



Stege Sanitary District Board of Directors

7:00 PM, District Board Room, 7500 Schmidt Lane, El Cerrito, CA 94530

Meeting Agenda – November 5, 2026

Items on the agenda may be taken out of order.

Public comment is limited to three minutes for each individual speaker.

In accordance with California Government Code Section 54957.5, any writing that is a public record and relates to an open session agenda item which is distributed less than 72 hours prior to the meeting shall be available for public inspection at the District Office, 7500 Schmidt Lane, El Cerrito, during regular business hours. Copies of the agenda are posted on the district website at www.stegesan.org Those disabled persons requiring auxiliary aids or services in attending or participating in this meeting should notify the district at least 48 hours prior to the meeting at (510) 524-4668.

Members of the public can observe the live stream of the meeting by accessing **<https://zoom.us/j/84090509848>** or by calling **(669) 900-9128** and entering the Meeting ID# **840 9050 9848** followed by the pound (#) key.

The ability to participate and observe remotely as identified above is predicated on the technology being available and functioning without technical difficulties. Should the remote platform not be available, or become non-functioning, or should the Board of Directors otherwise encounter technical difficulties that make that platform unavailable, the Board of Directors will proceed with business in person unless otherwise prohibited by law.

Public comment can be sent remotely by delivering a physical copy to **7500 Schmidt Lane, El Cerrito, CA 94530** or via email to **comments@stegesan.org** with “Public Comment” in the subject line. To provide written comments on an item on the agenda or to address the Board during Public Comment, please note the agenda item number that you want to address or whether you intend for the comment to be included in Public Comment. Comments received at least 15 minutes before the starting time of the meeting will be provided to the Board of Directors and will be added to the official record.

Verbal Public Comment during the meeting is limited to in-person participants. Members of the public will not have the ability to comment via Zoom unless the Board of Directors is required to provide that opportunity due to a director participating pursuant to AB 2449. In such circumstances, the Chair will make an announcement at the beginning of the meeting. Those interested in commenting (if required per AB 2449) should raise their virtual hands to notify the host during the relevant agenda item.

Pursuant to AB 2449, Board Members may be attending this meeting via remote conferencing. In the event that any Board Member elects to attend remotely, all votes conducted during the meeting will be conducted by roll call vote.

President Beach may participate via teleconference from 5151 San Francisco Road NE, Albuquerque, NM 87109

1. Call to Order

2. Roll Call

3. Agenda Items:

Directors and Officers of the Board will consider and announce if they have any conflicts of interest posed by items on the meeting agenda.

4. Public Comment:

Members of the public are invited to address the Board concerning topics that are not on the agenda. Comments on agenda items will be heard when the item is up for consideration.

5. Board Members Comments:

Board members may make brief announcements, report on activities, or request items for future agendas. No discussion or action will be taken on items not listed on the agenda.

Motion:

6. Approval of Minutes:

A. October 15, 2026 Meeting Minutes

Motion:

7. Approve Resolution No. 2300-1126 AB 1600 Development Impact Fee Report FY 2025/26

Info:

8. Staff & Officer Reports:

A. General Manager's Verbal Report

B. District Legal Counsel's Verbal Report

Info:

9. Treasurer's Report

Motion:

10. Approve Resolution No. 2301-1126 2027 Draft Board Meeting Calendar / Receive and File 2027 Draft Board Rotational List

Info:

11. Receive and File a Verbal Report on Board & Staff Activities for Calendar Year 2026 and Calendar Year 2027

Info:

12. Receive and File a Verbal Report on the Staff Priority List for the Sam Rose Consulting Report on Operations & Maintenance

Motion:

13. Approve Resolution No. 2302-1126 Updating the District Conflict of Interest Code

Info:

14. Receive and File Verbal Report on the 1st Quarter Estimated / Actual Budget Performance Report

15. Future Agenda Items:

November 19, 2026

A. Kids for the Bay Watershed

December 3, 2026

A. General Manager's Performance Review

16. General Manager Action Items

The General Manager will identify items raised during the Board meeting and seek direction as to whether the Board seeks further information or an agenda item for discussion at a future meeting.

17. Adjournment

Bobby Magee
General Manager
STEGE SANITARY DISTRICT

Agenda Item No. 5

Board Member Comments

DWIGHT MERRILL COMMENTS ON CLEANING AND CCTV REPORTS

I believe the cleaning and CCTV reports are very important. Cleaning and TV inspection are central to our operations, and the Board needs the monthly up dates we currently receive. We can always tweak the process and the reports but we must not lose sight of the principles involved. Personally I am satisfied with the current format and the reports are useful to me. I hate to see us waste time quibbling about the formatting.

1. We have a policy that we clean each pipe at least once a year. Hot spot may require more frequent cleaning. We have broached the possibility of moving some pipes to a two year schedule but pipe cleaning is our best proactive action to reduce SSOs. We have about 750,000 ft of main, so if we want to clean each pipe yearly we need to clean just under 200,000 feet per quarter. With extra hot spot cleaning we expect to clean a little over 200,000 ft. per quarter. That's the number we have as "planned to clean."

2. We have a policy that we want to TV each pipe once every five years if possible but under no circumstances do we want any pipe to be unexamined for more than a ten year interval. With 750,000 feet of main this means we want to check 150,000 ft/yr or 37,500 ft/quarter. On a ten year schedule 18,750 feet should be examined per quarter. When we have questions about a line we like to TV it so the planned schedule tends to be interrupted, but we can add this information to the data base to keep the 37,500 ft. examined per quarter.

3. If we want to make the monthly report clearer, I would suggest we just report for the planned TV and unplanned TV and let the Board members add the numbers in their heads. An additional column could be added to give the five year total examination of each distinct pipe thus avoiding double counting. Likewise a running total for the last year for cleaning could be listed. With these two columns added a landscape format should be used.

To summarize, the cleaning and CCTVing is a critical part of our operation and the Board needs monthly reports. If there is a concern about the policy we must address that separately and not disguise it as a concern about the formatting. The quarterly format works well smoothing our inevitable monthly variations. The "planned to clean" will insure that we are reaching all our pipe not allowing totals to be run up by cleaning easy pipes several times while neglecting difficult pipes. And following the numbers will help ensure that future workers will be out in the field, not spending too much time in a coffee shop eating donuts; fortunately our current crew doesn't do this.

Agenda Item No. 6

DRAFT Meeting Minutes



Stege Sanitary District Board of Directors
Meeting of October 15, 2026 at 7:00 PM
District Board Room, 7500 Schmidt Lane, El Cerrito, CA 94530
Meeting Minutes DRAFT

1. Call to Order:

President Beach called the meeting to order at 7:00 PM.

2. Roll Call:

Present: Beach, Merrill, O'Keefe, Gilbert-Snyder, Borys

Absent: None

Others: Bobby Magee, General Manager

Adam Cox, Assistant General Manager

Kim Wendt, Administrative Specialist

Dennis Wright, Maintenance Superintendent

Paul Soo, Senior Engineer

Kristopher Kokotaylo, District Counsel

3. Agenda Items:

Directors and Officers of the Board announced no conflicts of interest with items on the agenda.

4. Public Comment:

There were no public comments.

5. Board Members Comments:

Director O'Keefe requested the Board receive ID badges for office building access during an emergency street closure and for an annual review of the emergency overnight supplies/equipment for staff. Director Gilbert-Snyder reported he researched his past records and saw that the report for AB 1600 for FY 24/25 was provided on September 18, 2025.

6. Approval of Minutes:

Approval of October 1, 2026 Meeting Minutes

MOTION: By Merrill, seconded by O'Keefe, to approve the minutes of October 1, 2026 Meeting Minutes as amended.

VOTE: AYES: Merrill, O'Keefe, Gilbert-Snyder, Beach, Borys

NOES: None

ABSTAIN: None

ABSENT: None

7. Staff & Officer Reports:

A. General Manager's Verbal Report



Stege Sanitary District Board of Directors
Meeting of October 15, 2026 at 7:00 PM
District Board Room, 7500 Schmidt Lane, El Cerrito, CA 94530
Meeting Minutes DRAFT

The Board received an operations update, including the introduction of Adam Cox, the new Assistant General Manager/Finance Director. The Manager reported that he will attend the November 19, 2026 meeting via Zoom while he attends the CALPELRA conference and noted that the Assistant General Manager will run the meeting from the staff responsibility perspective.

B. District Legal Counsel's Verbal Report

Counsel reported that AB 1821 recently signed into law which amends the California Public Records Act by changing the response time from 10 calendar days to 10 business days, and that this is beneficial to the District which recently received a records request.

8. Superintendent's Report:

The Board received the reports and asked staff technical questions related to the data.

9. Verbal Report on Disaster Planning Efforts for the Burlingame Pump Station

The Board received the report on the pump station's storage capacity, discharge capability, manhole pop-up distribution, emergency portables, and the need for contracts in place for emergency services prior to the rainy season.

10. Engineer's Report:

The Board received the reports and asked staff technical questions related to the data.

11. Receive and File the East Bay Municipal Utility District's Annual Report on Private Sewer Laterals, and the Annual Report on Fats, Oils, & Grease

The Board received the reports and asked staff technical questions related to the data.

12. Treasurer's Report:

The Board received the report for the period ending 10/8/26.

13. Adopt Resolution No. 2298-1026 Appointing Adam Cox as District Treasurer

MOTION: By O'Keefe, seconded by Merrill, to approve Resolution No. 2298-1026.

VOTE: AYES: Merrill, O'Keefe, Gilbert-Snyder, Beach, Borys
 NOES: None
 ABSTAIN: None
 ABSENT: None

14. Adopt Resolution No. 2299-1026 Updating the District Investment Policy

MOTION: By O'Keefe, seconded by Gilbert-Snyder, to approve Resolution No. 2299-1026 as amended.



Stege Sanitary District Board of Directors
Meeting of October 15, 2026 at 7:00 PM
District Board Room, 7500 Schmidt Lane, El Cerrito, CA 94530
Meeting Minutes DRAFT

VOTE: AYES: O’Keefe, Gilbert-Snyder, Beach, Borys
 NOES: Merrill
 ABSTAIN: None
 ABSENT: None

15. Future Agenda Items:

The Board discussed items it would like to see on future agendas.

16. General Manager Action Items:

The General Manager provided an overview of Board requested action items.

17. Adjournment:

The meeting adjourned at 9:08 PM.

Bobby Magee
General Manager
STEGE SANITARY DISTRICT



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/26

TO: Honorable Board of Directors

FROM: Bobby Magee, General Manager

SUBJECT: Annual Development Impact Fee Report (AB 1600) for Fiscal Year 2025-26

RECOMMENDATION

It is recommended that the Board of Directors:

Adopt Resolution No. 2300-1126 accepting the Fiscal Year 2025-26 Annual Report of Development Impact Fee activity.

BACKGROUND AND DISCUSSION

The District imposes fees to mitigate the impact of development pursuant to Government Code §66000 et seq. When collected, the fees are deposited into a designated fund specifically for impact fees.

Each local District is required within 180 days after the last day of each fiscal year to make available to the public the following information: the amount of fees, interest, and other income in the account, and the amount of expenditure for each public facility or improvement made from the account during the year.

DISCUSSION AND ANALYSIS

The attachment to the resolution includes tables showing the change in fund balance from July 1, 2025, to June 30, 2026 (including beginning and ending balances, and fees collected), expenditures by project, and planned usage of developer impact fees, and a schedule of the development fee rates.

During Fiscal Year 2025-26, the District collected approximately \$459,643 in development impact fees and expended approximately \$1,191,405 on eligible projects and improvements. As of June 30, 2026, the District's District-wide development impact fee fund had an ending balance of zero, and the San Pablo Avenue Specific Plan Area impact fee fund had an ending balance of \$875,277. Additional details regarding activity in the funds and the projects funded by these revenues are provided in the attached report.

No interfund transfers or loans were made from any of the identified accounts. There were no refunds of development impact fees paid, pursuant to Government Code §66001(e), nor were there any allocations of unexpended revenues collected, pursuant to Government Code §66001(f).

The District has received no requests from any person to receive a copy of this report. However, the District has posted a notice on its website of the availability of the development impact fee information.

ENVIRONMENTAL ANALYSIS

Pursuant to Title 14, the California Code of Regulations, §15302(c) of the California Environmental Quality Act ("CEQA") guidelines, the proposed action is an administrative activity of the District that will not result in direct or indirect physical changes to the environment.

FISCAL IMPACT:

There is no fiscal impact related to the proposed action.

ATTACHMENT(S):

Resolution

Exhibits: Annual Reporting Data Sheets

AB 1600 Notice for Website

STEGE SANITARY DISTRICT

RESOLUTION NO. 2300-1126

A RESOLUTION OF THE BOARD OF THE STEGE SANITARY DISTRICT ACCEPTING
THE FISCAL YEAR 2025-26 ANNUAL REPORT OF
DEVELOPER DEPOSITS (AB 1600 REPORT)

WHEREAS, the Stege Sanitary District imposes fees to mitigate the impact of development pursuant to Government Code §66000 et seq.; and

WHEREAS, said fees collected are deposited into a specific fund; and

WHEREAS, the District is required within 180 days after the last day of each fiscal year to make available to the public information for the fiscal year regarding these fees under Government Code §66006; and

WHEREAS, District staff has prepared a report ("AB 1600 Report") that contains the information required by Government Code §66013; and

WHEREAS, no interfund transfers or loans were made from any of the accounts identified in the AB 1600 Report; and

WHEREAS, there were no refunds of development impact fees collected pursuant to Government Code §66001(e), nor were there any allocations of unexpended revenues collected pursuant to Government Code §66001(f); and

WHEREAS, the AB 1600 Report was made available for review on October 12, 2026, more than fifteen (15) days prior to the date that the Board considered the AB 1600 Report; and

WHEREAS, no interested persons have requested notice of the AB 1600 Report; consequently no notices of the availability of the AB 1600 Report were mailed.

NOW, THEREFORE, THE BOARD OF THE STEGE SANITARY DISTRICT FINDS AND RESOLVES AS FOLLOWS:

Section 1.

A. In accordance with Government Code §66013, the District has conducted an annual review of its development impact fees and capital infrastructure programs and the Board has reviewed the AB 1600 Report attached hereto as Exhibit A and incorporated herein by this reference.

B. The Board hereby approves, accepts and adopts the AB 1600 Report.

Section 2. That the following finding is made as required under the Government Code §66013:

Section 3. Effective Date. The resolution shall take effect immediately upon adoption.

Section 4. Severability. If any section, subsection, sentence, clause, phase or portion of this Resolution is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.

The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phase thereof irrespective of the fact that any one of or more sections, subsections, clauses or phases be declared unconstitutional on their face or as applied.

I HEREBY CERTIFY that the foregoing Resolution was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting held on the 5th day of November 2026,
by a X-X vote as follows:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTAIN:	BOARD MEMBERS:

TESSA BEACH, President
Stege Sanitary District
Contra Costa County, California

ATTEST:

BOBBY MAGEE, Secretary
Stege Sanitary District

**Stege Sanitary District
Connection Fee Schedule**

Districtwide Capacity Fee

Cost per Fixture Unit	94.07	per unit
Single Family Dwelling Unit	2,446.00	per unit
Multi-Family Dwelling Unit	1,505.00	per unit

San Pablo Ave Specific Plan Area Impact Fee

Cost per Fixture Unit	256.41	per unit
Single Family Dwelling Unit	6,667.00	per unit
Multi-Family Dwelling Unit	4,103.00	per unit

Annual Report on Developers' Funds Per GC 66000
Analysis of Changes in Balance
Including Beginning and Ending Balances, and Fees Collected

	District-wide	San Pablo Ave Specific Plan Area
Beginning Fund Balance 7/1/25 per 2024-25 Developer Report	(30,813)	583,929
REVENUE		
Fees collected	202,296	257,346
Offset by Sewer Service Fees	263,641	-
Interest earned	-	34,002
	465,937	291,348
EXPENDITURES		
Engineering	496,750	-
Refund of fees	-	-
	496,750	-
Excess of Revenue Over/(Under) Expenditures	(30,813)	291,348
Ending Fund Balance 06/30/26	-	875,277

Annual Report on Developers' Funds Per GC 66000
Expenditures By Project - District-wide

	FY 2025-26	% Funded with AB 1600 Fee	Balance of Project Funding
Pipe Burst 6" with 8" HDPE (ROW)	174,750		
Pipe Burst 6" with 8" HDPE (EASEMENT)	322,000		
Total	<u><u>496,750</u></u>	47%	Sewer Service Charges

Annual Report on Developers' Funds Per GC 66000
Planned Usage of Developer Impact Fees As Per Ordinances Establishing The Impact Fees

	Anticipated Start of Project	District-wide	
Estimated Balance at 06/30/2026			\$ -
Pipe Burst 6" with 8" HDPE (ROW)	7/1/2026	20,000	
Pipe Burst 6" with 8" HDPE (EASEMENT)	7/1/2026	<u>20,000</u>	
Total		<u>\$ 40,000</u>	

NOTICE OF AVAILABILITY OF INFORMATION

Notice Issue Date: October 12, 2026

Pursuant to Government Code 66000 et seq. (AB1600), notice is hereby given that as of the date noted above, Zone 7 Water Agency has made available a public report entitled:

AB1600 Annual Report for Development Impact Fees:
Annual Report for Fiscal Year Ended June 30, 2026

The report is available at www.stegesan.org
Notice is hereby given that the Board of Directors of the Stege Sanitary District will receive and file the report on the following date, time, and location:

DATE: Thursday, November 5, 2026
TIME: 7:00 p.m. Open Session (time approximate)
LOCATION: Stege Sanitary District Administration Building 7500 Schmidt Lane
El Cerrito, CA 94530

The agenda item and report will be available in the November 5, 2026, Regular Board Meeting agenda packet, at www.stegesan.org/board-meetings.

The report may be reviewed during regular business hours at:
Stege Sanitary District Administration Building

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Directors will proceed with business in person unless otherwise prohibited by law.

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STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors
FROM: Adam Cox, District Treasurer
SUBJECT: Treasurer's Report

RECOMMENDATION

It is recommended that the Board of Directors:

Receive and File the Treasurer's Report containing Estimated Bank Balances, Report of Revenues, and Disbursements Report for the period 10/9/26 - 10/29/26.

BACKGROUND AND DISCUSSION

The attached group of disbursements represents the District's outgoing payments for the period of October 9 – October 29, 2026.

Bank Balances as of 10/29/26:

Account	Balance
Five Star Checking	\$247,218.59
Five Star Savings	\$1,911,635.87
LAIF	\$4,750,230.63
Time Value Investments	\$2,124,649.76
Total	\$9,033,734.85

Revenues Received:

Revenue	Amount
Connection Fees	\$40,829.65
Plan Check Fees	\$5
Inspection Fees	\$598
Disposition of Assets Sales	\$0
Total	\$41,432.65

FISCAL IMPACT

The checks identified in the attached report constitute the current financial liabilities to the District in the form of warrants, which is currently within budgeted and appropriated amounts. There is no fiscal impact to receiving and filing the Treasurer's Report.

ATTACHMENTS

Check Registers 10/9/26 – 10/29/26

Stege Sanitary District				
Board Check Register				
From 10/09/2026 to 10/13/2026				
Check #	Payee	Transaction Description	Amount	Date
ISSUED CHECKS				
2373	Direct Line	Monthly Answering Service - Sept 2026	229.04	10/13/2026
2374	Bay Alarm Company	Monthly Alarm Monitoring - Sept 2026	396.21	10/13/2026
2375	CWEA Membership	CWEA Membership for Jeremy Davis	259.00	10/13/2026
2376	Dormatech Mechanical Systems, Inc.	HVAC Maintenance	1,029.48	10/13/2026
2377	PG&E - 0607499583-5	Canon Pump Station - Sept 2026	259.65	10/13/2026
2378	Gallagher	AGM / FD Recruitment Services	6,250.00	10/13/2026
2379	Everest Plumbing	PSL Loan - 1337 Lawrence St	7,500.00	10/13/2026
		Total Issued Checks 10-13-26	15,923.38	
ACH Payment				
	MRG	September 2026 Accounting Services	23,449.95	10/13/2026
		Total ACH Payment 10-13-26	23,449.95	
EFT Payments				
	ADP	Payroll Administration Fees	756.50	10/9/2026
		Total EFT Payment 10-13-26	756.50	
		Total Payments 10-09-26 to 10-13-26	40,129.83	

Stege Sanitary District				
Board Check Register				
From 10/14/2026 to 10/22/2026				
Check #	Payee	Transaction Description	Amount	Date
ISSUED CHECKS				
2380	VOID-Testing Electronic Signature	VOID-Testing Electronic Signature	0.00	10/22/2026
2381	EBMUD Payment Center	57132800001 and 1237490001 - Water and Wastewater - Two Invoices	1,064.64	10/22/2026
2382	Vestis	Uniform and Laundry - 10/13/26 and 10/20/26 Two Invoices	275.65	10/22/2026
2383	Xerox Financial Services	Contract For Copier - 9/30/26 to 10/29/26	332.94	10/22/2026
2384	California State Disbursement Unit	Case ID: 0139021010-01 and Case ID: 200000001914071 - Two Invoices	1,307.00	10/22/2026
2385	City of El Cerrito	Public Works - C.3 Annual Inspection Fee	721.00	10/22/2026
2386	Paul Soo	Paul Soo Travel Reimbursement to CSTAC Meeting 10-21-26	16.72	10/22/2026
2387	Andrew Satchwell	Claim and Settlement - Satchwell	150.00	10/22/2026
2388	MMANC	MMANC 26-27 Membership For Adam Cox	95.00	10/22/2026
		Total Issued Checks 10-22-26	3,962.95	
ACH Payments				
	VPI Strategies	Invoice # 3427 - HR Services 10-1-26 to 10-15-26	2,581.25	10/19/2026
	Shawn Noetzli	Early Winter Newsletter	5,700.00	10/20/2026
		Total ACH Payment 10-22-26	8,281.25	
EFT Payments				
	CalPERS	Employee Retirement	17,056.90	10/14/2026
	CalPERS	Employee Retirement	350.00	10/14/2026
	ADP Wage Payable	30% Advance Payroll - October 2026	38,899.87	10/14/2026
	ADP	ADP Tax Payable	1,650.07	10/14/2026
		Total EFT Payment 10-22-26	57,956.84	
		Total Payments 10-14-26 to 10-22-26	70,201.04	

Stege Sanitary District				
Board Check Register				
From 10/23/2026 to 10/29/2026				
Check #	Payee	Transaction Description	Amount	Date
ISSUED CHECKS				
2389	Nerd Crossing	ADA Compliance and Del Pro 14 Laptop and Windows 11 Installation - Two Invoices	3,587.54	10/29/2026
2390	Regional Government Services	Professional Services - September 2026	20,598.70	10/29/2026
2391	Reliance Standard Life	Basic Life Insurance & LTD - November 26	310.30	10/29/2026
2392	Redwood Public Law, LLP	Legal - Confidential Matter, Labor Negotiations, Special Services, Flat Retainer Fee - Five Invoices	55,598.40	10/29/2026
2393	Vestis	Laundry and Uniform - 10-27-26	108.91	10/29/2026
2394	CSDA	CSDA Membership 1/1/27 to 12/31/27	9,861.00	10/29/2026
2395	Fred Bondoc	Fred Bondoc - November 2026 - Retiree Health Benefit	324.48	10/29/2026
2396	PG&E - #6675831511-4	Gas and Electric - District Office	1,277.19	10/29/2026
2397	PG&E - #0103467151-9	Gas and Electric - Burlingame	115.86	10/29/2026
		Total Issued Checks 10-29-26	91,782.38	
ACH Payments - None				
		Total ACH Payment 10-29-26	-	
EFT Payments				
	ADP	ADP Tax	34,445.94	10/29/26
	ADP	ADP Wage Payable	56,949.01	10/29/26
		Total EFT Payment 10-29-26	91,394.95	
		Total Payments 10-23-26 to 10-29-26	183,177.33	



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors

FROM: Bobby Magee, General Manager

SUBJECT: Draft Board Rotational List and Draft 2027 Board Meeting Calendar

RECOMMENDATION

It is recommended that the Board of Directors:

1. Receive and file the Draft Board Rotational List for 2027 and;
2. Adopt Resolution No. 2301-1126 Approving the Board of Directors 2027 Meeting Calendar.

BACKGROUND AND DISCUSSION

At the end of the calendar year, the Board typically considers the Draft Board Rotational list. At a separate future meeting, the Board has completed its Nomination and Election of Officers process for the upcoming year. The attached Draft Rotational List is simply for the Board to discuss at this time; the formal process will be presented at the December 17th, 2026 Board meeting.

The recommended 2027 Board Meeting Calendar includes dates that have historically been used for Board meetings, typically held on the 1st and 3rd Thursday of each month, beginning at 7:00 PM. Staff has built in a total of five days where historically used dates are recommended to be held vacant for 2027. One of those dates, March 18th, is recommended to be replaced with Special Meetings for the Long-Range Planning Meetings on March 17th and 18th, with each beginning at 4:00 PM.

FISCAL IMPACT

There is no fiscal impact to adopting resolution 2301-1126, approving the 2027 Board Meeting Calendar and for receiving the Draft Board Rotational List.

ATTACHMENTS

Resolution
Draft 2027 Board Rotational List
Draft 2027 Board of Directors Meeting Calendar

RESOLUTION NO. 2301-1126

RESOLUTION APPROVING THE STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING SCHEDULE FOR CALENDAR YEAR 2027

The Directors of the Stege Sanitary District (District) find and determine as follows:

- A. The Ralph M. Brown Act (“The Brown Act”) Government Code Section 54954 (Rules for Conduct of Business: Time and Place For Holding Regular Meetings), provides that the Board of Directors shall provide the time and place for holding its regular meetings; and,
- B. The Brown Act allows the Board of Directors to take such action by ordinance, resolution, bylaw, or other authorized action; and,
- C. By way of this Resolution the Board of Directors wish to establish its regular meeting schedule containing dates and start times for calendar year 2027; and,
- D. By way of this Resolution the Board of Directors wish to announce the proposed dates of any special meetings that, at this time, it is aware that it may hold. Notwithstanding the foregoing, the dates and/or times of any special meeting(s) announced by this Resolution are subject to change, since the City Council retains its authority to call any special meeting in compliance with The Brown Act.

In consideration of the foregoing findings and determinations, it is resolved:

- 1. The Board of Directors hereby adopts the 2027 Board of Directors Meeting Schedule (Regular & Special Meetings) attached hereto as an Exhibit and incorporated herein by reference.
- 2. This Resolution shall take effect immediately upon its adoption.

* * * * *

I HEREBY CERTIFY that the foregoing Resolution was duly and regularly adopted by the
Directors of the Stege Sanitary District, at a regular meeting thereof, held on the 5th day of
November 2026 by a X-X vote as follows:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

Tessa Beach, President
Stege Sanitary District
Contra Costa County, California

ATTEST:

BOBBY MAGEE, Secretary
Stege Sanitary District

**STEGE SANITARY DISTRICT
BOARD OF DIRECTORS
POSITIONAL ROTATION
(DRAFT)**

DIRECTOR	TERM EXPIRES
Dwight Merrill	2026
Alex Borys	2030
Paul Gilbert-Snyder	2028
Beatrice O’Keefe	2028
Ted Lam	2030

YEAR	POSITION	DIRECTOR
2027	PRESIDENT	Dwight Merrill
	VICE PRESIDENT	Alex Borys
2026	PRESIDENT	Tessa Beach
	VICE PRESIDENT	Dwight Merrill
2025	PRESIDENT	Beatrice O’Keefe
	VICE PRESIDENT	Tessa Beach
2024	PRESIDENT	Paul Gilbert-Snyder
	VICE PRESIDENT	Beatrice O’Keefe
2023	PRESIDENT	Juliet Christian-Smith
	VICE PRESIDENT	Paul Gilbert-Snyder
2022	PRESIDENT	Dwight Merrill
	VICE PRESIDENT	Juliet Christian-Smith

**STEGE SANITARY DISTRICT
BOARD OF DIRECTORS
POSITIONAL ROTATION
(DRAFT)**

2021	PRESIDENT	Beatrice O'Keefe
	VICE PRESIDENT	Dwight Merrill



STEGE SANITARY DISTRICT

2027 REGULAR MEETING SCHEDULE

(Start time is 7:00 PM unless stated otherwise)

~~January 7~~

January 21

February 4

February 18

March 4

~~March 18~~

March 17 @ 4:00 PM (Special Meeting – Long Range Planning Workshop)

March 18 @ 4:00 PM (Special Meeting – Long Range Planning Workshop)

April 1

April 15

May 6

May 20

June 3

~~June 17~~

July 1

July 15

August 5

August 19

September 2

~~September 16~~

October 7

October 21

November 4

November 18

~~December 2~~

December 16 at 2:00 PM



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors

FROM: Bobby Magee, General Manager

SUBJECT: Verbal Report on Board and Staff Activities for Calendar Years 2026 and 2027

RECOMMENDATION

It is recommended that the Board of Directors:

Receive and file the verbal report on Board and staff activities for calendar years 2026 and 2027.

BACKGROUND AND DISCUSSION

At the October 1st, 2026 Board of Directors meeting the Board indicated it would like to see a report on the progress that staff has made with respect to recent recommendations from consultants made to the District. Multiple other comments from individual Board members have been received by staff, inquiring as to the overall activities of implementing the consultant recommendations, the amount of District funds being spent with consulting firms, and staff's vision for the future on implementing and working through the recent Action Plan that was directed by the Board during the long-range planning process.

Instead of creating a series of off-Agenda memorandums, staff felt it appropriate to create a single presentation to address each of these questions and comments. The verbal report will include three distinct areas, including:

- Accomplishments of the Board in calendar year 2026; and,
- Consulting recommendations, progress in implementing those recommendations, and expenditures against those contracts to date; and,
- The staff vision for continuing to implement Board direction in 2027.

Staff is prepared to discuss all the administrative services' functions recommendations and the progress made against each one. The Operations & Maintenance recommendations that were received from Sam Rose Consulting will be discussed in a separate item on the Board's Agenda.

FISCAL IMPACT

There is no fiscal impact to receiving the verbal report on Board and staff activities.

ATTACHMENTS

List of consultant recommendations, by firm, for administrative services functions
Consultants Used FY 2026
2026 Long Range Action Plan

CONSULTANT REPORTS / RESULTS

VPI Strategies Recommendations	Status
Confidential info under lock-and-key	Completed; Worked with GM on solution which he implemented
Structural Change	Upon new GM's entrance and needs analysis, original structural change modified to add other assets, instead of HR. VPI worked on Admin Assistant, Financial Analyst and AGM job descriptions and compensation ranges. Recruited first two positions. Interview panels on all three new positions.
Document systems for back-ups	GM working with staff. Expected AGM duty.
Enhance network security	Also reinforced by Nerds audit and addressed
Update 85% of the materials provided to VPI Strategies for compliance, i.e., personnel policy, forms, displayed information and operations manual.	Updated employee manual Identified and drafted ten new policies from the circa 2017 Operations manual GM and VPI decided to hold off on more work until the AGM arrives as finalizing drafts and any new policies will be in the AGM's purview Opportunistically updating forms as they are needed, i.e., onboarding forms
Reduce confusion by minimizing multiple forms for the same task, standardizing using HR legal language and choosing one name internally for documents.	Ground truth using the language in the new employee manual
Define and adhere to consistent processes Adhere to known processes (I9s, records retention) Provide further definition and education (progressive discipline corrective action, grievance filing, workflows)	As Stege's contracted HR services, have been adhering to known processes and counseling on best practices for I9s, records etc) Have further defined concepts in employee manual recognizing new working environment
Policy parity with policies in multiple places, i.e., EEOC, oath of allegiance, code of conduct, deferred comp	To be addressed with new AGM
Acknowledge annual HR changes, employees understanding of changes and HR's progress to its functions	Have drafted old to new changes document for employee signature, will distribute after handbook approval.
Strengthen Existing:	Updating job descriptions New job descriptions are compliant

Organizational values Illness and Injury Prevention Program Job descriptions Exit checklist	Draft exit checklist

RGS Recommendations	Status
Update the Investment Policy and Working Capital Policy	Completed
Update and implement a new Accounting Chart of Accounts	Completed
Retire QuickBooks as the District's financial system and transition to a system designed for governmental GASB accounting	Completed
Conduct an Information Technology Assessment including Cybersecurity Review, Options for Help Desk / Troubleshooting	Completed
Reconcile over 12 months worth of bank statements to cash in bank	Completed
Review prior financial data and complete tasks needed to bring the General Ledger back into balance with the previous fiscal year's Audit	Completed
Implement an annual Interim Audit as a best practices standard	Completed
Create an Audit schedule and ensure the Audit remains on track for fiscal year 2025/26	Schedule completed / Audit currently in progress and is on schedule
Complete the overdue 2025 AB 1600 Development Impact Fees Report and have a timely submission for the 2026 AB 1600 Report	In progress
Stege Sanitary District needs immediate expert IT support for its outdated IT hardware, software, and systems.	Completed
Stege Sanitary District needs to upgrade its Windows operating system to a version that Microsoft supports. Currently, the district is using an outdated version of Windows, which is unsupported by the vendor; this creates operational and cybersecurity risks for the district.	Completed
Stege Sanitary District needs to organize its file structure for Windows Explorer. With the district's current Windows Explore set up, RGS could not find or access files.	Currently in progress

Cybersecurity training for managers and staff on a regular basis to include industry best practices.	Pending Nerd Crossing Setup
Establish Two Factor authentication as the standard for the district.	Pending Nerd Crossing Setup
Clean up the legacy email system and archive it to be searchable, which will be needed for operations and to respond to public records requests.	Completed
Set up remote access for managers and staff to email and other drives, which will be needed for operations and to respond to public records requests	Completed
Replace the outdated and unsupported phone system	Completed
Replace the current payroll software with a system designed for small government operations	Currently In progress
Convert the payroll system from a duplicative 24-pay-period "advance and reconcile" system to a modern, standard 26-pay-period system	Currently in progress
Complete several months' worth of CalPERS reports that were previously in arrears	Completed
Assess reporting of benefits, accruals, and taxes	Completed

MRG Recommendations	Status
Set up and document a new accounts payable system with proper internal controls	Completed
Stay current with all monthly accounting transactions moving forward	Completed / In Progress
Setup and document new cash receipt summary for recording in MIP	Partially completed / documentation still in progress
Deposit checks received at least once a week and proper internal controls for managing cash.	Completed / implemented
Create vendor payment database from FY 21-22 to FY 25-26 since QuickBooks no longer exist to provide information.	Completed
Create a process to review and record credit card expenses and record to proper expenditure accounts.	Completed / Implemented
Backup documentation for paying invoices are stored electronically with each invoice in MIP system.	Completed / Implemented
Perform monthly bank reconciliation of accounts including a summary of checking account activity (including daily sweeps) that agrees to bank statement	Implemented – ongoing process
Provide budget to actual information for construction projections	Implemented – ongoing process
Implement ACH payments to pay vendors	Implemented – ongoing process
Set up and document the internal process for the Private Sewer Lateral (PSL) loan program	Implemented
Create purchase order template and load into ERP system	In progress
Create GASB compliant recordkeeping system in the new ERP system by both fund and budget unit	Completed
Review and update district vehicles for insurance purposes	Completed
Transition district from QuickBooks financial system to MIP financial system	Completed
Create an exit strategy to transition work before MRG contract ends in December 2026	In progress

Nerd Crossing Recommendations	Status
Desktop/laptop refresh	Completed
Upgrade network infrastructure	Completed
Fileserver upgrade	Completed
Corporate data strategy	Assigned to RGS for organization-wide File Restructure Program; currently in progress
Authentication and Mobile Device Management (MDM)	Completed
Cybersecurity audit	Pending
CMMS	Pending RFP
Current Website ADA Compliance	In progress
New Website	Pending future kick-off meeting
Server Room Hardening	In progress; new door to be installed imminently.
Phone System Upgrade	Completed
Migrate Quickbooks ERP System to MIP	Completed
Upgrade the Internet Service Provider	Completed
Conduct critical data backups	Completed

Consultants Used FY 2026-27

Vendor Name	Service	NTE	Contract Payments 7/1/25-10/8/26	Board Approved
Bryce Consulting	Compensation Study	\$11,200	\$9,600.00	7/2/26
Morgan, Lewis & Bockius	On-Call Legal Services: Benefits Administration	\$25,000	\$10,120.00	N/A
VPI Strategies	Human Resources On-Call	\$250,000	\$32,672.96	3/19/26
Municipal Resource Group	Accounting & Financial On-Site Operations	\$225,000	\$173,732.37	5/14/26
Nerd Crossing	IT services	\$427,700	\$108,885.74	5/7/26
Raftelis	Board Good Governance Training/Workshop	\$9,900	\$5,000.00	N/A
Regional Government Services Authority	Organization advisor – Finance / IT Special Projects	\$225,000	\$75,298.90	6/4/26
Sam Rose Consulting	Maintenance & Operations Review	\$22,069	\$22,069	N/A
ABoutique PR Agency	PR/ Branding	\$137,000	\$28,300.00	10/1/26
		Total	\$465,678.97	



STEGER SANITARY DISTRICT

2026 ACTION PLAN

The following are action items discussed at the Long-Range Planning (LRP) Workshops, conducted from August 6th – September 17th, 2026:

A. Review of Agenda and 2025 Action Plan (August 6)

The Board reviewed the Agenda and the Action Plan for 2025. Board members expressed interest in seeing the Review of Agenda item at all future LRP meetings. A request was made to add an item on September 3rd for the Board to discuss the possibility of replacing some laterals at the District's expense in the future.

Action Item:

- When agendaizing the 2026 LRP for Board discussion, bring forward the Review of Agenda at each session so that the Board has an opportunity to add or delete items as the discussion continues.

Status: Completed 9/17/26

B. Past 5 Years Expenditures Review (August 6)

The Board reviewed and discussed trends from the past 5 years.

Action Item:

- None

C. Board Attendance Policy (August 6)

The Board reviewed and briefly discussed the current Policy.

Action Item:

- None

D. Review Pension Liabilities (August 20)

Action Item:

- Notify the Board in an off-Agenda memorandum when the 2025 Actuarial Reports are made available on the CalPERS website.

Status: Pending Release

E. Communication and Outreach Opportunities (August 20)

Action Item:

- Explore possible opportunities including:
 - College Interns of various disciplines that may be interested in a career in local government, special districts, sewer operations, engineering, finance / human

resources / information technology, environmental studies, public health, public service, auto shop, or other District functions.

Status: Currently in Progress

- Outreach to local High Schools for Senior Career Day and items similar to college interns possibilities as listed above.

Status: Currently in Progress

- Improve the District's display booth, including the development of a setup to use Closed Circuit Television (CCTV) footage at the 4th of July event in El Cerrito.

Status: Currently in Progress

- Develop a Target Reserve Graph similar to the one that has been used in the past for the Board to distribute as necessary.

Status: New Treasurer to Consider Options; Some Type of Graph Will Be Presented Soon

F. Board Self-Assessment of Governance (August 20)

Action Item:

- Return to the Board with compiled results.

Status: Completed 9/17/26

G. USEPA Consent Decree Progress (September 3)

Action Item:

- Return to the Board with feedback on root foaming.

Status: Assigned to District Engineer; Report Pending Evaluation and Analysis

H. USEPA Consent Decree Planning (September 3)

Action Items:

- Develop a plan for ongoing Inflow & Infiltration (I&I) program effectiveness monitoring and reporting. The plan should include an ongoing Flow Monitoring program, along with estimated costs.

Status: Contract Executed for Flow Monitoring Services

- Return to the Board with conceptual ideas on how staff will negotiate future Consent Decree items.

Status: Not Yet Started

I. Strategic Planning Priorities Discussion (September 3)

Action Items:

- Develop a solicitation document that has a similar scope of work to the existing capital projects contract.

Status: Pending Legal Analysis Given Other Consideration

STEGE SANITARY DISTRICT
2026 Action Plan

- Return to the Board with a plan for future ‘spot repairs’, potentially with a procurement ‘panel’ recommendation. This item is considered a priority for the Board.

Status: Pending Kick-Off Meeting with Staff

- Consider opportunities for advancing the careers of existing staff through training and professional involvement in the California Water Environment Association, California Association of Sanitation Agencies, California Special Districts Association, and others.

Status: Actively Occurring Now

J. Lateral Replacements at District Expense (September 3)

Action Items:

- Data and reports from the ongoing Flow Monitoring program will need to be completed prior to returning to the Board.

Status: Long-Range Item Pending Flow Monitoring Results

- A ‘mini study’ will need to be conducted as part of the Flow Monitoring program to determine if lateral replacements are helping to reduce Inflows & Infiltration (I&I).

Status: Long-Range Item Pending Flow Monitoring Results

- Staff will develop a plan for future consideration by the Board.
 - The plan will include consideration of an ongoing area of capital work where replacing a main in a high I&I area is a priority.

Status: Long-Range Item Pending Flow Monitoring Results

K. Provide Direction Regarding Potential for On-Call, As-Needed Consulting Engineering Services (September 17)

Action Item:

- Issue an RFP and return to the Board with a recommendation.

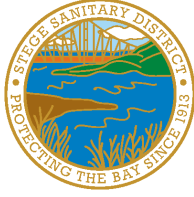
Status: Pending Legal Analysis; Currently In Progress

L. Calendar Year 2027 Board Meeting Dates and Times (September 17)

Action Item:

- Develop the calendar in accordance with past practice, times, and dates.

Status: Scheduled for the November 5th, 2026 meeting.



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors

FROM: Bobby Magee, General Manager

SUBJECT: Priority List of Recommendations Received from Sam Rose Consulting

RECOMMENDATION

It is recommended that the Board of Directors:

Review the staff recommendations for the ranking of priorities of recommendations received from Sam Rose Consulting on the District's Maintenance, Operations, and Engineering functions, and provide feedback to staff on the Board's desire for any priority adjustments to the list.

BACKGROUND AND DISCUSSION

At the September 3rd, 2026 Board meeting consultants Sam Rose and Andy Morrison presented their findings and recommendations on the District's Maintenance, Operations, and Engineering functions. A total of 52 recommendations were made as part of the report. At that time, the Board directed staff to review each recommendation and create a priority list for addressing each one. The District Engineer and District Superintendent have each had an opportunity to review all recommendations, and the attached list of priorities were developed with their direct input. Staff is seeking input from the Board on the priority list as developed by staff.

FISCAL IMPACT

There is no fiscal impact to discussing the priority list of recommendations.

ATTACHMENTS

List of recommendations received from Sam Rose Consulting

Sam Rose and Andy Morrison Consulting Report - Priority List

	Item	Risk Factor	Priority
5	Maintain video documentation for at least two CCTV inspection cycles. This will allow staff to compare pipe conditions overtime and monitor the progression of certain defects and pipe performance. Modern computer hard drives can accommodate large amounts of data (terabytes).	Simple fix; staff to implement by February.	1
12	Memorialize the Chemical Root Control Program in a written Work Program.	Engineer is already working on this item.	1
14	Conduct periodic site inspections during application to ensure that contractor is performing work. correctly.	Engineer is already working on this item.	1
15	Conduct post-treatment inspections of treated gravity mains to evaluate effectiveness of the chemical process. This is generally done by CCTV inspecting a small percent/representative sample of the treated gravity mains. a. This holds the contractor accountable and helps ensure the District is getting what it paid for.	Engineer is already working on this item.	1
34	Create a handout/doorhanger that details property owner requirements and responsibilities. a. Each occasion staff cannot access a property, this handout/doorhanger should be left for the property owner. i. This is a proactive approach to improving access.	Staff to review immediately.	1
41	Establish Board expectations and hold staff accountable for meeting the expectations. a. This can be done through: i. Review and update, if necessary, the District's Mission Statement 1. An agency's Mission Statement is a concise declaration that defines its core purpose, what it does, who it serves, and why it exists. It acts as an operational guideline, aligning the team on daily goals and guiding strategic decision-making ii. Develop A Vision Statement for the District 1. An agency's Vision Statement is a forward-looking declaration of its ultimate, long-term goals. It describes the ideal future impact it wants to achieve in its industry and for the public it serves, and provides direction for all strategic planning iii. Establish a set of Core Values for the District 1. An agency's Core Values are the fundamental, ethical beliefs that drive the agency's internal culture and identity. iv. Develop a Strategic Plan 1. A Strategic Plan is a multi-year roadmap that aligns the organization's resources, workforce, and technology with its core mission to provide safe, reliable, and cost-effective services. It bridges day-to-day operations with long-term community, environmental, and regulatory goals 2. Helps engage employees, as they learn to see what they do day-to-day fits into the bigger picture of what the District is trying to achieve. v. When the Board provides direction to staff (GM), it should be captured in writing, and staff should provide updates on progress in implementing the Board's direction by providing reports to the Board.	Already in progress.	1
42	Evaluate staff and staffing levels to determine if there is a need to increase staff or support current staff using contracted services to fill aptitude and knowledge gaps.	Already in progress.	1

	Item	Risk Factor	Priority
43	Develop a Succession Plan for the District a. A Succession Plan is a risk-management strategy designed to identify, train, and develop current employees to fill key leadership and highly specialized technical roles when vacancies occur. i. It prevents service disruptions and preserves critical institutional knowledge ii. Helps to engage staff, as they see opportunity, something to strive for, a reason to do more than expected.	Already in progress.	1
45	Consultant to provide training to all affected staff. a. Include a Train-the trainer component to develop the training aptitude in house.	Already in progress.	1
48	Update Computer and related hardware – District Wide	Already in progress.	1
49	Create formal Mutual Aid Agreements with neighboring agencies and join Cal-WARN	Already in progress; currently a member of Cal-WARN.	1
50	Formalize agreements with contractors.	Already in progress.	1
52	Make efforts to keep up to date with current industry best practices by attending industry conferences, subscribing to industry journals, networking with neighboring agencies.	Already in progress. Funds budgeted in 2026/27 for additional training opportunities for staff.	1
7	Should use source control on what staff referred to as Asian Mall. The District has an agreement with EBMUD for (FOG) source control. k. The District should keep track of FSE Inspections results in their database.	Need to evaluate if electronic capture of data from EBMUD is possible.	2
10	Ensure compliance with the Consent Decree regarding cleaning large diameter lines. Inform the Board of Directors additional money must be allocated each year to achieve the prescribed goal.	Can be done in July with the new budget.	2
11	Reevaluate the priority placed on infiltration identified during CCTV inspections.	Staff to begin the planning.	2
32	Develop an Air Release Valve (ARV) maintenance program.	Need a contractor in place to perform this work.	2
35	Evaluate each line segment in backyard easements for opportunities to improve the circumstance. a. Look for opportunities to realign the pipe to a location that is more accessible b. Adjusting maintenance and inspection intervals based on performance. This may reduce the need to access the lines as frequently. c. Perform repairs, when applicable, to improve performance and reduce maintenance and inspection efforts d. Develop a program to install bolt down lids to reduce the chances of illicit discharges into the sewer system 51 i. Staff has indicated this is not a problem, but it would be a liability to the District if these circumstances were to occur. ii. Illicit discharges could be occurring without District knowledge.	Staff see this as a minor issue but will evaluate soon.	2
37	Develop and maintain a written narrative to describe the AMIP and how it meets the state water board requirements the Capital Improvement Plan. a. Currently it appears only one staff has an understanding of the document.	Part of the SSMP	2
38	Include the District's two sewer lift station in the AMIP. a. Evaluate the District's two sewer lift stations to determine lifecycle status. i. Project future costs to rehabilitate/replace ii. Implement measures to ensure funding will be available iii. Periodically monitor and adjust projections, if needed.		2

	Item	Risk Factor	Priority
39	Establish schedules for all projects listed in the AMIP. a. Staff can establish annual schedules for work to be completed. i. Identify which gravity mains will be completed each year. ii. Schedules can be adjusted. 1. When a plan is adjusted, the Water Board expects the agency can provide a justification. a. Document changes and justifications.		2
40	Establish a policy for the number of years the same contractor can be used for multi-year contractors before putting the contract out to bid again. a. It is good practice to ensure the District is getting the best, competitive pricing.	Should be max five years; will be updated with Procurement Policy updates.	2
44	It is recommended the District utilize a consultant to review and ensure the SERP including associated SOPs, forms, training and drills meet all the requirements in D 6 and attachment E-1	Need a contractor in place to perform this work.	2
47	Update Sewer System Management Plan (SSMP) Audit Immediately	Past Due; need contractor in place.	2
51	Develop/Implement a procedure to monitor Consent Decree compliance.	Pending; new CMMS recommendation to come to the	2
16	Develop a Standard Operating Procedure for reporting spills to the California Integrated Water Quality System (CIWQS) database for reporting spills and other water quality issues) The procedure should include: e. Review and verification of field documentation submitted by spill response personnel f. Identification of Data Submitters and LRO's and their duties in this process g. Any Quality Assurance/Quality Control measures the District employs h. Timelines and expectations for those involved in the process. iii. Provide regular training for involved personnel iv. Document training.	Staff to document the current practice in a formal procedure.	3
17	Develop SOPs for all tasks and equipment operation a. Involve your field staff in this process i. This will help with employee engagement and succession planning.	Staff to document the current practice in a formal procedure.	3
18	Improve documentation. The documentation should include, in addition to the information the District already includes: a. The basis for the training b. The training method used c. Training materials/equipment utilized d. Indication whether the trainees gained the knowledge delivered or competence performing the task	Staff to document the current practice in a formal procedure.	3
19	Develop a standard procedure for scheduling and performing manhole inspections. a. Utilize the inspection form already developed. This form includes items and conditions to be inspected. Ideally, this form can be accessed via tablets in the field. i. This information should be maintained in a manner where it will be readily available and can be used for planning future repair, rehabilitate, and replacement work.	Staff believes the mains are the priority.	3
20	Develop a SOP for video inspection of manholes. a. The procedure should be developed in a way the recording could be used to evaluate the condition of the inside of the manhole, much in the way an inspection is performed in the field.	Staff believes the mains are the priority.	3
21	Determine an appropriate inspection return interval.	Staff believes the mains are the priority.	3
22	Ensure all manholes are being inspected.	Staff believes the mains are the priority.	3
23	Train field personnel on the Manhole Inspection Standard Procedure.	Staff believes the mains are the priority.	3
24	Standard Operating Procedures should be developed and at least one additional staff person should be trained to perform the basic tasks related to the databases.	Multi-part process; CMMS recommendation needs to be part one.	3

	Item	Risk Factor	Priority
25	<p>Ensure continuity of operations for scheduling and documenting work performed a. For immediate consideration for the current databases, develop SOP for; i. Generating the Quarterly Schedules ii. Reporting b. Train at least one other person on staff to manage the current databases or use contracted service to bridge the gap in the event a capable District staff are not available. c. For immediate considerations: 49 i. Evaluate different Computer Maintenance Management Systems (CMMSs) 1. CMMS developers have worked with many agencies over the years and have listened to their needs and have addressed them in their systems. These features are included in their current versions and available to all users. 2. When an agency creates from within, they often are not aware of the different possibilities. There is a concern that these agencies continue to do things because that's how they have always done things. a. This practice stifles innovation and can stunt the growth of the agency and leave it behind ii. Determine which CMMSs would best suit the District (if the District decides to move away from the current system) 1. Converting to a standard CMMS will allow more staff to utilize the scheduling and documentation processes and be empowered to perform tasks that would lead to work task efficiencies and higher employee engagement 2. The CMMS vendor can provide support 3. There are many Computer Maintenance Management Systems available that can track and schedule all activities in one database d. Moving to a CMMS would reduce reliance on a single person, which is the current practice. i. Budget for the purchase and implementation of the CMMS. 1. If the District elects to go in this direction, it should know it is a long and expensive process to make the transition. It will help the District move forward.</p>	Multi-part process; CMMS recommendation needs to be part one.	3
27	<p>Improve/update Pump Station Log Form a. To better detail findings and actions taken. b. Develop a rating system for defects found c. Provide more fields so specific details of actions taken and inspection findings can be better maintained in the database.</p>	Multi-part process; CMMS recommendation needs to be part one.	3
29	<p>Maintaining more specific inspection detail will help with: a. Trending data b. Performing condition assessment i. Better understanding of where the lift station is in its lifecycle c. Understanding pump station performance.</p>	Need a contractor in place to perform this work.	3
30	<p>Utilize consultants to perform condition assessment and/or a risk assessment on the District's two force main pipes.</p>	Need a contractor in place to perform this work.	3
1	<p>Evaluate program for opportunities to improve efficiencies. a. Consider a geographic evaluation of the mainline segments and grouping lines together to reduce travel time and traffic control set up time even if it means a one-time change in the inspection interval.</p>	Superintendent believes this is already occurring.	4
2	<p>Place a higher priority on gravity main inspections and less on gravity main cleaning. Develop a performance-based operations and maintenance program where inspections drive all other (scheduled) work. This will help ensure work that needs to be done is being done when it needs to be done. Eliminate performing work that does not need to be done.</p>	Staff believes cleaning is the priority.	4

	Item	Risk Factor	Priority
3	Establish daily production goals, for crews and periodically post results for all to view. It has been proven across industries and vocations, that setting realistic and meaningful goals increases for sta production. a. Keep track of obstacles crews encounter that prevent meeting the daily goal and, if they persist, management can work to adjust and eliminate them and improve efficiency.	Monthly goals are already in place.	4
4	For gravity mains that have been determined, through CCTV inspections, not necessary to be cleaned, a decision should be made whether to remove it from the 12 month cleaning schedule and reevaluate when CCTV inspected 5 years later or assign it a new schedule.	Current Board policy is to prioritize cleaning.	4
6	Optimize resources. Consider increasing the standard cleaning interval beyond the current one-year return cycle. g. Utilize recent CCTV inspection, work order, and spill records to determine the gravity mains without any defects and with good performance history. h. This will reduce the amount of time spent performing this task and allow staff to focus on other maintenance needs.	Board policy decision.	4
8	The 34 two-week Hot Spots should be cleaned with a better nozzle, such as warthog or bulldog. Further, these should be re-evaluated with the TV after cleaning to determine if the return frequency and method of cleaning are appropriate.	Staff believes this is not accurate.	4
9	Evaluate Hot Spots every five years, in coordination with the CCTV inspection cycle, to determine if cleaning intervals need adjusting or if the gravity main can be removed from the program. l. NOTE: The Consent Decree allows for the elimination of Hot Spots. See page 106, beginning on line 23.	Current Board policy is to prioritize cleaning.	4
13	Develop a procedure for adding and removing gravity mains from this program. This will help with continuity when there is employee turnover.	Current Board policy is to prioritize cleaning.	4
26	Ensure that changes to work schedules comply with Consent Decree requirements including capturing them in the Annual Report required by the Consent Decree.	Current Board policy is to prioritize cleaning.	4
28	Develop a Standard Procedure for performing pump station inspections a. Train staff on these procedures.	A SOP is already in place; Superintendent to provide.	4
36	Perform a Cost Benefit analysis, street overlay coordination.	Would need an external vendor to complete these tasks. Basic work is already occurring.	4
46	Update Sewer System Management Plan (SSMP) Immediately	State Water Board told AGM that this is not needed until 2031.	4
31	If the force main pipe material is metallic, evaluate the need for cathodic protection of the pipe.	Staff has knowledge that the pipe is HDPE.	NA
33	Develop a formal Easement Program a. The best time to do this is when things are going well. i. Should the District experience a spill in an easement and not be able to access the sewer facilities to rectify the issue, the lack of a valid, proactive program in place would be a regulatory liability for the District. ii. Train staff on the program and SOPs	The District is not responsible for the maintenance of the easements; responsibility of the property owner.	NA



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors
FROM: Bobby Magee, General Manager
SUBJECT: Updating the District Conflict of Interest Code

RECOMMENDATION

It is recommended that the Board of Directors:

Adopt Resolution No. 2302-1126 Updating the District Conflict of Interest Code.

BACKGROUND AND DISCUSSION

On August 6th, 2026 the Board approved updates to the Board Governance Manual, which included the District's Conflict of Interest Code. (Resolution 2291-0826) Subsequently, the County Clerk's Office sent the District a notice that it was a requirement to conduct a review of the Conflict of Interest Code (Code) and send the analysis back to the County.

The District Code requires that Board members and staff who manage public investments will need to file a Statement of Economic Interest pursuant to California Governance Code Section 87200. After researching and discussing with the County Clerk and District Legal Counsel, it was determined that the Code should be updated to include the Senior Management Analyst (Part-Time).

The recommended action includes only the addition of the Senior Management Analyst to the District's Code, as the Board Governance Manual is scheduled to be considered in its entirety at some point after the 2027 Board members have been seated.

FISCAL IMPACT

There is no fiscal impact on adopting the resolution to include the Senior Management Analyst to the Conflict of Interest Code.

ATTACHMENTS

Resolution
Board Governance Manual (Redline Version)

RESOLUTION NO. 2302-1126

RESOLUTION OF THE STEGE SANITARY DISTRICT BOARD OF DIRECTORS
AMENDING THE BOARD GOVERNANCE POLICY MANUAL AND AMENDING THE
CONFLICT OF INTEREST CODE

The Directors of the Stege Sanitary District find and determine as follows:

- A. The District was established in 1913, and as a formal body began to document its Board meetings through the development of minutes and has an established Conflict of Interest Code that is provided in the Stege Sanitary District Board Governance Manual (the “Manual”).
- B. The Political Reform Act (California Government Code Section 81000, et seq.) requires public agencies to adopt and promulgate a local conflict of interest code.
- C. The Fair Political Practices Commission has adopted a regulation (Title 2 California Code of Regulations Section 18730) that contain the terms of a standard conflict of interest code which may be incorporated by reference in an agency’s Conflict of Interest Code.
- D. The Political Reform Act, Government code Section 87306.5, requires government agencies to conduct biennial reviews of their adopted conflict of interest code.
- E. The District has determined that revisions to the Conflict of Interest Code are needed to reflect a new position.

In consideration of the foregoing findings and determinations, it is resolved:

- 1. The Stege Sanitary District Board Governance Manual is hereby amended to reflect an amendment to the Conflict of Interest Code as reflected in Exhibit A, which is incorporated herein by reference and attached to this Resolution.
- 2. This Resolution shall be effective immediately upon adoption by the Board of Directors.

* * * * *

I HEREBY CERTIFY that the foregoing Resolution was duly and regularly adopted by
the Directors of the Stege Sanitary District, at a regular meeting held on the 5th day of
November 2026, by a X-X vote as follows:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

TESSA BEACH, President

Stege Sanitary District

Contra Costa County, California

ATTEST:

BOBBY MAGEE, Secretary

Stege Sanitary District



Stege Sanitary District

BOARD GOVERNANCE POLICY MANUAL

August 2026

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SECTION 1. MISSION STATEMENT

To protect public health and the environment for the communities we serve through planning and operation of a safe, efficient, and economical wastewater collection system.

(Resolution No. 2154-0221)

SECTION 2. DISTRICT SUMMARY

The Stege Sanitary District (District) was organized in 1913 to provide for the collection, treatment and disposal of wastewater from the developed area in southwest Contra Costa County. The original District boundaries were similar to those of today, however service within the boundaries has expanded to include over 35,000 people and 13,900 sewer connections. The only expected growth of the District is through building on the few remaining vacant parcels, commercial and residential development within the San Pablo Avenue Specific Plan, and BART's Transit Oriented Development (TOD).

The present service area of the District comprises 5.3 square miles and includes the communities of El Cerrito, Kensington and a part of Richmond Annex. The sewage collection system includes approximately 150 miles of collection lines and two small pump stations. The primary elements of this collection system are the public main sewers and the private lateral sewers. The District owns and has maintenance responsibility for the main sewers located in public rights-of-way or in easements on private land. Individual property owners own and have maintenance responsibility for their lateral sewers installed from the building plumbing to the main sewer. Wastewater collected in the District system flows to the Special District #1 Interceptor sewer and is then conveyed to the East Bay Municipal Utility District (EBMUD) Wastewater Treatment Facility in Oakland.

SECTION 3. ROLES OF DISTRICT OFFICERS

The Stege Sanitary District Board of Directors consists of five Directors elected at large and serving staggered four year terms with elections being held on even-numbered years. The roles, obligations, and responsibilities of members of the Board are as described below.

Officers of the Board include the **President**, **Vice-President** and **Secretary** of the Board. The term of office of the President and Vice-President of the Board of Directors shall commence upon their election by the Board.

The **President** of the Board shall be elected annually by the Board at the last meeting of each calendar year. The President of the Board shall serve as Chairperson at all Board meetings. The President shall have the same rights as the **other Directors** to vote; introduce motions, resolutions and ordinances; and to engage in debate. The President signs all contracts, deeds,

releases, receipts and documents in the name of the District unless the Board, by resolution, authorizes the General Manager (Manager) or other District officers or employees to sign the documents. The President of the Board is also responsible for interacting with and communicating Board directions to the Manager so that the Manager can effectively and efficiently carry out Board directives.

The **Vice-President** shall be elected annually by the Board at the last meeting of each calendar year, to act in the President's absence or inability to act.

In the event of the absence of the President or Vice-President or their inability to act, the Directors present shall elect from their membership a President Pro Tem to serve during such temporary absence. In the event the President or Vice-President shall arrive late, the President Pro Tem shall relinquish the position upon conclusion of the business then pending before the Board of Directors.

The **Secretary** of the Board may be a Director or an individual appointed by the Board to serve in the position of Secretary of the Board for a period of time deemed appropriate by the Board. It is the current practice of the Board to designate the General Manager as Secretary.

If a Secretary is a Director, the Secretary shall be elected annually to the office by the Board at the last regular meeting of each calendar year. If not a Director, the Secretary shall serve at the pleasure of the Board for an unspecified term of office. The Secretary shall be responsible for preparation of minutes and a record of actions taken at Board and Board Committee meetings and other duties established by the Sanitary District Act of 1923 (the "Act") or otherwise by law.

As a direct report of the Board of Directors, the **District Counsel** is responsible for representing the Stege Sanitary District in all legal matters. As Chief Legal Officer, the District Counsel represents the District as a whole, including the District Board of Directors, District management and staff. The District Counsel shall comply with all applicable professional rules of conduct that govern the representation of organizations, including State Bar Rules of Professional Conduct, Rule No. 3-60, which states:

"In representing an organization, a member [lawyer] shall conform his or her representation to the concept that the client is the organization itself, acting through its highest authorized officer, employee, body, or constituent overseeing the particular engagement."

It is the policy of the District Board of Directors that the District Counsel may not represent any Board Member or employee of the District in an individual or personal capacity. The District Counsel shall take direction from the majority of the Board. The District Counsel cannot take any action requested by an individual Board member or employee contrary to the desires of the Board as expressed by the Board majority. However, given the nature of legislative entities, which may often be split with a consistent "majority" and "minority," the District Counsel should provide balanced legal advice to both sides.

This policy is not intended to discourage the individual Board Members or the Manager or Staff from seeking legal advice from the District Counsel related to District policy and operations. The District Counsel shall use his or her professional judgment to ensure that legal services are provided in a manner consistent with this policy and the Rules of Professional Conduct.

SECTION 4. CORE BELIEFS OF THE DISTRICT BOARD OF DIRECTORS

1. We strive to meet our public health and environmental requirements, in the most efficient and cost-effective way, for present and future District customers.
2. Our work will be of high quality and responsive to our customers' desires and needs. Our customers are those who pay our rates and/or use our services.
3. Stege Sanitary District operates for the benefit of our customers and the public, not for the benefit of our staff or Board. We will try to accommodate both our customers and our staff, but our customers come first.
4. We are committed to working in the best interests of the District, not personal interests.
5. We will earn and keep public trust in our stewardship by adhering to high standards of honesty, transparency, and personal integrity.
6. We will plan and proactively take advantage of evolving technology and best management practices.
7. We are committed to minimizing hazards to our employees and the public, recognizing the special hazards involved in operating a wastewater collection system.

4.1. FINANCIAL RATES

8. Our rates shall be fair, equitable, and reasonable.
9. Our reserves shall be maintained at levels that will provide adequate, but not excessive, funds to support anticipated working capital and emergency needs.
10. "Pay as you go" with existing funds rather than borrowed is the preferred way to finance our fixed assets.
11. We will periodically review all procedures and policies to ensure our rates are fair, justified and sustainable to achieve our mission and maintain the current and long-term viability of the District.

4.2. ASSET MANAGEMENT

12. We are entrusted by our customers with funds and fixed assets to accomplish our mission. We are stewards of these resources, not owners.
13. Recognizing the long life of our fixed assets, we are committed to managing them over the long term and maintaining them in a serviceable condition.
14. The benefits of capital replacements must justify the costs or capital improvements must be required to fulfill regulatory requirements.

4.3. PERSONNEL

15. We believe a diverse and inclusive work environment is important in fulfilling our core values.
16. We believe that the District must strive to create a safe, productive, and positive working environment for all staff, ensuring effective collaboration and communication at all levels.
17. To encourage safe and productive work methods, we support professional training and development for staff and Directors.
18. We believe that our staff should be compensated at levels that are consistent with recruiting, hiring, and retaining high quality employees.
19. Our personnel management philosophy is based on the belief that our employees value doing a good job.

4.4. ETHICS/INTEGRITY

20. We are committed to ethical personnel practices.
21. We are committed to prudent, ethical, and legal financial practices.
22. We are committed to open, transparent governance.
23. We believe that District staff, Manager, and Board should work together as a team in order to accomplish District goals.
24. We believe in equal opportunity for all, and special privilege for none.
25. As individuals, we are responsible for our actions; as a group, we support our colleagues in their efforts to fulfill their responsibilities.
26. We are mindful that, as elected officials, our actions, both inside and outside the Boardroom, may reflect on the District.

SECTION 5. CULTURAL NORMS OF THE DISTRICT BOARD OF DIRECTORS

1. The Board will be efficient in the number of meetings it holds to limit costs and payments to Directors. No more than one Board meeting and one committee meeting per month or two Board meetings per month should be the normal schedule.
2. Directors will be compensated with meeting fees consistent with current law and will not receive any health or pension benefit.
3. Board members will be reimbursed expenses only for pre-approved meetings which offer significant benefits to the District. CASA and CSDA meetings will generally be reimbursed for actual and reasonable travel expenses though each Director should try to hold down costs.
4. If a member is attending a non-Board meeting for which expenses will be reimbursed, the member should attend the sessions, pay attention, and, in accordance with AB 1234, provide a brief report at the next regular Board meeting.
5. Directors are expected to attend all Board meetings. It is understood that there sometimes will be personal and business reasons that result in absences. In the event when Directors need to be excused from attendance at a meeting, they should give notice at an earlier meeting or contact staff. In the event a Director would like a change to the agenda because of an expected absence, the Director should contact the Board President prior to the meeting, rather than the Manager or staff.
6. The Board President will contact and speak to Directors that have attendance, tardiness, lack of attentiveness, or meeting participation issues or problems.
7. Directors should be engaged, participate, and pay attention at all Board meetings.
8. Newly elected or appointed Directors should receive a copy of the Board Governance Policy Manual and Board Handbook prior to attendance at their first Board meeting. The new Directors will be asked to review the material and be ready to discuss it with the full Board at a meeting within six months after their term begins. The purpose is to reach a consensus regarding Board operations, which may include modifications of certain items.
9. Newly elected or appointed Directors should take a tour of District facilities within the first six months of their term. The Manager and Maintenance Superintendent should be contacted to arrange this tour, which is an important part of a new Director's orientation.
10. In order to distribute the Directors' duties evenly, the offices of President and Vice President will be rotated among Directors so that each Director will hold those offices about once every five years. The Director who is Vice President will ordinarily be the President the following year. This rotational scheme will be followed unless there are unusual circumstances or a significant change in the composition of the Board.

11. Neither District staff nor District vehicles shall be expected to be used to transport Board members to or from regular Board meetings.

SECTION 6. PROTOCOLS

6.1. BOARD MEETINGS

In general, District Ordinance Code Section 2.5.2 covers Board meetings.

1. Rules of Order. Ordinarily, meetings of the Board will be conducted informally in the manner determined by the President. However, at the request of any Director, the meeting shall be conducted in accordance with the rules of order and parliamentary procedure as specified in the current edition of The Standard Code of Parliamentary Procedure by Alice F. Sturgis, copyright 1950. A copy of that reference work shall be available at every Board meeting.
2. Board Room Layout/Seating. Board meetings shall be conducted around a rectangular meeting table so Directors, Manager, and Counsel face each other. Seats for the public will be available around the room.
3. Agenda Preparation. The Board Secretary shall prepare the agenda in consultation with the Board President, with assistance from District staff. The agenda shall be completed and posted at the District office and website no later than 72 hours prior to the start of the meeting, and agenda packets will be delivered to Directors at least 72 hours prior to the start of the meeting. Some supporting information may be supplied closer to the meeting or at the meeting.
4. Agenda Structure. The basic structure of each regular meeting agenda includes items for Roll Call, Conflict of Interest review, Public Hearings, Public Comment for issues not included on the agenda, Closed Sessions, Approval of Minutes, Communications (both oral and written), reports of Staff and Officers, Business, Monthly Financial Statements, Future Agenda Items (generally for the next two meetings), and Adjournment. The first of two meetings of the month is considered a study session and will generally not include any monthly or quarterly reports.
5. Agenda Item Identification. The Manager, or Secretary, will provide specific items for Board meeting agendas. Other agenda items may be identified as part of the Future Agenda Item section of the regular meeting. Items identified after the adjournment of the most recent Board meeting may be added by request of any Director to the Manager and/or President. The President shall be contacted if the Manager discourages inclusion of requested items.
6. Meeting Minutes. The Board Secretary shall record action meeting minutes, including a summary of Public Comment, if any. The meeting minutes will provide an overview of the decisions reached and the actions to be taken and not a verbatim recording of the discussions. The Board will consider approval of the draft minutes at the following meeting.

7. Getting Questions Answered About Agenda Items Before a Meeting. Directors are encouraged to contact the Manager prior to the meeting if they have any questions. Some questions on agenda items may be answered prior to the meeting and this will help to minimize the length of meetings. The Manager will let the Board know if these questions become excessive.
8. Public Participation. All Board meetings are open and public, and all persons are permitted to attend any meeting, except closed sessions of the Board held in accordance with law. Public participation is addressed in Ordinance Code 2.5.2.8. Directors and staff members shall treat members of the public who attend Board meetings with respect. The President will accommodate public members wishing to speak on specific agenda items by moving these items up on the agenda, if the Board determines it is practical. The President may invite members of the public to sit at the table if seating is available.
9. Public Addressing Board. Members of the public will be asked to complete a request slip if they wish to address the Board. Public comment is limited to three minutes for each individual speaker. In the event there is a large group completing slips, the Board President may ask the public members to refrain from repeating what others have said, and to further limit time allowed to speak.
10. Informal Board Reports at Meetings. Directors may briefly comment on any subject not on the agenda during the Public Comment section of the agenda. There will also be an agenda item titled Oral Communication at each Board meeting that provides an opportunity for brief informal, verbal reports. Other informal reports should be brief and limited to specific subjects on the agenda.
11. Allow Majority to Set Direction – How We Act When We’re Not in Majority. Directors shall accept decisions of the Board after action is taken. Discussion of an item shall not continue at that meeting after a vote on it has been taken.
12. Bringing Agenda Items Back for Further Discussion – Revisiting Issues. There are times that additional discussion on items may be desirable and necessary. Additional information or analysis may help to clarify questions and it may be appropriate to defer items for future agendas if and when a majority of Directors want this. Tabling should not be used as a mechanism to simply defer decisions.
13. Explanation of Votes. Explanation of a vote after the vote has been taken is discouraged. Director’s viewpoints should be expressed as part of the discussion of an issue prior to the vote.
14. Sharing Expertise. The expertise of individual Directors can be an important and useful tool in deliberating issues and setting policies. Directors should share their expertise in a judicious manner, staying on topic and being mindful not to engage in lengthy accounts of personal experiences.

15. Deliberation at Meetings. Deliberation of issues at meetings should be focused, open, honest, and undertaken with a goal of reaching a solution. When the Board is stymied or obviously there are differing opinions regarding an item under discussion or review, the Board should first focus on issues where there is agreement among directors. Disagreements should then be discussed and deliberated, in hopes of reaching a consensus.
16. Preparation for Board Meetings. Directors should come to meetings well-prepared. Agenda materials should be read and reviewed in advance of the meeting, and questions that can be answered in advance of the meeting that are not relevant to policy decisions and/or agenda items should be asked of the Manager outside of the meeting.
17. Discussion of Policy vs. Non-Policy Issues. The major focus at Board meetings shall be on policy issues, Manager's performance, and Board fiduciary responsibilities. The Board should avoid directing the Manager on day-to-day operations.
18. Disclosure. Directors should disclose to the Board if they have had discussions with parties that have a personal, financial interest in an agenda item that is to be considered by the Board.
19. Number of Meetings. The Board will generally meet once or twice monthly in all months except November and December, when there are typically only one meeting. An annual special meeting for long-range planning will usually be held in the Spring. Other special meetings should be scheduled to be on the same days as regular meetings, when possible, to avoid extra meeting expense compensation.
20. Remote Conferencing. If any Board Member elects to attend remotely, all votes conducted during the remote conferencing session will be conducted by roll call vote.
21. Public Hearings. The general procedure for public hearings will be as follows:
 - a. Introduction by the Board President
 - b. Presentation (by the Manager and/or consultant(s))
 - c. Opportunity for Board questions
 - d. Public Hearing opened by Board President
 - e. Public Comment invitation to make statements, ask questions, or give comments (The Board President may choose to limit the time allowed for any member of the public to address the Board per Item 9 above.)
 - f. Public Hearing closed by Board President
 - g. (Written submissions announced, if a Proposition 218 public hearing)
 - h. Board final comment invitation

- i. Ordinance/Resolution Consideration

6.2. BOARD/ MANAGER RELATIONS

- 22. Board/Manager Communications. Informal communication between the Manager and individual Directors by phone, electronic communication, or personal meeting is expected to occur occasionally. Formal communications regarding any concerns of Manager conduct should be directed to the Manager through the Board President. There will be communications with the Manager at Board meetings as part of the normal meeting process, and at times as specific agenda items.
- 23. Manager/Board Communications. The Manager's concern about Board members' conduct should be directed through the Board President or the Vice President if the concern regards the President.
- 24. Manager Performance Evaluation and Review. The Board will hold an initial discussion with the Manager to set performance objectives by the end of August each year. An annual performance review will be performed by the Board by the end of May and will be used as a factor in the determination of any compensation adjustments for the Manager for the following fiscal year. The Board President is typically appointed by vote as labor negotiator for the purpose of negotiating compensation adjustments with the Manager. For the annual review, the Manager will provide a self-evaluation performance review letter indicating the accomplishments from the fiscal year. The annual review and Board evaluation should be limited to the fiscal year under review.
- 25. Individual Board Member Request for Action. Individual Directors should ask the Manager to take action on issues only if there is a concern such as safety that necessitates immediate action, or another situation that requires quick action. Otherwise, Directors should request actions through the Board meeting process.
- 26. Individual Board Members Request for Information. Individual Board members are encouraged to ask the Manager if they have questions regarding District business or activities. The Manager will let the Board know if these types of questions become excessive. Requests for information that would require substantial staff time to handle should only come through the Board, not individual Directors.

6.3. BOARD/ DISTRICT COUNSEL RELATIONS

- 27. Board/District Counsel Communications. Except for situations that require quick action, individual Board Members should generally communicate with District Counsel within the Board meeting process. Outside of Board Meetings, communications by individual Board Members should be directed through the Board President or the Vice President if the concern regards the President.

28. District Counsel Performance Evaluation and Review. The Board will review the performance of the District Counsel periodically and will use the review as a factor in the determination of compensation adjustments for legal services. The Board President is typically appointed by vote as labor negotiator for the purpose of negotiating with District Counsel.

6.4. BOARD/STAFF RELATIONS

29. Individual Board Member Request for Information. There may be instances when information should be obtained from staff. For example, when the Manager is not present or the information requested is ministerial such as conference, meeting, or hotel arrangements, staff may be contacted directly. Directors should generally request information regarding District business from the Manager instead of directly from staff members.
30. Individual Board Member Request for Action. Directors should not request action of staff, unless the requests involve ministerial types of actions such as conference, meeting, or hotel arrangements.
31. Handling Complaints from Staff. Directors who receive complaints from staff related to the Manager should direct that staff to contact/inform the Board President or District Counsel as appropriate for follow up and consideration. Complaints related to other issues should be directed to the Manager.
32. Board/Staff Communications. Directors may informally communicate with staff at various District functions like the holiday lunch, safety and recognition awards lunch, and day-to-day encounters at the District office. Communications on issues like employee salaries and benefits, disciplinary issues, and other Board business should be directed through the Manager.

6.5. BOARD/COMMUNITY RELATIONS

33. Handling Complaints from the Community. Complaints from the community directed to Directors should be passed on to the Manager for response/action.
34. Addressing Concerns of the Community. Directors should be sensitive to the concerns of the community. Hosting a booth at the annual El Cerrito Fourth of July Fair, answering questions, listening to customers at this and other public events and venues provides an awareness of the community's concerns and issues. Specific concerns may be discussed at Board meetings, and some may be easily handled by passing on to the Manager and staff for action.
35. Visiting District Sites. Directors are invited to visit District facilities and projects periodically.

6.6. BOARD/BOARD RELATIONS

36. Role of the President. The President is in charge of the conduct of the Board meetings and has final approval of the agenda. The Board traditionally appoints the President as

representative of the Board in negotiations with the Manager for the Manager's compensation. The President is also the official representative and spokesperson for the Board of Directors.

37. Use of Committees. Ad hoc Committees, created in accordance with the District Ordinance Code, may be used to address special issues as they arise.
38. Confidentiality and Trust. In order for the Board to function most effectively, there must be a high level of trust among the Board members. In order to maintain trust, Board members will respect the confidentiality of closed sessions and personal information. Board members may disagree, but will not indulge in backstabbing, double crossing, or other counterproductive activities.
39. Role in Public. Directors shall identify themselves as speaking for themselves, not as a representative of the Board, unless relaying Board policy. Directors should not undercut Board actions in public.
40. Board/Board Communications. Conversations between and among Board members are governed by the Brown Act. All Board members shall familiarize themselves with the Brown Act and comply with its requirements. Whenever three or more Board members are together outside of a Board meeting, they shall avoid discussing District matters. Board members must understand the concept of, and avoid, "serial" meetings. Communications include electronic communications. General matters relating to sewage collection and local government are not restricted by the Brown Act and are appropriate topics of conversation under any circumstances.
41. Electronic Communication during Meetings. The Board shall avoid disrupting meetings with electronic communication devices (e.g., cellular phones). All Board Members shall turn off electronic communication devices or set them to silent or vibrate. Board Members shall step outside of the meeting room to talk on a cellular phone. No communication is allowed that would be a violation of the Brown Act.
42. Self-Assessment of Governance. The Board will have an item at its Long Range Planning Workshops to assess the effectiveness of its governance.
43. Team Effectiveness. Directors are expected to support each other and function as a team. Newly appointed or elected Directors are expected to review the Board Governance Policy Manual and Board Handbook. Existing Directors are expected to assist new Directors in their transition onto the Board. Both new and existing Directors should work together constructively to develop a new consensus as to how the Board will govern and conduct its business.

SECTION 7. CODE OF ETHICS AND BEHAVIOR

The Board of Directors of the Stege Sanitary District is committed to providing excellence in legislative leadership that results in the provision of the highest quality of services to its constituents. In order to foster civil and ethical behavior between and among members of the Board of Directors, the following rules shall be observed.

1. The dignity, style, values, and opinions of each Director shall be respected.
2. Responsiveness and attentive listening in communication is encouraged.
3. The needs of the District's constituents should be the priority of the Board of Directors.
4. The primary responsibility of the Board of Directors is the formulation and evaluation of policy and oversight of operations. Routine matters concerning the operational aspects of the District are the domain of the Manager.
5. Directors should commit themselves to emphasizing the positive and avoid double talk, hidden agenda, gossip, backbiting, and other negative forms of interaction.
6. Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues should be avoided.
7. Differing viewpoints are a healthy part of the decision-making process. Individuals have the right to disagree with ideas and opinions without being disrespectful. Once the Board of Directors takes action, Directors should commit to supporting said action and not to create barriers to the implementation of said action.

The Board of Directors shall observe the following rules when interacting with District Staff.

1. In seeking clarification on ministerial items, Directors may approach staff members directly to obtain information.
2. In seeking clarification on non-ministerial items, especially those involving personnel, legal action, land acquisition and development, finance, and programming, Directors should refer directly to the Manager.
3. In handling complaints from residents and property owners of the District, said complaints should be referred directly to the Manager.
4. In handling items related to safety, concerns for safety or hazards should be reported to the Manager or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
5. When approached by District staff concerning specific District policy, Directors should direct inquiries to the Manager. The chain of command should be followed.

The work of the District is a team effort. The Board should work together in a collaborative process with District Staff, assisting each other in conducting the affairs of the District.

1. When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions to the Manager.
2. Directors should develop a working relationship with the Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.
3. Individual Directors should function as a part of the whole Board. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
4. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

SECTION 8. CONFLICT OF INTEREST CODE

The Political Reform Act (Cal. Gov. Code Sec. 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, it may be amended by the FPPC to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. Sec. 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation and the Appendix below designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Stege Sanitary District.

Per Cal. Gov. Code Sec. 87200, public officials and designated employees shall file their statements of economic interest (Form 700) with Contra Costa County resulting in an electronic copy to Stege Sanitary District. Stege Sanitary District will retain statements for all designated employees and will make the statements available for public inspection and reproduction (Cal. Gov. Code Sec. 81008). Currently, the e-file link is <https://netfile.com/filer>

APPENDIX TO STEGE SANITARY DISTRICT
CONFLICT OF INTEREST CODE
DESIGNATED OFFICIALS AND EMPLOYEES

<u>Designated Positions</u>	<u>Disclosure Category</u>
Secretary of the Board	All
Legal Counsel	All
Consultants ^{1, 2}	All

It has been determined that the positions listed below manage public investments and will file a Statement of Economic Interest pursuant to Cal. Gov. Code Sec. 87200:

<u>Position</u>	<u>Disclosure Category</u>
Members of the Board of Directors	All
General Manager	All
Treasurer	All
<u>Senior Management Analyst</u>	<u>All</u>

People who hold more than one position need only file one Statement of Economic Interest.

Disclosure Categories

Category 1. A designated employee assigned to Category 1 is required to disclose investments which may foreseeably be materially affected by any decision made or participated in by the designated employee.

Category 2. A designated employee assigned to Category 2 is required to disclose interests in real property which may be materially affected by any decision made or participated in by the designated employee.

¹ With respect to Consultants, the Manager may determine, in writing, whether a particular consultant participates in the making of governmental decisions in conducting the firm's business with the District. Such determination shall include a description of the consultant's duties, and based upon that description, a statement of the extent of disclosure requirements. The Manager shall forward a copy of this determination to the Board of Supervisors of the Contra Costa County. Nothing herein excuses any such consultant from any other provisions of this Conflict of Interest Code.

² If these Designated Employees are business firms, the Statement shall be filed by the individual or individuals in the firm who participate in the making of governmental decisions in conducting the firm's business with the District.

Category 3. A designated employee assigned to Category 3 is required to disclose income which may be materially affected by any decision made or participated in by the designated employee.

Category 4. A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, or holds any position of management which may be materially affected by any decision made or participated in by the designated employee.

(Ordinance No. 2074-0117)

SECTION 9. STATEMENT OF ECONOMIC INTERESTS (FORM 700)

The California Political Reform Act requires certain state and local government officials to disclose their private economic interests on an official Statement of Economic Interests form. The purpose of the financial disclosure is to alert public officials to personal interests that might be affected while they are performing their official duties (i.e., making governmental decisions). Disclosure also helps inform the public about potential conflicts of interest.

Disclosure is made on the Statement of Economic Interests (Form 700) available at Fair Political Practices Commission website (www.fppc.ca.gov). Filed forms are public documents that must be made available to anyone who requests them.

Essentially, there are four times to file Form 700:

- An "initial" statement is required within 30 days of the date when an office or position has been added to a newly adopted or newly amended conflict of interest code.
- An "assuming office" statement is required within 30 days of the date when taking a position already designated in a Conflict of Interest code.
- "Annual" statements are required before April 1 of each year, covering the preceding calendar year.
- A "leaving office" statement is required within 30 days of the date you leave a designated position.

To ensure current regulations and deadlines are met, Directors shall refer to the Fair Political Practices Commission website (www.fppc.ca.gov) and Contra Costa County website (www.cocovote.us) for up to date rules and filing schedules.

SECTION 10. CAMPAIGN FINANCES (FORM 460/470)

Any candidate or officeholder who has a controlled committee, or who has raised or spent or will raise or spend \$2,000 or more during a calendar year in connection with election to office or holding office shall file a California Fair Political Practices Commission Form 460 - Recipient Committee Campaign Statement available at the Fair Political Practices Commission website (www.fppc.ca.gov).

Any candidate or officeholder who does not have a controlled committee and who does not intend to raise or spend \$2,000 or more in a calendar year shall file a California Fair Political Practices Commission Form 470 - Officeholder and Candidate Campaign Statement available at the Fair Political Practices Commission website (www.fppc.ca.gov). This statement is used to declare that the candidate/officeholder has no intention of receiving or spending \$2,000 or more in a calendar year.

In most cases, July 31 is the filing deadline. To ensure current regulations and deadlines are met, Directors shall refer to the Fair Political Practices Commission website (www.fppc.ca.gov) and Contra Costa County website (www.cocovote.us) for up to date rules and filing schedules.

SECTION 11. BOARD MEMBER COMPENSATION POLICY

It is the policy of the Stege Sanitary District Board of Directors that Board members will be compensated for attendance at all Board meetings, in accordance with Section 2.9 of the District Code of Regulations. Board members will not be compensated for attendance at CASA, City Council, City Council Committee, Neighborhood Council, other Special District Meetings, or Special District Association Meetings. Compensation will consist of meeting fees consistent with current law and will not include any health, pension or other benefit.

SECTION 12. POLICY PROHIBITING ACCEPTANCE OF GRATUITIES

Board members shall not accept gratuities offered or presented except for trivial items of negligible commercial value, such as a hat, cap, note pad, pen, blotter, or calendar. Gratuities constitute gifts of appreciation from outside sources and exclude District-branded items or items provided by the District to the Board members to assist them in fulfilling their functions and duties as members of the Board.

Gifts that are offered should be refused; gifts that are delivered shall be returned if possible, and gifts that cannot be returned should be donated to the District for disposition.

One area that is often troublesome is the acceptance of meal invitations. Inexpensive working meals (such as lunch) for the purpose of discussion of business related to the District may be acceptable; however, Board members are cautioned that these events shall be kept as infrequent as possible.

To ensure current regulations are met, Directors shall refer to the Fair Political Practices Commission website (www.fppc.ca.gov) for up-to-date rules regarding limits on gifts.

SECTION 13. ATTENDANCE AT MEETINGS, SEMINARS AND CONFERENCES POLICY

It shall be the policy of the Board of Directors of the Stege Sanitary District to encourage its members to maintain and enhance their directorship and committee skills through attendance at Board approved meetings, seminars and conferences determined to have value for that purpose.

(Ordinance No. 1456-0189)

SECTION 14. EXPENSE REIMBURSEMENT POLICY

If time permits, Directors shall seek Board approval before attending meetings, seminars, and conferences for which reimbursement is sought. District staff attendance at such function shall be preapproved by the Manager and within the constraints of the appropriate budget.

All Directors and staff who claim reimbursement of travel expenses shall be responsible for maintaining and submitting a record of travel expenses incurred on behalf of the District and, where required, for documenting said costs.

Meal and incidental expenses shall be reimbursed at amounts that do not exceed the Internal Revenue Service (IRS) standards established for the location in which the expenses were incurred.

District procedures regarding reimbursement of personal expenses related to travel on District business should be reviewed and updated periodically.

It shall be the policy of the Stege Sanitary District to reimburse travel expense claims for its Directors and staff, in conformance with all applicable District policies and procedures, and appropriate procedures shall be established.

(Ordinance No. 1762-0501)

SECTION 15. REQUIRED BOARD TRAINING COURSES

The Board of Directors of the Stege Sanitary District shall, at a minimum, take the required training courses as follows:

- AB 1234 Ethics Training every 2 Years, as required by law
- AB 1825 Harassment Prevention Training every 2 Years, as required by law
- Governance Training every 5 Years, as required to maintain Special District Leadership Foundation's District of Distinction Accreditation

The Board of Directors of the Stege Sanitary District are encouraged to complete all four modules of the California Special Districts Association (CSDA) Special District Leadership Academy as follows:

- Module 1: Governance Foundations
- Module 2: Setting Direction & Community Leadership
- Module 3: Board's Role in Finance & Fiscal Accountability
- Module 4: Board's Role in Human Resources

The Board of Directors has determined that qualifying for the Special Districts Leadership Foundation's (SDLF) District awards, known as *District of Distinction* and *District Transparency Certificate of Excellence*, the individual award for Directors, known as the *Certificate in Special District Governance*, and for Managers, known as the *Certified Special Manager*, are a significant benefit to the District. That is because the work done to qualify for these awards demonstrates our belief in and commitment to professional, transparent, and proven governing principles when conducting the business of the District.

To facilitate the continuing achievement of these awards, the District will reimburse reasonable expenses incurred by individuals attending the training and other requirements required by the SDLF. Individuals planning to attend this training should get advance approval of the Board.

SECTION 16. PUBLIC RELATIONS POLICY

It is the policy of the Stege Sanitary District Board of Directors that: 1) customers should be periodically informed about District business, and 2) any requests from the media (print, audio, or video) regarding District affairs shall be directed to the Manager.

District newsletters are a means of conveying this information, and newsletters should be sent to all known customers. There should be four newsletters each year, and the target transmittal dates are May, August, November, and February. A well-structured quarterly newsletter serves to provide information with clear operational, financial, and regulatory functions. It can assist with informing constituents on proper use of the system at their homes, preventing costly emergency repairs. It should also provide constituents with a regular reminder of the District's activities, who we are, and how we help the community. The May date allows for informing customers about budget information for the next fiscal year, including service charge changes.

Other means of conveying this information include through the District website, email, participating in community events such as the 4th of July Fair, and social media and online communities such as Facebook, Instagram, LinkedIn, X, Nextdoor, and Yelp.

SECTION 17. EQUAL EMPLOYMENT OPPORTUNITY (EEO)

It is the policy of the District that employment practices and conditions shall be free of unlawful discrimination on the basis of race, religion, color, national origin, ancestry, pregnancy, childbirth, medical condition, physical or mental disability, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military or veteran status, political affiliation, protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act of the California Family Rights Act), domestic violence victim status, or any other basis as defined and protected by federal or state law (collectively, “protected categories”). This policy covers District employees, applicants, volunteers, and elected or appointed officials.

(Resolution No. 2144-0820 – Amended Personnel Policy)

SECTION 18. DISCRIMINATION AND HARASSMENT PREVENTION POLICY

The District is committed to providing a work environment free from discrimination and harassment. This includes discrimination and harassment based on a “protected category,” as defined above. Discrimination and harassment are prohibited by the District and may result in disciplinary action, up to and including dismissal.

Accordingly, the District adopts this anti-discrimination and anti-harassment policy or Discrimination and Harassment Prevention Policy (“DHP Policy”) to encourage professional and respectful behavior and prevent discriminatory and harassing conduct in the workplace. The District also prohibits retaliation against a person who engages in activities protected under this policy (“protected activities”). Reporting, or assisting in reporting, suspected violations of this policy and cooperating in investigations or proceedings arising out of a violation of this policy are considered “protected activities.”

This DHP Policy covers District employees, applicants, and elected or appointed officials. As used in this DHP Policy only, the term “employee” includes contractors and volunteers in the workplace. The DHP Policy extends to conduct with a connection to an employee’s work, even when the conduct takes place away from District premises. In addition, discrimination or harassment carried out by people with whom the District has a business, service, or professional relationship is prohibited and may result in termination of the business relationship, or other appropriate response as determined by the District.

All employees, applicants, and elected or appointed officials are expected to assume responsibility for maintaining a work environment that is free from discrimination, harassment, and retaliation. Employees, applicants, and elected or appointed officials are encouraged to promptly report conduct that they believe violates this policy so that the District has an opportunity to address and resolve any concerns. Managers and supervisors are required to promptly report conduct that they believe violates this policy. We are committed to responding to alleged violations of this policy in a timely and fair manner and to taking appropriate action aimed at ending the prohibited conduct.

- A. Prohibited Discrimination: As used in this policy, discrimination is defined as the unequal treatment of an employee or applicant in any aspect of employment, including discrimination based solely, or in part, on the employee's, or applicant's protected category. Discrimination also includes unequal treatment based upon the employee or applicant's association with a member of these protected categories. Discrimination may include, but is not necessarily limited to:
1. Hostile or demeaning behavior towards applicants or employees because of their protected category;
 2. Allowing the applicant's or employee's protected category to be a factor in hiring, promotion, compensation or other employment-related decisions unless otherwise permitted by applicable law; and
 3. Providing unwarranted assistance or withholding work-related assistance, cooperation, and/or information to applicants or employees because of their protected category.
- B. Prohibited Harassment: As used in this policy, harassment is defined as disrespectful or unprofessional conduct, including disrespectful or unprofessional conduct based on any of the protected categories listed above. Harassment in employment may take many different forms including:
1. Verbal conduct such as epithets, derogatory comments, threats, gestures, teasing, slurs or unwanted jokes or comments.
 2. Visual conduct such as the posting or distribution of offensive posters, symbols, cartoons, drawings, photographs, or emails.
 3. Physical conduct such as physically threatening another person, assault, offensive touching, impeding or blocking movement, restraint, or physical interference with normal work or movement.
- C. Sexual Harassment: As used in this policy, sexual harassment is defined as harassment based on sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, and gender expression, or conduct of a sexual nature. It may include any of the actions described as harassment above, as well as other unwelcome sex-based conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations

regarding sexual activities, or other verbal or physical conduct of a sexual nature. Sexually harassing conduct need not be motivated by sexual desire and may include situations that began as reciprocal relationships, but that later cease to be reciprocal.

Sexual harassment is generally categorized into two types:

1. Quid Pro Quo Sexual Harassment (“this for that”)

- a) Submission to sexual conduct is made either explicitly or implicitly as a term or a condition of an individual's employment.
- b) Submission to or rejection of such conduct is used as the basis for employment decisions affecting the individual.

2. Hostile Work Environment Sexual Harassment

- a) Conduct of a sexual nature or on the basis of sex by any person in the workplace that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile or otherwise offensive working environment.

Examples of such conduct include:

- Unwelcome sexual advances, flirtation, teasing, sexually suggestive or obscene letters, invitations, notes, emails, voicemails or gifts.
- Sex, gender or sexual orientation-related comments, slurs, jokes, remarks or epithets.
- Leering, obscene or vulgar gestures or making sexual gestures.
- Displaying or distributing sexually suggestive or derogatory objects pictures, cartoons, posters or any such items.
- Impeding or blocking movement, unwelcome touching or assaulting others.
- Any sexual advances that are unwelcome as well as reprisals or threats after a negative response to sexual advances.
- Conduct or comments consistently targeted at one gender, even if the content is not sexual.

- D. No Retaliation: Employees should feel free to report valid claims of unlawful harassment without fear of retaliation of any kind. The District will not retaliate against or tolerate retaliation against employees for making any complaint of unlawful harassment in good faith, or against any employee for cooperating in an investigation.

1. As used in this policy, “retaliation” is defined as any adverse employment action taken against an employee because the employee engaged in any protected activity, as defined above.
 2. “Adverse employment action” is conduct or an action that materially affects the terms and conditions of the employee’s employment status or is reasonably likely to deter the employee from engaging in protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.
 3. Examples of retaliation under this policy include but are not limited to: demotion; suspension; reduction in pay; denial of a merit salary increase; failure to hire or consider for hire; refusing to promote or consider for promotion because of reporting a violation of this policy; harassing another employee for filing a complaint; denying employment opportunities because of making a complaint or for cooperating in an investigation; changing someone’s work assignments for identifying harassment or other forms of discrimination in the workplace; treating people differently such as denying an accommodation; or not talking to an employee when otherwise required by job duties, or otherwise excluding the employee from job-related activities because of engagement in activities protected under this policy.
- E. Harassment and Abusive Conduct Prevention Training: All District employees are required to participate in sexual harassment and abusive conduct prevention training. The training will also cover other types of prohibited harassment, such as harassment based on gender identity, gender expression, and sexual orientation. Supervisory employees are required to take two hours of training under this Section every two years. Non-supervisory employees are required to take one hour of training every two years. The District will make this training available to employees during regular working hours at no cost to the employee. Records of these training activities will be maintained in District files.
- F. Employee Response: Any employee who believes he or she has been unlawfully harassed or discriminated against should promptly report it orally or in writing to the employee’s supervisor or the Manager. An employee is not required to complain first to a supervisor if that person is the individual who is harassing and/or engaging in discriminatory action against the employee. Instead, the employee may report harassment/discrimination to the Manager. If the Manager is the harassing and/or discriminating actor, the employee may report the harassment/discrimination to the President of the Board of Directors. When notified of a potential violation of the DHP Policy, the President of the Board of Directors will consult with District Counsel.
- E. Duty to Report: All managers, supervisors, and Directors are required to promptly report conduct that they believe violates the District’s DHP Policy so that the District has an opportunity to address and resolve any concerns. The District is committed to responding to

alleged violations of this policy in a timely and fair manner and to take appropriate action aimed at ending the prohibited conduct.

- F. Complaint & Investigation Procedure: The District will take an affirmative role to protect its employees from discrimination, harassment, and retaliation. Any employee or applicant who experiences or witnesses behavior that they believe violates this policy is encouraged to:
1. Identify the offensive behavior to the offending employee or other person and request that the behavior cease.
 2. Report the offensive behavior either orally or in writing to the employee's supervisor or the Manager. Any supervisor who receives a complaint of harassment or discrimination must immediately report the complaint to the Manager. If the Manager is the subject of the complaint of harassment or discrimination, the supervisor must report the complaint to the President of the Board of Directors.
 3. The Manager or his/her designee will promptly look into the facts and circumstances of any alleged violation, as appropriate. As provided above, the President of the Board of Directors will perform this duty if the Manager is the subject of the complaint.
 4. The District shall initiate an investigation where it has reason to believe that conduct in violation of this DHP policy has occurred. All investigations will be timely, thorough, fair, and completed by qualified personnel.
 - i. To the extent possible, the District will endeavor to keep the reporting of the applicant or employee's concerns confidential; however, complete confidentiality cannot be guaranteed when it interferes with the District's ability to fulfill its obligations under this policy.
 - ii. All employees are required to cooperate fully with any investigation.
 5. Upon completion of the investigation, if the misconduct is substantiated, the District will take appropriate remedial action, as provided below, to prevent and correct misconduct and unlawful behavior, up to and including formal discipline where warranted.
- G. Filing External Complaints: Employees and applicants may file formal complaints of discrimination, harassment, or retaliation with the agencies listed below. Individuals who wish to pursue filing with these agencies should contact them directly to obtain further information about their processes and time limits.

California Department of Fair Employment and Housing
2218 Kausen Drive, Suite 100 Elk Grove, CA 95758
800-884-1684 (voice), 800-700-2320 (TTY) or California's Relay Service at 711
contact.center@dfeh.ca.gov
<https://www.dfeh.ca.gov>

U.S. Equal Employment Opportunity Commission
450 Golden Gate Avenue 5 West,
P.O. Box 36025
San Francisco, CA 94102-3661

1-800-669-4000 or 510-735-8909 (Deaf/hard-of-hearing callers only)

<http://www.eeoc.gov/employees>

H. Remedial Actions:

1. If harassment or discrimination is found to have occurred in violation of District policy, the District shall take action to ensure or confirm that the harassment or discrimination is stopped. The District shall take whatever measures are reasonably necessary to ensure its workplace remains free from unlawful discrimination or harassment.
 2. The District shall maintain a complaint procedure to provide an avenue for complaints, investigations, and appropriate remediation. Employees are encouraged to utilize the complaint process described in subsection (H) above if they experience unlawful discrimination or harassment. The complaint process shall be available and disseminated to all District employees.
 3. Employees found to have engaged in discrimination or harassment covered by this DHP Policy may be subject to disciplinary action, up to and including termination of employment.
 4. Employees found to have been dishonest or uncooperative during an investigation into allegations of discrimination or harassment may be subject to disciplinary action, up to and including termination of employment.
 5. This DHP Policy shall not be construed to create a private or independent right of action against the District, or any of its employees or officials. The District reserves the right to interpret and apply this policy to provide greater protection than what is afforded under existing federal and state law.
- I. Obligation of Employees: Employees are responsible for knowing the District's policy on anti-discrimination and anti-harassment; refraining from discriminatory behavior, including harassment; reporting incidents of discrimination in a timely fashion; cooperating with any investigation concerning allegations of discrimination; and maintaining confidentiality concerning any such investigation.

(Resolution No. 2144-0820 – Amended Personnel Policy)

SECTION 19. DISTRICT ELECTIONS POLICY

The Stege Sanitary District Board of Directors is comprised of five Directors elected at large and serving staggered four year terms with elections being held on even-numbered years.

California Elections Code Section 10505 requires a general district election be held in each special district to choose a successor for each elective officer whose term will expire on the first Friday in December following the election to be held on the first Tuesday after the first Monday in November in each even-numbered year.

As allowed in California Elections Code Section 10400, District elections shall be consolidated with the statewide general elections to reduce costs and achieve greater voter participation.

As set forth in California Elections Code Section 10520, the District shall reimburse the county for the actual costs incurred by the county elections official in conducting the election for the District.

As set forth in California Elections Code Section 13307, before a nominating period opens, the District Board must determine whether a charge shall be levied against each candidate submitting a candidate's statement to be sent to the voters; determine the number of words, may estimate the cost; and determine whether the estimate must be paid in advance.

As set forth in California Elections Code Section 12112, the election official of the principal county shall publish a notice of the election once in a newspaper of general circulation in the District.

After the election, upon receipt of the statement of the election official declaring the elected candidate(s), the Board Secretary shall immediately notify each winning candidate.

At the first Board Meeting, which shall occur after the county elections official declares the elected candidate or elected candidates, the District Board of Directors shall adopt a Resolution certifying the election results. The Resolution shall direct the Secretary of the Stege Sanitary District to enter on the official records of the Stege Sanitary District, the Resolution certifying the results of the election, showing: 1) the whole number of ballots cast in the Stege Sanitary District; 2) the names of the persons voted for; 3) for what office each person was voted for; 4) the number of votes given at each precinct to each person and 5) the total number of votes given to each person. The Resolution shall also direct the Secretary of the Stege Sanitary District to deliver to each of the persons so elected a certified copy of the Resolution signed by the Secretary and authenticated.

Pursuant to California Elections Code Section 10554, elected candidates take office at noon on the first Friday in December following the District election. Each elective officer shall take the official oath and execute any bond required prior to taking office. All Directors elected shall be inducted into the respective office after taking the Oath of Office.

SECTION 20. CHECK APPROVAL POLICY

All Stege checks shall be signed by the General Manager and then reviewed by the Board, as prescribed in Government Code Section 41004. If the General Manager is not available to review and approve the checks, secondary authority is delegated to the District Treasurer and/or the Board President, if the Treasurer is also unavailable.

SECTION 21. POLICY PROHIBITING DISCUSSION WITH BIDDERS

Directors shall not discuss District projects or bids with any potential bidders. Any inquiries regarding District projects or procurements shall be referred to the Manager or staff, with the Manager's permission, for appropriate handling and response.

SECTION 22. LEGISLATIVE ADVOCACY POLICY

Although the expenditure of public funds for the purpose of supporting or opposing a ballot measure or candidate is prohibited, the expenditure of public funds is allowed to advocate for or against proposed legislation or regulatory actions which will affect the public agency expending the funds.

It is the policy of the District to proactively monitor and advocate for legislation affecting the District. Monitoring legislation is a shared function of the Board of Directors and Manager or designated staff. This process involves interaction with local, state, and federal government entities both in regard to specific items of legislation and to promote positive intergovernmental relationships. Accordingly, involvement and participation in local, regional, state, and national organizations such as the California Special Districts Association (CSDA) and the California Association of Sanitation Agencies (CASA) is encouraged and supported by the District. Generally, the District will not address matters that are not pertinent to the District's mission statement, such as social issues or international relations issues.

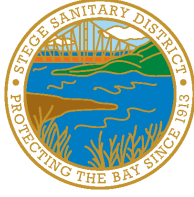
Legislative issues affecting the District shall be added to a Board meeting agenda for formal direction from the Board of Directors. Legislative position letters shall typically state whether the District is in the position of "support", "support if amended", "oppose", or "oppose unless amended", and shall include justification for the recommended action. If possible, the letter shall include examples of how the bill would specifically affect the District, e.g. "the funding the District will lose due to this bill could pay for X capital improvements." The District may also choose to provide a letter of concern or interest regarding a legislative issue without taking a formal position.

SECTION 23. BOARD HANDBOOK

(Under Separate Cover)

SECTION 24. DISTRICT ORDINANCE CODE

(Under Separate Cover)



STEGE SANITARY DISTRICT

STAFF REPORT

Board of Directors Meeting Date: 11/5/2026

TO: Honorable Board of Directors

FROM: Adam Cox, Assistant General Manager
Rashid Jones, Senior Management Analyst

SUBJECT: Verbal Report on 1st Quarter Budget Estimated/Actuals (Est/ACT)

RECOMMENDATION

It is recommended that the Board of Directors:

Receive and file the verbal report on the District's 1st quarter budget performance analysis.

BACKGROUND AND DISCUSSION

On June 4th, 2026 the Board of Directors adopted the fiscal year 2026/27 budget, setting appropriations limits for Districtwide operations and capital project activities. (Resolution 2278-0626) Total appropriations were fixed at \$10,361,125. This was broken down into \$5,791,100 for operating needs and \$4,570,025 for capital needs. The appropriations are supported by \$9,629,000 in estimated revenue, and \$732,125 is a strategic drawdown of fund reserves.

Staff has completed a review of the 1st quarter actual expenditures, combined with estimates of future spend for the remainder of the fiscal year, to generate the report on overall budget performance.

FISCAL IMPACT

There is no fiscal impact to receiving the verbal report on 1st quarter Est/ACT's.