

MEETING OF JANUARY 17, 2008

TIME OF MEETING: 7:00 P.M.

MINUTES

I. Call to Order: O’Keefe called the meeting to order at 7:02 P.M.

II. Roll Call: Present: Brand (arrived at 7:09 P.M), James, Merrill, Miller, O’Keefe
 Others Present: Tim Craig, VBN Architects
 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.

IV. Approval of Minutes

A. Approval of Minutes of December 20, 2007 Board Meeting.

MOTION: By James, seconded by Merrill, to approve the minutes of the December 20, 2007 Board meeting.

VOTE: AYES: James, Merrill, Miller, O’Keefe
 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. There were no reports.
2. Report on January 9-12, 2008 California Association of Sanitation Agencies (CASA) Meeting in Indian Wells. Miller reported on his attendance at the recent CASA conference, as required by law. Miller commented on the California Sanitation Risk Management Authority (CSRMA) training that preceded the CASA conference. He said that Seth Cole of Alliant had given a presentation titled “Insurance 101” and he covered numerous insurance issues that affect Stege and other CSRMA agencies. He said that David Patzer had presented his enhanced website used for training of employees from CSRMA agencies. Miller also commented on many of the presentations at the CASA conference, including comments by Mike Dillon and others about Proposition 1A. They think this may prevent the State from borrowing local agencies’ property tax revenues, since the State now has to repay agencies in three years if they borrow these revenues. Miller also reported that the agencies who had won CASA awards this year made presentations on their efforts, including an interesting fats, oils, and grease (FOG) program in Orange County.

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- B. Written Communications: None.
- C. Manager's Report. Humphrey gave a brief report on the recent storm event on January 4th and its effects on the Stege system. He said there were five overflows that resulted from the excessive flows that day, and that two of these were related to partial blockages in Stege main lines as well as heavy inflow into the system. He said he'd speak about eucalyptus tree removal as part of the Administration Building project following VBN's schematic design report.

VI. **New Business**

- A. Administration Building Project – Design Update by Architect. Humphrey introduced Mr. Craig from VBN Architects and said Craig would present VBN's schematic design efforts as a design status report. Craig presented VBN's work to date using the software that VBN uses in design of the building. This software provides a three dimensional capability to assist the designer, and is also helpful for the presentation of work to both the design and clients. Craig's presentation was very detailed and there was discussion about many aspects of the building design.

O'Keefe expressed concern about the proposal for exposed ventilation ducting in the new building. James and Miller asked Humphrey to follow up with employees to see if they minded this or not. James also expressed interest in the heating, ventilation and air conditioning systems, and Craig suggested that James could sit in on sessions with the mechanical designer. Merrill reiterated his preference for three phase power to the new facilities.

Humphrey informed the Board he had met with 7 neighbors from Park Vista Drive to explain the plans for eucalyptus tree removal in connection with the District's building project. Humphrey said most of them are in favor of tree removal, but there is one couple who believes the trees provide suppression of noise from the City Recycling Center. He said that all who attended were very gracious and positive about the meeting and that Stege had informed them very early in the process about the potential plans. Humphrey also said that he had heard earlier in the week from City staff that El Cerrito Planning staff believes an environmental impact report (EIR) is necessary for both the Stege and El Cerrito Recycling projects. This differs from what he had believed was stated previously. Humphrey said he would consult with District Counsel and let the Board know what their opinion is regarding the need for an EIR.

- B. Date for 2008 Long-Range Planning (LRP) Workshop. Humphrey explained that he had not yet spoken to Michelle Murphy as to her availability to facilitate this year's LRP. Humphrey said the Board should decide if they want to have Ms. Murphy facilitate again this year, and also choose some possible dates for the LRP so Humphrey can set the date with Ms. Murphy if the Board chooses to contract her again this year. There was general agreement that the Board wanted Humphrey to contact Murphy, and the best date for the LRP was March 8, and February 16 and 23 would also be

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acceptable. Humphrey said he would speak to Murphy and report back to the Board.

- C. Audit Firm Selection Process/Audit Committee Formation and Accept the FY 2006-2007 Audit Report. Humphrey stated that he had a Request for Proposals (RFP) for financial audit services drafted and needed some input from the Board. Humphrey verbally reported his dates for the audit schedule included in the draft, and asked the Board for input on the scoring and selection criteria. The Board briefly reviewed Humphrey’s suggestions and agreed they were fine. Merrill suggested the Board could act as a “committee of the whole” for the purposes of auditor selection.

MOTION: By James, seconded by Merrill, to direct the Manager to send the RFP to potential audit firms and utilize the full Board in the auditor selection process.

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

VII. Approval of Checks

- 1. Checks for December 2007 - Fund No. 3418.

MOTION: By Miller, seconded by James, to approve payment of the bills, Check Nos. 18060 through 18115 in the amount of \$316,468.75 from Fund Nos. 3418 & 3423.

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

VIII. Future Agenda Items

January 31, 2008

- Interim Review of Manager’s Performance
- Long Range Planning Workshop Discussion
- Retiree Medical Care – District Contribution Rate
- Bill Paying Process

There was a brief discussion regarding the agenda for this meeting, and it was decided that the retiree medical rate was not time critical and did not need to be included. An additional item, acceptance of the FY 2006-07 financial audit will be included.

February 14, 2008

- Presentation of Updated Safety Program by David Patzer
- Long-Range Planning Workshop – Discussion about Topics

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IX. Adjournment

The meeting of the Stege Sanitary District Board of Directors was adjourned at 10:12 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, January 31, 2008 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary