

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF MAY 12, 2011

TIME OF MEETING: 7:00 P.M.

***** MINUTES *****

I. Call To Order: President James called the meeting to order at 7:03 P.M.

II. Roll Call:

Present:	Merrill, Miller, O'Keefe, James
Absent:	Brand (provided prior notice of his absence)
Others Present:	Benjamin Reyes, District Counsel 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 Merrill commented that West County Wastewater District had recently sent their rate increase notices to customers for their proposed increases over the next nine years.

CLOSED SESSION

Public Employment (Government Code Section 54957 (b))

Title of Position: District Manager

The Board returned to open session at 7:40 P.M. and President James announced the Board had taken no reportable actions during the session.

IV. Approval of Minutes

A. Approval of Minutes of April 21, 2011 Board Meeting

MOTION: By Merrill, seconded by Miller, to approve the minutes of the April 21, 2011 meeting, as corrected.

VOTE: AYES: 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 said that the City of El Cerrito has completed their project on historical pavers that were placed into the sidewalks along San Pablo Avenue. He said that the Stege paver is located at the corner of San Pablo and Potrero Aves. Miller then reported on the recent California Association of Sanitation Agencies (CASA) conference. He said he has attended the Communications Committee meeting, suggested program topics on agency anniversary commemorations, and exchanged contact information with the public affairs and communication manager for Las Virgenes. Miller also reported

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on the presentation about the State's proposed revisions to the collections systems Waste Discharge Requirements (WDR), particularly that the State may require reporting, by collection system agencies, of private lateral overflows. James commented that he thought it was interesting that there seems to be a centralization of powers involved with the proposed revisions. James also said the legislative analyst who spoke on the state budget process at the last session was very interesting. Merrill said he enjoyed the talk on Delta water issues by Professor Mount, who was very frank in his opinions regarding the Bay-Delta issues and what should be done. Merrill also said he liked that the hotel expense was significantly lower than the resorts that usually are used for CASA conferences.

- B. Written Communications: Humphrey said there were no written communications to consider.

VI. Reports of Staff and OfficersA. Manager's Report:

1. 100th Anniversary Celebration Humphrey led a discussion about a wide variety of possible items and events that could be part of the District's anniversary celebration. Potential items include a book, booklet, newsletter, pins and other trinkets, open house or other event, music at event, redesigned logo and letterhead, anniversary notation on the logo, time capsule, and others. Humphrey agreed he would make a summary of the items discussed for a follow-up item that will include discussion regarding the schedule, budget and distribution of any items or books.

VII. BusinessA. Consideration of Claim – 19 Highgate Court, Kensington

Humphrey provided the Board with a summary of the situation involved with this claim. The primary issues are that it appears the problem was in the lateral, not the main line, and the property owner did not contact Stege until the week following completion of the work by the plumber and restoration company. Video work by Stege the following week indicates there is not a problem in the District line and there is a problem in the lateral and its connection to the main line.

MOTION: By Merrill, seconded by O'Keefe, to reject Ms. Drake's claim and direct the Manager to work with the District's third party claims administrator to settle the claim.

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

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B. Consideration of Stege Service Charge (“Sewer Tax”) Refund – Parcel No. 508-242-007-500

Humphrey and Delizo told the Board that staff had verified the County had this property listed as a duplex instead of a single family residence until December 2010. Also, County staff has informed Delizo that they had a request from the property owner to change this at least four to five years ago, but had not made the change until last December. O’Keefe remarked that she thought staff should verify this request by obtaining something in writing from the County before sending the refund to the owner. Humphrey also explained that Counsel had reviewed state statutes and recommends that refunds be given for no more than four years of previous overpayments of service charges.

MOTION: By Merrill, seconded by Miller, to approve the payment of four years of excess service charges, \$512, to Ms. Stephens for her property at 1535 Santa Clara Street, Richmond, which was incorrectly coded by the County as a duplex instead of a single family residence.

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

C. Draft Budget FY 2011/2012

Humphrey provided the Board with a brief summary of the budget and explained that he will have another draft version ready for review at the next meeting.

D. Approval of Agreement with Brown & Caldwell – Flow Modeling Evaluation Services

Humphrey said this agreement would be administered by Stege on behalf of the East Bay communities, so Stege’s share would be about \$20,000 total. O’Keefe expressed some concern about what happens if one of the other 6 satellite agencies doesn’t pay their share. Humphrey said this has not been an issue for previous work and associated invoices by Oakley or Causey, but is a valid concern and said he is working on getting EBMUD to administer these common service contracts.

MOTION: By Merrill, seconded by Miller, to approve the agreement with Brown & Caldwell for flow modeling evaluation services, in an amount not to exceed \$140,000.

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

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VIII. Approval of ChecksA. Checks for May 2011 - Fund No. 3418 & 3423

MOTION: By Merrill, seconded by O'Keefe, to approve payment of the bills, Checks No. 20997 through 21054 in the amount of \$39,594.82 from Fund Nos. 3418 and 3423.

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

IX. Future Agenda Items**May 26, 2011**

Draft FY 2011-12 Budget

Approval of District Salary Ranges for FY 2011-12

Revision of District Ordinance Code - Laterals

Miller asked that single payer health care (SB810) be discussed, Humphrey noted that there would be closed session to discuss personnel issues and succession planning, and James reminded Humphrey that he would like a discussion regarding the definition of "majority" when the Board votes and whether the District Code needs to be revised accordingly.

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Draft Budget FY 2011-2012

District Investment Policy

Review District Investment Policy

X. Adjournment

The meeting was adjourned at 10:09 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on May 26, 2011 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Douglas Humphrey
STEGE SANITARY DISTRICT
Secretary