

MEETING OF JULY 23, 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:	James, Miller, O’Keefe, Merrill
Absent:	Brand (provided prior notice of absence)
Others Present:	Mike Riback, 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** – 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 the closed session at 7:05 P.M. The Board came out of the session at 7:25 P.M. and President Merrill reported that the Board had agreed to increase the District Manager’s salary by 1%, effective July 1, 2009. The Board entered into closed session again at 7:26 P.M. for the District Counsel performance evaluation.

**District Counsel Performance Evaluation** (Government Code Section 54957)

The Board returned to open session at 7:39 P.M. and President Merrill reported that the Board had taken no reportable actions.

IV. **Approval of Minutes**

A. Approval of Minutes of July 9, 2009 Administration Building Project - Groundbreaking

MOTION: By James, seconded by Miller, to approve the minutes of the July 9, 2009 Administration Building Project - Groundbreaking.

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

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B. Approval of Minutes of July 9, 2009 Board Meeting

MOTION: By James, seconded by Miller, to approve the minutes of the July 9, 2009 Board meeting as corrected.

VOTE: AYES: 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 O’Keefe said that there will be no El Cerrito Planning Commission meeting again this month.

B. Written Communications:

Humphrey said there were no formal written communications to consider tonight.

VI. **Reports of Staff and Officers**

A. Attorney’s Report:

Riback reported on a recent case, Vargas vs. Soledad, which involved how much information a public agency could provide regarding a ballot measure in which they have an interest. O’Keefe asked if Counsel could provide workshop type presentations at future Board meetings that cover topics such as conflict of interest issues for public officials.

B. Manager’s Report:

1. Monthly Maintenance Summary Report – June 2009

Humphrey reported that June was a fairly typical month for maintenance, crews cleaned about 160,000 feet of lines and videoed about 8700 feet. There were 14 service calls and 3 after-hours service calls. Two of the after-hours calls required immediate assistance. Lateral problems were the cause of 7 calls. There were 2 overflows caused by problems in District main lines and the previous 12 month total remains 10 again this month. O’Keefe asked Humphrey if there are benchmarks that reflect the effectiveness of the results of video work that may be appropriate to monitor. Humphrey said staff would think about this.

2. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects

Humphrey said there was one repair for \$4170 last month.

3. Capital Improvement Projects

Humphrey said the pipebursting contractor will be replacing some lines for the District for another week or so before moving to a job out of the District for the next 3 to 4 months.

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**4. Miscellaneous Items****a. Quarterly Lateral Report**

Humphrey presented the latest quarterly report. He noted that sales seem to be picking up slightly in recent months and also that only 6% of sales since January 2008 fall into the “nothing on file” category.

**b. Kids for the Bay**

Humphrey reported that he had spoken to Krista Mendelsohn of Kids for the Bay and received some information about the program and potential Stege sponsorship costs. He said that Krista had told him the City of El Cerrito sponsors two school programs and the costs are about \$4000 for each school, with a match of a similar amount from the County. Humphrey also explained the program provides both in-class and field work that is designed to educate young students about watershed issues. Miller commented that he thought this type of program is consistent with Stege’s philosophy and mission. O’Keefe said she was interested but would like to see how and if sewage issues could be incorporated into the program, so it has some link to Stege’s issues. Humphrey offered to ask Ms. Mendelsohn to present more information and come to a Board meeting to answer the Board’s questions. The Board agreed this was a good idea and asked Humphrey to invite her to a future meeting.

**c. Marin Civil Grand Jury**

Humphrey referred the Board to the report included in the agenda packets. He said there were some interesting issues raised in the findings of this report related to the conduct of Board meetings and how the Board conducts its meetings.

**VII. Business****A. Administration Building Project – Project Status Update**

Humphrey reported on project progress. Pier drilling and pouring will be completed by tomorrow or Monday at the latest. The current schedule calls for completion of the grade beams next week and the slab should be completed by August 27. This means the foundation will be complete and framing will begin the week before Labor Day.

**B. Stege National Pollutant Discharge Elimination System (NPDES) Permit Status**

Humphrey summarized recent events regarding the status of the tentative order for Stege’s permit. He said that the draft permits had been issued on July 14 and the hearing for adoption is tentatively set for September 9. The onerous prohibition language is still in the draft permit and the satellite agency representatives have met to discuss different strategies how to handle this. The first step will be a meeting with the Regional Board staff next week, followed by formal comments to the Regional Board by the deadline of August 17. Stege has agreed to be the “lead” agency for comment preparation, and the comments will be coordinated by Stege’s Counsel. Humphrey said he had a verbal agreement from the other satellites that they will share the cost of

this effort, so Humphrey has already started the process to get contributions from the other agencies for this purpose.

**VIII. Monthly Financial Statements –June 2009**

A. Monthly Investment, Cash, Receivables Report, June 2009

B. Monthly Operating, Statement, June 2009

Humphrey said that this is the draft report for the end of the fiscal year. Expenses were very close to the budgeted amounts, exceeding the budget by only 0.65%. He remarked that expenses would not have exceeded the budget if we had not acted as the lead agency for Oakley Water Strategies’ work and expenses on permits for all the East Bay Municipal Utility District (EBMUD) satellite agencies; over \$20,000 was spent on this and the other agencies have paid Stege for all but \$4000, but it reflects as expenses on Stege’s financial reports.

C. Financial Issues

Humphrey said the auditors were on site last week for two days and performed their preliminary work for this year’s financial audit. He said this went very well and expects another efficient audit effort this year.

**IX. Approval of Checks**

1. Checks for June 2009 - Fund No. 3418.

MOTION: By James, seconded by Miller, to approve payment of the bills, Check Nos. 19371 through 19397 in the amount of \$118,198.42 from Fund Nos. 3418 & 3423.

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

**X. Future Agenda Items**

**August 6, 2009**

- Administration Building Project
- Resolution Establishing Salary of District Manager
- Stege NPDES Permit Status
- Board Governance Issues

**August 27, 2009**

- Administration Building Project
- Backflow Prevention Devices (BPDs) – Policy Considerations
- Stege NPDES Permit Status
- Smoke Testing Update
- EBMUD – Private Lateral Ordinance & System Offer

Pump station improvements will be discussed at a future meeting

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**XI. Adjournment**

The meeting of the Stege Sanitary District Board of Directors was adjourned at 10:07 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, August 6, 2009 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