the claimant and claims administrator, and work with the third party administrator to settle the claim.

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

**VIII. Monthly Financial Statements –January 2010**

A. Monthly Investment, Cash, Receivables Report, January 2010

B. Monthly Operating, Statement, January 2010

Humphrey reported that expenses to date are tracking generally with the budget and what should be expected for this time of the fiscal year.

C. Financial Issues

Humphrey said the new actuary hired by the District will begin his work soon on the Other Post Employment Benefits (OPEB) calculations.

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**IX. Approval of Checks**

1. Checks for January 2010 - Fund No. 3418 & 3423

MOTION: By Merrill, seconded by James, to approve payment of the bills, Check Nos. 19926 through 19957, in the amount of \$280,736.46 from Fund Nos. 3418 & 3423.

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

**X. Future Agenda Items**

**March 11, 2010**

Administration Building Project

Draft Action Plan Approval

Open House Discussion

Humphrey reminded the Board that he would not be present and that Rex Delizo would be at this meeting. O’Keefe asked that Humphrey work with Delizo in advance of the meeting and suggested that he have Delizo present or provide a summary introduction for each item, similar to what Humphrey usually does.

**March 25, 2010**

Administration Building Project

East Bay Municipal Utility District (EBMUD) Stipulated Order – Status

Salary Survey

Service Rate Discussion

Brand informed the Board that he would be absent at both the March meetings due to work conflicts.

**XI. Adjournment**

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:59 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, March 11, 2010 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

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Douglas Humphrey  
STEGE SANITARY DISTRICT  
Secretary