

MEETING OF JUNE 12, 2008

TIME OF MEETING: 7:00 P.M.

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

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

II. Roll Call: Present: James, Merrill, Miller, O’Keefe
 Absent: Brand (provided prior notice of absence)
 Others Present: 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.

CLOSED SESSION

Public Employee Performance Evaluation (Government Code Section 54957)

Title of Position: District Manager

The Board entered to closed session at 7:03 P.M. The Board returned to open session at 8:09 P.M. and President O’Keefe announced the Board had taken no reportable action.

IV. Approval of Minutes

A. Approval of Minutes of May 22, 2008 Board Meeting.

MOTION: By James, seconded by Merrill, to approve the minutes of the May 22, 2008 Board meeting, as corrected.

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. Miller referred the Directors to his handout that is a summary of a recent El Cerrito City Council and Local Agency Formation Commission (LAFCO) meeting that he attended. He said he thought it would be helpful for staff to research the history of the 97 units in the area in Richmond on Vista Heights and Rifle Range that is served by Stege, because LAFCO Commissioners seemed to be interested in changing Stege’s service area to include that area despite the consultant’s recommendations and Stege’s comments. O’Keefe said she would be attending an El Cerrito Planning Commission meeting in the next week, the first meeting in about 3 months. Merrill asked that the Board consider a gray water use policy, an issue that has arisen at the local democratic club meetings.

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B. Written Communications:

1. Letter of June 4, 2008 – Senate Environmental Quality Committee – AB 2986 (Leno) Relating to Wastewater Systems. Humphrey said this is a copy of the letter sent to the environmental quality committee and that Bobbi Larson had prepared the language for the California Association of Sanitation Agencies (CASA) agencies to use.
2. Contra Costa Local Agency Formation Commission (LAFCO) Final Fiscal Year 2008-2009 Budget.
3. LAFCO Notice and Agenda for Regular Meeting – June 11, 2008. Humphrey commented this was the meeting that Al Miller had attended and reported on in Oral Communications.
4. Governor Declares Statewide Drought.
5. July 4th Fair Booth Notice.
6. California Association of Sanitation Agencies (CASA) Legislative Update.

There were no comments on communications other than those noted in the specific items.

C. Manager’s Report:

Humphrey said that a newsletter had been completed and was in the mailing process. He also said that magnets had been ordered for the Fourth of July Fair. Humphrey informed the board that he was completing an application for a CASA Innovation Award and planned to submit it by the end of next week. He also reported that the East Bay Municipal Utility District (EBMUD) had completed their flow meter study and preliminary results had been presented at the TAB meeting yesterday.

VI. Business

A. Administration Building Project – Status Report.

Humphrey reported that the \$29,000 fee requested by VBN for work and documentation for the Leadership in Energy and Environmental Design (LEED) credits is on a flat fee basis. Humphrey said he will get the proper format for an agreement amendment that the Board can consider at the next meeting. He said he will also ask VBN for a revised project schedule.

B. Review and Approval of Incentive Award Goals Achieved in 2007-2008.

Humphrey provided the Board with a summary of the incentive award goals that had been achieved and his recommendation for their approval for a total award of \$20,961.

MOTION: By Merrill, seconded by Miller, to approve the recommended incentive award goals achieved in 2007-2008 for a total award to employees of \$20,961.

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

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C. Consideration of Claim – Jonathan Nadel, 6626 Cutting Blvd., El Cerrito.

Humphrey explained that there was a blockage in the main line associated with this call, but the owner had called a plumber first. Merrill said he thought the owner’s expenses were reasonable and Stege should pay this one time.

MOTION: By James, seconded by Merrill, to approve the payment of the claim for \$284 to Mr. Jonathan Nadel.

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

Miller asked Humphrey to include language in the letter transmitting the check that informs Mr. Nadel that he must call Stege first in the future if he has similar problems, or future such claims will be denied.

D. Resolution No. 1934-0608 Amending Resolution No. 1761-0501 and the Personnel Policies of the Stege Sanitary District Regarding Article II, Section 5 – Standby and Call Back Time, 2.5.3.

Humphrey said that this pay had not been increased since 2001 and he had used cost-of-living indices to inflate the pay to a “current” level, based on inflation since 2001. He said this type of pay or compensation is highly variable from district to district and he suggested the current pay system, if adjusted for cost-of-living increases since 2001, should be used. There was some discussion about the suggestion to increase the pay annually by the cost-of-living and the Board decided to modify the draft language so it calls for the Board’s annual review of this item.

MOTION: By Merrill, seconded by Miller, to approve Resolution No. 1934-0608 Amending Resolution No. 1761-0501 and the Personnel Policies of the Stege Sanitary District Regarding Article II, Section 5 – Standby and Call Back Time, 2.5.3, as revised.

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

E. Resolution No. 1935-0608 Adding Article I, Section 1.1.9. Cellular Phone Policy to the Personnel Policies of the Stege Sanitary District.

Humphrey explained that he prepared a draft policy for the Board’s consideration since the new “hands-free” state law goes into effect on July 1st.

MOTION: By Merrill, seconded by Miller, to approve Resolution No. 1935-0608 Adding Article I, Section 1.1.9. Cellular Phone Policy to the Personnel Policies of the Stege Sanitary District. Miller subsequently withdrew his second.

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There was discussion concerning the motion that resulted in Miller withdrawing his second. There was no second after the withdrawal; therefore there was no motion on which to vote. Miller asked if there were a liability issue in the case when an employee uses the District phone, but not on District time, and does not comply with the hands-free law. Humphrey said he did not think it was a problem because the draft language states that employees shall not drive at the same time they talk on the phone. Humphrey said he could also check with Counsel regarding this liability issue. James had a concern based on his experience at the Port of Oakland about employees' reimbursement of personal calls. His feeling is that it is much simpler and cleaner from an administrative and tax viewpoint to provide employees with a phone allowance payment instead of issuing phones. Humphrey was asked to look into these issues and bring this item back to the Board for further discussion.

F. District Unrestricted Funds Policy.

Humphrey introduced the issue and reminded the Board this issue had been discussed at their last meeting. He said that James had raised the issue of whether or not a reserve was needed for the system rehabilitation fund, since the annual expense for this work was not actually necessary if a true emergency operational situation were realized. There was discussion about this policy. It was noted that the retiree health care fund needed to be added to the purpose section. Merrill expressed concern about dropping the rehabilitation reserve target completely and said he thought the target could be frozen at current levels or it could be reduced somewhat, but his chief concern is that the reserve previously held in this fund be expended on rehabilitation work. O'Keefe said that lower targets could be a concern and that rate stabilization is a benefit of having reserves.

MOTION: By James, seconded by Miller, to approve the District Unrestricted Funds Policy, as revised at tonight's meeting.

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

VII. Approval of Checks

1. Checks for May 2008 - Fund No. 3418.

MOTION: By James seconded by Miller, to approve payment of the bills, Check Nos. 18393 through 18443 in the amount of \$62,103.84 from Fund Nos. 3418 & 3423.

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

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VIII. Future Agenda Items

June 26, 2008

District Counsel Performance Evaluation
Meet with Labor Negotiator – Manager’s Compensation
Review Directors’ Meeting Compensation
Administration Building Project Status
Approve Fiscal Year 2008-2009 Budget
Surplus Property Resolution

July 10, 2008

4th July Debriefing
Quarterly Lateral Report
Board Governance Evaluation
Establish Salary of Manager

IX. Adjournment

The meeting of the Stege Sanitary District Board of Directors was adjourned at 10:22 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, June 26, 2008 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary