

MEETING OF SEPTEMBER 11, 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: Brand, James, Merrill, Miller, O’Keefe  
 Others Present: Roy Henrich, Stege Customer and Neighbor  
 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. Mr. Henrich introduced himself and said he was present to listen to the Administration Building item and would say some things at that time. O’Keefe suggested this item be taken out of order since that was why Mr. Henrich was present.

Item VI. A was taken out of order at this time of the meeting.

**VI. A. Administration Building Project – Status Report**

Humphrey gave a status report on the project and said that Anchor Engineering had drafted the revised schedule attached to his report. He said that progress is in line with this schedule. Mr. Henrich then spoke about his concerns and explained that he had been involved with protesting the City’s Recycling project since they had proposed to drive piles 65 feet deep for the City’s new building. He said he was upset that the City had not informed neighbors about their plans, as well as the potential impacts that pile driving might have on the neighboring homes and properties. He said that Stege was a good neighbor and that he appreciated the town meetings that had already been held by Stege with the neighbors. He said he was not happy about the planned tree removal, but the arborist who was at the last meeting with Stege did a very good job of explaining the problems with the eucalyptus trees and he agreed they had to go. He also agreed with Humphrey’s plan to have another meeting between Stege and the neighbors before demolition and tree removal are initiated prior to construction, he said he believes this is very important.

Humphrey said that a decision on the heating and cooling system for the new building is critical based on his conversations with VBN. VBN needs to know which direction to give their mechanical designers in order to progress with the building design and the project schedule will be delayed if a decision is not made very soon, preferably tonight. Humphrey provided a brief summary of the analysis of the costs of the alternative hydronic system versus the architect’s all air HVAC system. A lengthy discussion ensued. James said that he believed there should be little to no cost increase for the hydronic system and that it could be properly designed in two to four weeks in answer to Brand’s question about how long the design process might be delayed to

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design a new hydronic system. O’Keefe said that alternatives for action needed to be identified if Directors wanted a different system as opposed to a technical discussion at tonight’s meeting. She said the project schedule may be delayed and she personally was not in favor of spending more time and expense in investigating this issue. James said that there is a comfort factor as well as energy savings associated with a hydronic system, and hydronic systems are much more comfortable than standard air movement HVAC systems. James said that energy savings with hydronic systems, according to trade journals, are maybe ten to twenty per cent. Miller also expressed concern about the schedule and said that there had not been progress on this issue in the last two weeks, for legitimate reasons, and he would rather meet the schedule and move forward than refine the hydronic design. Merrill expressed his support of refining the hydronic design.

MOTION: By Merrill, seconded by James, to direct the Manager to secure a new engineer for the design of a hydronic system for the new District Administration building.

VOTE: AYES: James, Merrill  
 NOES: Miller, O’Keefe  
 ABSTAIN: Brand

The motion failed.

There was additional discussion and another motion was made.

MOTION: By Miller, seconded by James, to direct the Manager to inform the architect that the building design may include the original “standard” air movement type heating and cooling system, but that Stege board prefers that the gas furnace for heating be replaced by the use of a heat pump.

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

**IV. Approval of Minutes**

A. Approval of Minutes of August 28, 2008 Board Meeting.

MOTION: By James, seconded by Merrill, to approve the minutes of the August 28, 2008 Board meeting, as corrected.

VOTE: AYES: Brand, 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.

B. Written Communications:

1. California Association of Sanitation Agencies (CASA) Legislative Update – September 3, 2008.
2. California Special Districts Association (CSDA) Committee Participation.  
Humphrey said the items received were an update from CASA and a request from CSDA that members consider participating on their committees. Humphrey said there was no action needed tonight on these items; they are included as informational items.

**VI. Business**

A. Administration Building Project – Status Report.

This item was taken out of order immediately after public comment, Item III.

B. Consideration of Changing Dental Plans.

Humphrey provided the Board with a summary of the savings associated with a change in dental plans for District employees. The Board members discussed the possibility of the savings and potential sharing of savings with the employees. Miller stated that he thought Humphrey should identify and recommend an alternative to best implement a change, after consulting with employees. He said it is important to him that employees have no perceived loss of benefit and Humphrey needs to work with the employees. Humphrey was then directed to bring this item back to the Board when it is ready for action by the Board.

C. Review of Travel Expense Reimbursement Procedure.

The procedure was reviewed and Merrill suggested a minor language change to the return date section to clarify the procedure.

MOTION: By James, seconded by Miller, to revise the procedure as suggested by Director Merrill.

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

D. Consideration of Revisions to District Personnel Policies – Cellular Phones and Vehicles.

Humphrey reminded the Board that this item was previously discussed in July and August. He said that the draft language is proposed for inclusion in the District Personnel Policies and was developed with the input and review of an accounting firm referred by Meyers Nave. There was a brief discussion and Humphrey said he would bring these back for Board approval by resolution at the next meeting.

E. Manager's Report.

1. National Pollutant Discharge Elimination System (NPDES) Permit Renewal.
2. Sewer System Management Plan (SSMP) Completed.

Humphrey explained that Stege and the East Bay Municipal Utility District (EBMUD) satellite agencies had retained Oakley Water Strategies to assist the satellites with the negotiation and details of their NPDES permit renewals. Humphrey said the permits are due to renew in March 2009, but he suspect this will happen at about the same time the EBMUD wet weather facilities permits are renewed, probably about two years from now. There may be significant issues to negotiate this time, given the problems with EBMUD's permits since EBMUD facilities are impacted by the satellites' flows. Humphrey also said that the District SSMP had been completed in accordance with the Regional Water Board's deadline by August 31, 2008.

Humphrey also reported on the theft of the District credit card from his work car and explained a police report had been filed, as well as a claim with Chevron for charges after the theft had occurred. There was also a brief discussion about sick and vacation leave usage by employees nearing retirement.

**VII. Approval of Checks**

A. Checks for August 2008 - Fund No. 3418.

MOTION: By Miller, seconded by Merrill, to approve payment of the bills, Check Nos. 18631 through 18659 in the amount of \$11,541.88 from Fund Nos. 3418 & 3423.

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

**VIII. Future Agenda Items**

**September 25, 2008**

- Administration Building Project Status
- Status Report – Smoke Testing and Flow Metering
- Adoption of Employee Incentive Award Goals & Objectives for FY 2008-09

Other items that may be on this agenda are the dental plan change, revised personnel policies (vehicles and cell phones), and review of sick leave and vacation policies for retiring employees.

**October 8, 2008 (please note the revised meeting date)**

- Investments – Alternatives to LAIF
- Flex Plan Review & Retiree Medical Care Contribution Rate

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Administration Building – Bid Demolition Project

**IX. Adjournment**

The meeting of the Stege Sanitary District Board of Directors was adjourned at 9:18 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, September 25, 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