

## STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF NOVEMBER 4, 2010

TIME OF MEETING: 7:00 P.M.

## \*\*\*\*\* MINUTES \*\*\*\*\*

**I. Call To Order:** Vice President James called the meeting to order at 7:02 P.M.

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

**IV. Approval of Minutes**

A. Approval of Minutes of October 21, 2010 Board Meeting

MOTION: By Merrill, seconded by Miller, to approve the minutes of the October 21, 2010 Board 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
  - a. City & Community Meetings

There were no reports from Directors.

B. Written Communications:

1. October 1, 2010 Renewal Notice from Water Environment Research Foundation (WERF)

Humphrey said that no action was needed, but he wanted to inform the Board about the expense of being a member of WERF.

**VI. Reports of Staff and Officers**

A. Manager's Report:

1. Human Resource Issues

Humphrey provided the Board a summary of the status of field crew and office staff needs.

2. District Emergency Preparedness Plan

Humphrey said he had initially planned to discuss an updated plan at this meeting, but staff is still working on this and will need to present this at one of the next two meetings.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF NOVEMBER 4, 2010

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**VII. Business**

A. Resolution No. 1973-1110 Amending Article I, Section I, 1.1.6. Personal Protective Equipment and Clothing Policy to the Employee Personnel Policies of the Stege Sanitary District

Humphrey said the Board has always passed resolutions to document changes to the District personnel policies. He said this resolution will implement the changes that the Board approved at its first meeting in October. Merrill said that he still believes, as he stated at the early October meeting, that he would prefer a policy and system that reimbursed employees for these expenses and required employees to submit receipts and documentation they had purchased safety items. He said he will vote against the resolution for that reason.

MOTION: By O'Keefe, seconded by Miller, to approve Resolution No. 1973-1110 Amending Article I, Section I, 1.1.6. Personal Protective Equipment and Clothing Policy to the Employee Personnel Policies of the Stege Sanitary District.

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

B. Resolution No. 1974-1110 Supporting Kensington Improvement Club (KIC) Efforts to Maintain and Rehabilitate Walking Paths in Kensington

Humphrey said that the resolution had been prepared in response to the request from the community group working on path improvements, as discussed at the last Board meeting, and that the Board had requested that it be drafted for their consideration.

MOTION: By Merrill, seconded by Miller, to approve Resolution No. 1974-1110 Supporting Kensington Improvement Club (KIC) Efforts to Maintain and Rehabilitate Walking Paths in Kensington.

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

C. Flexible Benefits Plan - Contribution Rate for 2011

Humphrey referred the Board to his memo on the subject that was included in the agenda packet. There was a lengthy discussion about health coverage premiums and the recent historical pattern of increases that far exceed cost of living for the same period. There was also considerable discussion about the cash limit in the flex plan. James reminded the Board that they could act on the flex plan contribution rate without making a decision on whether the cash limit should be revised.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF NOVEMBER 4, 2010

TIME OF MEETING: 7:00 P.M.

O'Keefe expressed her concern about the amount of the increase that have occurred and that similar increases are projected for the near future. She said it bothers her and she is concerned this is not sustainable. Merrill stated his preference that the District could provide health care coverage as needed by employees and an additional amount, \$250 per month or so, in a flex plan. James and Miller stated their preference for a flex plan with no limit on the cash out provision, since this provides the same benefit to all employees, regardless of family situation.

The Board discussed options for an increase to the flex plan contribution for 2011. It was ultimately suggested that an increase to about 90% of the lowest family plan rate, Public Employees Retirement System (PERS) Choice, was a good alternative. This would raise the contribution rate to \$1318 per month, an increase of \$58 per month or 4.6%. The cost of living increase in May 2010 was 2.4% and the PERS Choice rate increase for 2011 is 10.7%, so this increase is between those two.

Humphrey suggested this topic should be covered again at the next long-range planning workshop. He said he could include information that indicates flexible benefit plan expenses as a percent of salary and the variety of different plans and ways that other cities and districts provide a health care benefit. It was also agree that the cash limit should be addressed at a later board meeting when all Directors are present, probably in December.

MOTION: By O'Keefe, seconded by Miller, to increase the monthly flexible benefits contribution rate to \$1318.

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

**VIII. Approval of Checks**

A. Checks for October 2010 - Fund No. 3418 & 3423

MOTION: By Miller, seconded by Merrill, to approve payment of the bills, Check Nos. 20554 through 20592, in the amount of \$133,927.42 from Fund Nos. 3418 & 3423.

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

**IX. Future Agenda Items**

**November 18, 2010**

Flexible Benefits Plan Review – Contribution Rates

## STEGE SANITARY DISTRICT BOARD OF DIRECTORS

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Accept Financial Audit for FY 2009-10

East Bay Municipal Utility District Stipulated Order (SO) and Stege  
Administrative Order (AO) and SO

O'Keefe said she would not be present at this meeting. Humphrey said he thought the audit and the emergency response plan should be placed on the December meeting agenda when all Directors would be present. Similarly, the flexible benefits plan cash limit item should be on the December agenda.

**December 16, 2010**

Nomination & Election of Officers for 2011

**X. Adjournment**

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:15 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, November 18, 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