

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF JUNE 23, 2011
TIME OF MEETING: 7:00 P.M.

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

- I. Call To Order:** President James called the meeting to order at 7:02 P.M.
- II. Roll Call:**
- | | |
|-----------------|--|
| Present: | Brand, Merrill, Miller, O'Keefe, James |
| Absent: | None |
| Others Present: | Benjamin Reyes, District Counsel
Angela El-Telbany, EBMUD
Rex Delizo, Senior Engineer/Deputy Manager
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** There was no public comment.

CLOSED SESSION

Public Employment (Government Code Section 54957 (b))

Title of Position: District Manager

The Board entered the closed session at 7:07 P.M. The Board returned to open session at 7:36 P.M. and President James announced that the Board had taken no reportable action in the session.

IV. Approval of Minutes

A. Approval of Minutes of June 9, 2011 Board Meeting

MOTION: By Merrill, seconded by O'Keefe, to approve the minutes of the June 9, 2011 meeting, as corrected.

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

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 commented that he had attended a recent El Cerrito City Council meeting. He said that the Council had approved the fiscal year 2011-12 budget. He also mentioned that the City formally accepted the dedication of Pebble Beach Court, Pebble Beach Way, and Pebble Beach Drive, since this had not previously been done. Finally, he informed the Board that Monica Kortz, City Recreation Director, had just retired after 25 years of service with El Cerrito.

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B. Written Communications:

1. August 10-13, 2011 California Association of Sanitation Agencies (CASA) Conference

The Board authorized attendance at the upcoming conference for all Directors that want to attend. Directors indicated their plans to Humphrey, who said staff would handle registration and hotel arrangements for the Directors accordingly.

VI. Reports of Staff and Officers

- A. Attorney's Report: Reyes reported on the Court of Appeals reversal of a recent Public Records Act request issue regarding the provision of specific individual's names as well as positions in connection with retirement benefits, pensions and payments. The Court reversed an earlier decision that names did not have to be included.

B. Manager's Report:

1. Monthly Maintenance Summary Report – May 2011 Humphrey said that May had been a very good month for system maintenance. He said that about 41,000 feet of lines had been cleaned and that about 21,000 feet of lines had been videoed. There were 6 service calls and 3 of these were related to problems in private laterals. There were no service calls after normal working hours. There were no overflows caused by problems in District main lines for the second consecutive month.
2. Monthly Report of Sewer Repairs and Miscellaneous Capital Projects Humphrey said there were no repairs or projects to report.
3. Capital Improvement Projects Humphrey said there were no items to report.
4. Miscellaneous Items
 - a. East Bay Municipal Utility District (EBMUD) Stipulated Order (SO) and Stege Sanitary District Administrative Order (AO) Humphrey provided the Board with a brief update of the status of the Stege SO.
 - b. Fourth of July The Board discussed arrangements for the Fair and directed staff to prepare accordingly.
 - c. Sewer Lateral Ordinance Humphrey explained that staff had researched the outstanding issue regarding escrow funds and verified with EBMUD staff, including Ms. El-Telbany, that this would be handled by EBMUD only and not Stege. Humphrey said that staff also had received additional review and comments from Ms. El-Telbany that will ensure the revised Stege ordinance is compatible with EBMUD's revised ordinance. He said the revisions will be included in an ordinance that can be considered by the Board at its next meeting. Ms. El-Telbany addressed the Board and reinforced Humphrey's comments, and said that EBMUD will also review the revised Stege ordinance before adoption to help Stege staff.

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- d. Draft Responses to Contra Costa Grand Jury Humphrey led a discussion about the draft responses to the grand jury findings that he had prepared. Several revisions were suggested and Humphrey said he would make the revisions and schedule a review of Directors' compensation for the July 14 meeting.
- e. Benefit Recommendations Humphrey explained his recommendations regarding the benefit requests from employees. The Board did not agree with Humphrey's recommendation for standby pay, but did agree that the standby allowance should be increased to \$35 per day. There was a discussion about shoe allowances as well, and the Board directed Humphrey and Delizo to speak with staff about provision of an option to employees for a \$175 allowance as is currently done, or reimbursement of up to \$175 per year for expenses on safety shoes. Humphrey said that appropriate revisions to District Personnel Policies will be made and brought back to the Board for approval.

VII. Business

A. Resolution No. 1980-0611 Approving and Adopting Annual Budget for Fiscal Year 2011-2012

Humphrey gave a brief summary of the budget, which had been revised slightly from the last version reviewed by the Board.

MOTION: By Merrill, seconded by O'Keefe, to approve the resolution adopting the fiscal year 2011-12 budget.

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

B. Resolution No. 1981-0611 Accepting Report on Sewer Service Charges and Electing to Collection Certain Sewer Service Charges on the Tax Roll

Humphrey reminded the Board that this resolution was necessary to collect service charges on the County tax rolls.

MOTION: By Merrill, seconded by Miller, to approve Resolution No. 1981-0611 Accepting the Report on Sewer Service Charges.

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

C. Review and Approval of Incentive Award Goals Achieved in 2010-2011

Humphrey gave the Board a summary report on the results of the incentive goals for this fiscal year and recommended approval of an award to employees

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of \$8,248. He noted this was a relatively low amount compared to previous years, since there was no large special goal and others such as overtime reduction have “phased down or out”. There was a discussion about the program and Miller offered an opinion that perhaps in the future the Board may want to consider adopting goals that look at activities other than those that relate to direct savings of expenses.

MOTION: By O’Keefe, seconded by Brand, to approve the incentive goals achieved in 2010-11 and pay \$8,248 to employees for achievement of these goals that resulted in direct savings to the District.

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

VIII. Monthly Financial Statements – May 2011

- A. Monthly Investment, Cash, Receivables Report, May 2011
- B. Monthly Operating, Statement, May 2011
- C. Financial Issues

Humphrey told the Board that the District has about the amount expected in cash and reserves at this time and will end the fiscal year at about \$2.3 million. He said that he also expects the total expenses for the fiscal year will be slightly under that budgeted, by less than \$100,000. He said the auditors will start work on the fiscal year 2010-11 audit in August.

IX. Approval of Checks

- A. Checks for June 2011 - Fund No. 3418 & 3423

MOTION: By Merrill, seconded by Miller, to approve payment of the bills, Checks No. 21108 through 21123 in the amount of \$48,218.02 from Fund Nos. 3418 and 3423.

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

X. Future Agenda Items

July 14, 2011

4th of July Debriefing

District Investment Policy

Humphrey said that Directors’ compensation and the ordinance Code revision regarding laterals should also be on this agenda. He said that the revised standby pay and shoe allowance may also be on this agenda.

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July 28, 2011

Quarterly Laterals Report

Quarterly Claims Report

Stege SO

Directors' Meeting Compensation Fees

XI. Adjournment

The meeting was adjourned at 10:06 P.M., in honor of Stege's soon to be ex-Manager, Douglas Humphrey. The next meeting of the Stege Sanitary District Board of Directors will be held on July 19, 2011 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary