

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF FEBRUARY 24, 2011

TIME OF MEETING: 7:00 P.M.

***** MINUTES *****

I. Call To Order: President James called the meeting to order at 7:04 P.M.

II. Roll Call: Present: Merrill, Miller, James
 Absent: Brand, O'Keefe (both provided prior notice of their absence)
 Others Present: Benjamin Reyes, District Counsel
 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 There was no public comment.

IV. Approval of Minutes

A. Approval of Minutes of February 10, 2011 Board Meeting

MOTION: By Merrill, seconded by Miller, to approve the minutes of the February 10, 2011 meeting, as corrected.

VOTE: AYES: Merrill, Miller, James
 NOES: None
 ABSTAIN: None

B. Approval of Minutes of February 12, 2011 Long-Range Planning Workshop

MOTION: By Merrill, seconded by Miller, to approve the minutes of the February 12, 2011 long-range planning workshop, as corrected.

VOTE: AYES: Merrill, Miller, 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 reported on the recent February 22 El Cerrito City Council meeting. He said the Council had approved an agreement with Eden Housing for the development of the old Tradeway site on San Pablo, close to City Hall. Eden proposes to build 64 affordable housing units and 20,000 square feet of retail space at this site. Miller also said that El Cerrito High School has initiated grounds

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

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improvements; phase 1 is the rework of athletic fields for softball and soccer, phase 2 will deal with the football field and track.

B. Written Communications: Humphrey said there were none to consider.

VI. Reports of Staff and Officers

A. Manager's Report:

1. Monthly Maintenance Summary Report—January 2011 Humphrey said that January had been a typical month for maintenance activities. He reported that about 54,000 feet of main lines had been cleaned and about 12,000 feet were videoed. There were 18 service calls and 10 of these were related to problems in private laterals. There were 5 calls after normal working hours, and 4 of these required immediate response.
2. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects Humphrey said there were none to report.
3. Capital Improvement Projects Humphrey reported that the pipebursting contractor had replaced the line on San Pablo Ave, from Schmidt Lane to nearby Moeser Lane.
4. Miscellaneous Items
 - a. Letter from Ms. Fujii, 5617 Barrett Ave. Humphrey gave a brief summary of the request from Ms. Fujii and suggested that staff needed to research the issue more before recommending action by the Board.
 - b. Stege Administrative Order (AO) and Stipulated Order (SO), East Bay Municipal Utility District (EBMUD) Issues Humphrey provided the Board with an update of recent activities and meetings related to the SO.

VII. Business

A. Consideration of Claim – Mr. Peterson, 8183 Terrace Drive, El Cerrito

Humphrey gave the Board a brief report on the claim, which is related to the EBMUD water line break. He suggested the Board reject the claim and direct the Manager to work with the third party claims administrator to adjust and settle the claim.

MOTION: By Merrill, seconded by Miller, to reject the claim submitted to Stege by Mr. Peterson, and direct the District Manager to work with CSRMA's Claim Administrator to handle the claim.

VOTE: AYES: Merrill, Miller, James
 NOES: None
 ABSTAIN: None

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF FEBRUARY 24, 2011

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B. Draft Action Plan for 2011

Humphrey said the action plan is a draft, may need some revisions, and should be reviewed by all board members before it is made final. Directors made some suggested revisions and Humphrey said this item will be on the next meeting's agenda.

VIII. Monthly Financial Statements – January 2011

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

B. Monthly Operating, Statement, January 2011

C. Financial Issues

The Board reviewed the reports with Humphrey. Humphrey pointed out that the retiree health figure was shown below the total investment figure. Merrill questioned whether it should be shown on this report. Humphrey said he will follow up with the Administrative Supervisor about this reporting. Humphrey also indicated that expenses are almost exactly as expected for this time in the fiscal year and there are no issues to discuss at this time.

IX. Approval of Checks

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

MOTION: By Merrill, seconded by Miller, to approve payment of the bills, Checks No. 20838 through 20859 in the amount of \$205,646.93 from Fund Nos. 3418 and 3423.

VOTE: AYES: Merrill, Miller, James
 NOES: None
 ABSTAIN: None

X. Future Agenda Items

March 10, 2011

Stege 100th Anniversary – Discussion of Stege History Publication
 Approval of Draft Action Plan for 2011

The request from Ms. Fujii will be included on this agenda.

March 24, 2011

Stege AO & SO

Ordinance Code Revisions – Claims, Laterals

Merrill suggested that a workshop on pensions, with emphasis on Cal PERS, should be held sometime later this year. Directors thought a discussion on how PERS works, what Stege might be able to change, and the development of a common understanding by Directors and the Manager were topics that should be included. Code revisions to the claims section are recommended by Counsel in order to deal with Proposition 26 and also codify a requirement for other public

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF FEBRUARY 24, 2011

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agencies to file claims with the District if agencies are requesting compensation from Stege for certain occurrences.

X. Adjournment

The meeting was adjourned at 9:28 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, March 10, 2011 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary