

MEETING OF NOVEMBER 6, 2008

TIME OF MEETING: 7:00 P.M.

\*\*\*\*\* **MINUTES** \*\*\*\*\*

**I. Call to Order:** President O'Keefe called the meeting to order at 7:03 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:** There was no public comment.

**IV. Approval of Minutes**

A. Approval of Minutes of October 23, 2008 Board Meeting.

MOTION: By James, seconded by Miller, to approve the minutes of the October 23, 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.

There were no reports from Directors on community meetings.

B. Written Communications:

Humphrey said there were no written communications to review tonight.

**VI. Business**

A. Administration Building Project – Status Report and Award of Demolition Project.

Humphrey reported that 5 bids had been received for the demolition project, and that the apparent low bidder was Asbestos Management Group (AMG) of California, at a bid price of \$71,537. The engineer’s estimate was \$95,000. AGM was the contractor that performed the removal of the asbestos prior to this bid.

MOTION: By Merrill, seconded by James, to approve the award of the demolition project to the low bidder, Asbestos Management Group of California, Inc. in the amount of \$71,537.

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

Humphrey then provided the Board with a status report on the entire project. He said that demolition work will not proceed until Pacific Gas & Electric (PG&E) completes their demolition of the gas and electric items on the site, which is required before Stege’s contractor can begin work. He said that we are supposed to hear from PG&E early next week about their potential timing for this work, but it could be as much as 3-4 weeks from now. Humphrey led a discussion about design review with the architect (VBN) and constructability review with the construction manager (CM). It was determined that 6 P.M. for a meeting with the CM on Tuesday the 18<sup>th</sup> was desirable. Humphrey said he would talk to VBN and ask them to attend the November 20 Board meeting for a full discussion about detailed design issues.

B. Local Agency Investment Fund (LAIF) Investment Alternatives.

Humphrey led a discussion about alternatives to LAIF for investment of the retiree health fund reserve. The Board decided that no action should be taken unless all Directors were present, so this issue will be discussed again at a meeting in the next month.

Specific items that will be revised for the next discussion include revised graphs that show figures that are three year moving averages, so the variations are dampened and more reflective of constant “input” or contributions.

Humphrey said he will also work with the health fund balance graph to see how different annual required contribution (ARC) values, or increasing contributions in the future affect balances over time. Humphrey said he will also update the graphs to the current date and will revise the potential “plan” so there are withdrawals on a less frequent basis than the current monthly basis in the draft.

C. Board Officer Succession.

Humphrey presented a historical summary of Board rotation, a list of which Directors had held the President and Vice President positions. The Board

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discussed the issue briefly and decided that no decisions should be made unless all Directors were present, so Humphrey was directed to place this on the agenda for the next meeting.

**D. Manager's Report.**

- a. Meeting with East Bay Municipal Utility District (EBMUD) – Wet Weather Facilities Draft Permit
- b. Administration Building Project - Design Review Process
- c. Holiday Luncheon
- d. Long-Range Planning (LRP) Workshop – 2009
- e. Financial Audit - Status
- f. Liquid Assets Video

Humphrey said that he would meet with EBMUD staff tomorrow about a new draft permit for the EBMUD wet weather facilities. The holiday lunch will be held on December 18 at the District office, prior to the Board meeting. Directorss stressed that having the holiday lunch at the office should not result in staff having to do serving or cleanup, since it's a party for them too. The Board then watched the Liquid Assets video presentation on water and wastewater infrastructure.

**VII. Approval of Checks**

**A. Checks for October 2008 - Fund No. 3418.**

MOTION: By Merrill, seconded by Miller, to approve payment of the bills, Check Nos. 18741 through 18792 in the amount of \$89,334.36 from Fund Nos. 3418 & 3423.

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

**VIII. Future Agenda Items**

**November 20, 2008**

- Retiree Medical Care – Contribution Rate
- Administration Building Construction Project - Status
- Enforcement Issues
- Service Charge Review Schedule

Board Officer Succession will also be included on this agenda. The Administration Building item may include a design review session with the architect, depending upon the architect's availability. This will be a very lengthy item, which means that other items may be deferred to other future meetings.

**December 18, 2008**

- Nomination & Election of Officers for 2009
- Administration Building Project – Approval of Plans and Specifications

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Flow Monitoring Plan

District Procedures & Processes – Checks & Balances

The Enforcement Issues, Financial Audit, and Alternatives to LAIF may be placed on the December agenda due to the time that will be involved with a potential design review session at the November 20<sup>th</sup> meeting.

**IX. Adjournment**

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:43 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on November 20, 2008 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