

STEGE SANITARY DISTRICT
LONG-RANGE PLANNING WORKSHOP
SATURDAY, FEBRUARY 12, 2011

*****MINUTES*****

- I. Call to Order:** President James opened the meeting at 8:34 A.M.
- II. Roll Call:** Present: James, Merrill, Miller, O’Keefe, Brand
Others Present: Michelle Murphy, Facilitator
Douglas Humphrey, District Manager
Rex Delizo, Senior Engineer/Deputy Manager
Walter Lunn, Maintenance Supervisor (partial)

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

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

IV. Long-Range Planning (LRP) Workshop - 2011

The Board and Manager discussed the items on the agenda below. Details of proposed actions include an action plan that will be considered and approved by the Board at meetings in March 2011.

1. Introduction, Schedule, Ground Rules, etc.
Humphrey introduced Michelle Murphy, the facilitator for the Board’s LRP for the 11th consecutive year. Murphy gave a brief summary of the ground rules and said that she would help monitor the timing of items and would give the group time checks, including a five minute warning prior to the scheduled time limits for items as presented on the agenda. Murphy said that many of the items included in this year’s agenda do have a relatively short time frame for action, and he said this is typical of what she is seeing in recent years. Her term for this is “short cycle” long-range planning, which is more typical now since it seems that in general, planning cycles have become much shorter for most businesses.
2. Discussion of Agenda
 - a. Brief Review of 2009-2010 Action Plan
Humphrey reviewed last year’s action plan and the status of all items. He said that there are no significant outstanding items, though there are a couple of minor items involved in the discharge alternative analysis that will be done as part of a consultant’s work on the issue. All other items were completed as noted in the updated action plan.
 - b. Purpose of Planning Effort, Requested Changes to Agenda
There were no requests to change the agenda.
3. Stege Administrative Order (AO) and Stipulated Order (SO)
SO-Related Items
 - a. Overflow Response Procedures
 - b. Sub-basin Flow Monitoring
 - c. Inflow Identification and Reduction

STEGE SANITARY DISTRICT
LONG-RANGE PLANNING WORKSHOP
SATURDAY, FEBRUARY 12, 2011

- d. Asset Management Program
- e. Private Lateral Ordinance & Incentive Program
- f. Other

Humphrey explained that he had included the AO and SO issues in the LRP packet for the Board's reference and did not plan to review it in detail since it has been covered many times. Humphrey said this background is essential to understanding many of the current issues facing the District.

Impact on District Resources

- a. Staff
- b. Direct Expenses & Contracting
- c. Schedule

Humphrey explained that he has updated the estimates of staff time and contract needs to handle the AO and SO issues in the next three years. He said that he has increased the estimated staff time needed in the next two years, based upon his last year or so, since he significantly underestimated the amount of his and Rex's time that would be spent on these issues. Humphrey said he believes that the current budget and last year's financial plan cover Stege's needs and there is no increase needed to that financial plan.

- d. Flow Model Development

Humphrey and Delizo reported on progress on the model and said they are very pleased so far with AECOM's efforts. James questioned whether Stege should buy the software and develop capability to run scenarios by Stege staff. Humphrey said the current plan was to contract that to AECOM due to staff resource limitations, but that can be explored with AECOM. Humphrey said a summary report from AECOM can be made to the Board later this spring or this summer, after all flow data has been included in the model. James asked what software was being used for model development. Humphrey answered it is InfoWorks, and EBMUD's consultant is using INFOSWMM. James agreed this was a good idea to use a different software.

- e. Potential Customer Assistance

Humphrey and Delizo said they would like the Board to consider an assistance program related to the installation of backflow prevention devices, since backup claims are very expensive now. The program could range from providing the devices to customers at no cost to installation of devices for customers. Staff believes there are significant issues involved with work on private property and that would need to be explored before starting any elements that include District contractors work on private property. The Board discussed this extensively and many issues were highlighted; review of the existing ordinance, costs for different options, enforcement plans, notification possibilities, legal review, and other related issues. It was decided that staff would prepare background and schedule a study session for the Board to review possibilities. Miller suggested that the Board consider using the amount of property tax received as a source of incentive funding for this project or for lateral replacement.

- f. Alternatives Analysis

Humphrey told the Board that he has begun speaking with a consultant about a discharge alternatives analysis for Stege and referred them to the brief scope of work summary that could serve as the project outline. He said he plans to get this work started this spring. The Board directed Humphrey to follow up with West County and their efforts to obtain additional storage and treatment capabilities.

STEGE SANITARY DISTRICT
LONG-RANGE PLANNING WORKSHOP
SATURDAY, FEBRUARY 12, 2011

4. Maintenance and Field Operations

Humphrey explained that he, Rex and Walt had worked with the crews over the last few months and they have initiated a new organizational and work structure for the field operations. Lunn then gave a very detailed summary of the structure of the maintenance operational plan, how all tasks are assigned, task responsibilities, and work scheduling. Lunn said he is very pleased so far and that his crew members generally seem to like the new system. The organization has been flattened and all crew members have areas for which they are responsible and give direction to the other crew members. The Board commented that this sounds very promising and it seems that it has provided new challenges for the crew members, or a job enrichment as Miller stated it. The Board asked that an update report be given later this year to update them as to how this system is working and progressing. The Board also suggested that Humphrey submit an application for an organizational or innovation award in CASA's awards program.

5. Future District Organization

Humphrey led a discussion about the current organization of staff and whether that would be revised in the future. E said that he believes there is no need to change anything at this time, but that Consent Decree items that are developed in about three years from now may necessitate a change in the future. There was discussion about details of the organizational chart that Humphrey provided as part of the agenda and he acknowledged that it needs to be revised.

6. Salaries & Benefits (Financial Planning)

- a. Salaries – CPI, Comparisons, Surveys
- b. Benefits
 - i. Health, Retirement, Retiree Health, etc.
 - ii. Other Agencies
- c. Other financial issues

Humphrey said that staff has recently been trained on the IEDA On-line Survey Builder service and this should help in future salary and benefit studies and surveys, although there seems to be some issues with some data he has seen. Humphrey gave a summary of what other public agencies are doing about benefits they provide and that many seem to be "tiering" their benefits, or giving future hires lesser benefits than existing employees. Humphrey said he plans to have a survey included as part of final budget consideration this year.

7. Miscellaneous

a. Stege 100th Anniversary

Humphrey referred the Board to a proposal received very recently from David Weinstein, news writer and author, to prepare a history book for Stege's 100th anniversary. The Board discussed the proposal and whether a book or a pamphlet was the better option. The Board asked Humphrey to follow up with Rosalie Blajez and Weinstein to determine how much less it would cost to print fewer copies of the book, since there was a concern that there would not be enough demand for 1000 copies. The expense was also a concern for some Board members, and Humphrey said he had spoken to Blajez about how much a 20 page pamphlet type publication would cost. She said she had prepared one for Oro Loma's 100th anniversary and the cost for 500 would be about \$5000 or so. The Board asked Humphrey to follow up with Weinstein and Blajez to determine the costs for fewer copies of the book as well as look at the option of a pamphlet. The Board asked if

STEGE SANITARY DISTRICT
LONG-RANGE PLANNING WORKSHOP
SATURDAY, FEBRUARY 12, 2011

Humphrey could have this ready for discussion at a March meeting and Humphrey said he could.

b. Revised Web Site

Delizo showed the Board the format of the new Stege web site and explained it is still under development. He said that he would like input from Board members about site content and if they had strong preferences for what information is included on the site. There were several specific suggestions and Miller also provided a copy of suggestions from one of the talks in the communications program from the January CASA conference. Delizo and Humphrey said they will incorporate these into the new site.

8. Wrap-Up

a. Open Forum – Other Issues

No additional issues were raised for discussion.

b. Review Action Items

c. Next Steps – Action Plan

Murphy summarized the action items identified during the session and revised them with the input of the Board, Delizo and Humphrey. The Board Directors, Delizo, and Humphrey expressed their opinions about how well the workshop had been conducted today. There was a general consensus that this was a very good workshop, time management was problematic at times but Ms. Murphy kept us on track, the Board stayed focused, the agenda worked well, and everyone worked very well together and was willing to share their opinions. Directors commented that they liked that Delizo and Lunn were present, and that everyone was willing to listen to each other. Brand agreed but said that time management could be improved in the future. Merrill expressed some concern that too much time was spent on the AO and SO, but he liked that Lunn and Delizo were present.

Humphrey said he will include tabs for dividers in next year's workbooks or binders, which related to an earlier comment during the workshop session. Humphrey said he will draft an action plan and minutes from today's workshop for the Board's consideration at the next Board meeting.

V. Adjournment

The meeting was adjourned at approximately 4:27 P.M.

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary