

MEETING OF JULY 9, 2009

TIME OF MEETING: 7:00 P.M.

***** **MINUTES** *****

I. Call to Order: President Merrill called the meeting to order at 7:02 P.M.

II. Roll Call: Present: Brand, James, Miller, O’Keefe, Merrill
 Others Present: 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 – There was no public comment.

CLOSED SESSION

Conference With Labor Negotiator (Government Code Section 54957.6)

Agency Negotiator: Board President

Title of Position: District Manager

The Board entered into closed session at 7:04 P.M. The Board returned to open session at 7:09 P.M. and President Merrill announced the Board had taken no reportable action.

IV. Approval of Minutes

A. Approval of Minutes of June 25, 2009 Board Meeting

MOTION: By Miller, seconded by James, to approve the minutes of the June 25, 2009 Board meeting as corrected.

VOTE: AYES: Brand, James, Miller, O’Keefe, Merrill,
 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

a. 4th of July Debriefing

O’Keefe said there were fewer people this year during her time at the booth, but she thinks this is a good event and Stege should continue to attend. She suggested that staff provide some rocks or weights next year to prevent papers from blowing away when the wind blows. Merrill said an additional bungee cord on the wooden board holder would also be helpful. James said the traffic at the booth dropped off considerably after 3 PM. Brand said there was more traffic and questions at the booth than last year during his shift. Merrill said it was very sparse after 4 PM and commented that customers seem to be more educated about Stege’s issues and that may be a sign that our public outreach and newsletter information is working to educate

MEETING OF JULY 9, 2009

TIME OF MEETING: 7:00 P.M.

people about the collection system. Miller provided Humphrey with a summary of questions the Directors received during the day and Humphrey answered them during the meeting.

2. Manager's Report

a. Pump Station Evaluation

Humphrey said he would distribute the reports to Directors after the meeting.

b. El Cerrito Chamber of Commerce

Miller said that Mark Scott had sent this message to Humphrey after he had made similar comments to Miller during a recent encounter. Humphrey asked if the Board had any interest in joining the Chamber and if they wanted Mr. Scott to attend a meeting and explain the benefits of Chamber membership. The Board discussed this and asked Humphrey to contact Mr. Scott and get some information such as the cost of membership and benefits to Stege, and what would be expected of Stege if Stege joins. Humphrey said he would do this and report back to the Board.

c. City of Richmond – Lateral Grant Program

Humphrey explained he had received a call from Mary Selva, the Richmond Annex Neighborhood Council President, about assistance to homeowners for replacement of laterals. Humphrey said she expressed the sentiment that it would be nice if Stege provided assistance, particularly since the City of Richmond does this for its citizens that are served by the City instead of Stege. Humphrey said that he expects Ms. Selva will send a letter to the Stege Board on this issue in the near future.

d. Newsletter

Humphrey said the Board had decided earlier this year to prepare additional newsletters this year to inform customers about the progress of permit work, potential future costs and the potential need for rate increases. This was done at the time the decision was made to have no rate increase, when it was anticipated that the East Bay Municipal Utility District (EBMUD) order and Stege permit would perhaps clarify the issue. However, Humphrey said the current schedule of the Regional Board staff has adoption of the Stege and other EBMUD satellite agency, National Pollutant Discharge Elimination System (NPDES) permits set for September, and there will be something concrete to report after that action and a potential, subsequent Environmental Protection Agency (EPA) enforcement order is issued. Humphrey said he expects a November 1 letter date would accommodate that schedule, but he wanted to make sure the Board does not want another letter prior to that. The Board discussed this and decided there was no need to send a newsletter prior to the target date of November 1 for the next Stege newsletter.

MEETING OF JULY 9, 2009

TIME OF MEETING: 7:00 P.M.

e. Criminal Defense Coverage for Employees

Humphrey said the attached endorsement letter was received from the California Sanitation Risk Management Authority (CSRMA) and is already in effect for Stege, so criminal defense coverage exists for District employees. The existing resolution was also reviewed and James suggested some language changes that would affirm the Board determines it is in the best interest of the District to afford defense of employees and officials charged with a criminal violation of an environmental law, rather than that being a condition of coverage. The Board directed Humphrey to check with District Counsel to determine if it's possible and legal to make this language change in the resolution.

f. Fiscal Year 2009-2010 Budget with Comments

Humphrey said the attached budget is the budget that was approved by the Board last meeting, but with additional comments to certain accounts, as requested. The Board pointed out the need for some additional comments on specific accounts and discussed some other formatting issues. Humphrey said he would add the comments on the manholes item in the capital portion of the budget prior to posting on the District website.

B. Written Communications:

1. August 12-15, 2009 California Association of Sanitation Agencies (CASA) Conference

All Directors agreed to authorize the attendance of all Directors who wish to attend the August 12-15, 2009 California Association of Sanitation Agencies (CASA) Conference, Mission Bay Hilton, San Diego.

MOTION: By O'Keefe, seconded by Miller, to approve the attendance of Directors at the August 2009 CASA meeting.

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

2. April 16, 2009 Proposed California Special Districts Association (CSDA) Bylaws Amendments

MOTION: By James, seconded by Miller, to approve the CSDA Bylaws Amendments.

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

MEETING OF JULY 9, 2009

TIME OF MEETING: 7:00 P.M.

VI. Business

A. Administration Building Project – Project Status

Humphrey reported to the Board that the contractor plans to bring fill material to the site tomorrow and start drilling piers next week. The City has not yet issued the permit, but it is expected they will do so early next week.

Humphrey said the schedule was discussed in detail at the weekly progress meeting with the contractor on Tuesday. Anchor Engineers asks for a six week schedule as well as a full project schedule, and the current plan is to complete the piers in two weeks, complete grade beams by the end of July, and form the slab in early August.

B. Board Governance – Review

Humphrey explained the Board had revised the manual last year and he asked if they wanted to review the manual again this year. James indicated he wanted to add a protocol regarding ceremonies and O’Keefe asked to include a policy regarding check approvals. The Board discussed process issues and decided that Directors should review the manual on their own and forward suggestions for new or revised items to Humphrey, and Humphrey can prepare an item on this for August 6th meeting.

C. Resolution No. 1955-0709 Accepting Completion of Work and Directing Filing Notice of Completion, Standard Point Repairs – Paved Areas, Stege Sanitary District Project No. 07201 - May 2007

MOTION: By James, seconded by Brand, to approve Resolution No. 1955-0709 Accepting Completion of Work and Directing Filing Notice of Completion, Standard Point Repairs – Paved Areas, Stege Sanitary District Project No. 07201 – May 2007.

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

D. Stege’s National Pollutant Discharge Elimination System (NPDES) Permit & East Bay Municipal Utility District (EBMUD) Stipulated Order – Status

Humphrey reported on the administrative draft of the Stege NPDES permit. He said the version provided to the Board was the version as corrected with Stege’s suggestions. He said these suggestions were developed with Oakley Water and the other EBMUD satellite agencies. The other satellites have permits that are almost identical to Stege’s, except for the details on the individual agencies, and the regional Board will take them as one item when they have their adoption hearing which is currently scheduled for September. Humphrey said the most significant issue is discharge prohibition four which prohibits causing or contributing to the discharge from EBMUD’s wet weather facilities. Other issues include the inclusion of the two hour reporting requirement into the permit and our preferred use of the old fact sheet language that details history of the I/I program.

MEETING OF JULY 9, 2009

TIME OF MEETING: 7:00 P.M.

Humphrey said that Kent Alm of Meyers Nave is also working on this permit issue and will be corresponding with EPA attorneys to attempt to identify details that may be included in the EPA enforcement order that staff has been told will be issued immediately after adoption of the permit. Humphrey said that he, Oakley, and representatives from the other satellite agencies met with the Regional Water Board staff last week to discuss our suggestions and a tentative order will likely be prepared by Regional Board staff next week.

VII. Approval of Checks

A. Checks for June 2009 - Fund No. 3418

MOTION: By James, seconded by Brand, to approve payment of the bills, Check Nos. 19337 through 19370 in the amount of \$81,064.00 from Fund Nos. 3418 & 3423.

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

VIII. Future Agenda Items

July 23, 2009

- Closed Session – District Counsel Performance Evaluation
- Quarterly Lateral Report
- Resolution Establishing Salary of the Manager
- Administration Building Project Status
- Revised Resolution - Criminal Defense Coverage for District Employees

August 6, 2009

- District Reserves Policy
- Private Lateral Inspection Program
- Board Governance Manual Review (include check writing policy and protocol for Board ceremonies)

IX. Adjournment

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:31 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, July 23, 2009 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
 STEGE SANITARY DISTRICT
 Secretary