

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
 MEETING OF JUNE 20, 2024
 TIME OF MEETING: 7:00 P.M.
 DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

*****MINUTES*****

I. Call To Order: President Gilbert-Snyder called the meeting to order at 7:00 P.M.

II. Roll Call: Present: Beach*, Christian-Smith, Merrill, O’Keefe, Gilbert-Snyder
 Absent: None
 Others Present: Rex Delizo, District Manager
 Kristopher Kokotaylo, District Counsel
**via video-conference*

Agenda Items: Directors and Officers of the Board did not announce any conflicts of interest posed by items on the meeting agenda.

III. Public Comment: There was no public comment.

PUBLIC HEARING – ORDINANCE NO. 2239-0624 ADOPTING SEWER SERVICE CHARGE RATES FOR FISCAL YEARS 2024-25, 2025-26, 2026-27, 2027-28, 2028-29

Financial consultant Alison Lechowicz of Lechowicz & Tseng Municipal Consultants gave a presentation on the Sewer Rate Study, that recommends a proposed rate schedule. President Gilbert-Snyder opened the public hearing at 7:15 P.M. There were no residents in attendance to make any statements, ask questions, or give comments. The Manager announced that the District received written objections representing five (5) properties. The public hearing was closed at 7:16 P.M. The Board made final comments and began consideration of Ordinance No. 2239-0624 which would implement the proposed rate schedule after one fiscal year delay due to excess reserves.

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MOTION: By O’Keefe, seconded by Christian-Smith, to approve Ordinance No. 2239-0624 Adopting Sewer Service Charge Rates for Fiscal Years 2024-25, 2025-26, 2026-27, 2027-28, 2028-29

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

PUBLIC HEARING – ORDINANCE 2240-0624 AMENDING CHAPTER 7 OF THE STEGE SANITARY DISTRICT ORDINANCE CODE – CONNECTION CHARGE

Financial consultant Alison Lechowicz of Lechowicz & Tseng Municipal Consultants gave a presentation on the Connection Charge and San Pablo Avenue Specific Plan Area (SPASPA) Impact Fee Study that recommends proposed changes. President Gilbert-Snyder opened the public hearing at 7:29 P.M. There were no residents in attendance to make any statements, ask questions, or give comments. The public hearing was closed at 7:30 P.M. The Board made final comments and began consideration of Ordinance No. 2240-0624.

MOTION: By Christian-Smith, seconded by O’Keefe, to approve Ordinance 2240-0624 Amending Chapter 7 of the Stege Sanitary District Ordinance Code – Connection Charge

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

IV. Approval of Minutes

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A. Approval of May 16, 2024 Board Meeting Minutes

MOTION: By Merrill, seconded by O’Keefe, to approve the minutes of the May 16, 2024 Board Meeting

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

V. Communications

A. Oral/Written Communications

1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings

Christian-Smith reported East Bay Municipal Utility District (EBMUD) is proposing nearly \$1 billion in infrastructure upgrades to help safeguard the drinking water supply. Merrill reported that the El Cerrito Democratic Club’s latest newsletter included an article on the Stege Sanitary District.

2. KIDS for the BAY Watershed Action Program (WAP) Progress Report, Invoice, and Proposal

The Board received the report and proposal to fund the program for the next school year. The Board asked staff to request budget information before making a decision on the proposal.

3. CASA 2024 President's Memo/Designation of Representatives

The Board reviewed and discussed the items proposed by CASA.

MOTION: By Beach, seconded by Christian-Smith, to:

- a. Approve the slate of four nominees for the available seats on the CASA Board of Directors
- b. NOT approve the 2025 CASA Annual Membership Dues Resolution No. 24-214

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- c. Designate Gilbert-Snyder as the official CASA voting representative with O’Keefe and Delizo as the two alternates who are authorized to exercise the District’s CASA voting rights
- d. Approve consent to transmit official CASA communications electronically rather than regular mail

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

VI. Reports of Staff and Officers

A. Attorney’s Report

Kokotaylo reported on the California Supreme Court removal of the “Taxpayer Protection and Government Accountability Act” from California’s November 2024 ballot.

B. Committee Reports

The were no reports.

C. Manager’s Report

1. Monthly Maintenance Summary Report

The Manager reported no significant issues with last month’s maintenance activities.

2. Monthly Report of Sewer Replacements and Repairs

The Manager reported on the invoices paid in May.

3. Consent Decree Quarterly Report

The Manager reported no issues meeting the District’s annual requirements.

4. July 4th Fair Discussion

The Manager reported on the plans for the upcoming fair.

5. Draft Newsletter

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The Manager reported on the latest draft of the newsletter which will be revised and brought back for review at a future Board meeting.

6. 2023 California Association of Sanitation Agencies (CASA) Conferences

The Manager reported on the upcoming CASA conference.

7. 2023 California Special Districts Association (CSDA) Conference

The Manager reported on the upcoming CSDA conference.

VII. Business

A. Review of Director's Meeting Compensation

The Board discussed changing the compensation that Directors receive for their attendance at District board meetings and approved an adjustment up to the same cost-of-living adjustment as employee salary ranges for the past year of 4.0% (April CPI-W).

MOTION: By Christian-Smith seconded by Merrill, to approve an increase to the Directors' compensation rate up to \$263.52 (+4.0%) and direct the Manager to prepare an Ordinance for consideration

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

NOES: None

ABSTAIN: None

ABSENT: None

B. District Working Capital and Reserve Fund Policy

The Board completed the annual review of the policy.

C. Resolution No. 2241-0624 Approving and Authorizing Amendment to Employment Agreement with Rex Delizo to Serve as District Manager/Engineer, Secretary of the Board, and Treasurer of the District

This item was taken out of order later in the meeting (see below).

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D. Resolution No. 2242-0624 Establishing Salary Ranges of Maintenance, Technical and Administrative Employees Employed by Stege Sanitary District Beginning July 1, 2024.

This item was taken out of order later in the meeting (see below).

E. Resolution No. 2243-0624 Approving and Adopting Annual Budget for Fiscal Year 2024-2025

The Board reviewed and approved the resolution adopting the budget for fiscal year 2024-2025.

MOTION: By O’Keefe, seconded by Merrill, to approve Resolution No. 2243-0624 Approving and Adopting the Annual Budget for Fiscal Year 2024-2025

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

F. Incentive Award Contribution (IAC) Achievements for FY 2023-2024

The Board reviewed and approved the tabulation of the cost saving goals achieved by employees.

MOTION: By Merrill, seconded by Beach, to approve the Incentive Goals Achieved in FY 2023-2024 and award a total of \$10,566 to be distributed to the nine (9) eligible employees for achievement of goals that resulted in direct savings to the District

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

G. Incentive Award Contribution (IAC) Goals and Objectives for FY 2024-2025

The Board reviewed and approved the cost savings goals and objectives for next fiscal year 2024-2025.

MOTION: By Christian-Smith, seconded by Merrill, to approve the Employee Incentive Award Contribution (IAC) Goals and Objectives for FY 2024-2025.

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

H. Resolution No. 2244-0624 Even-Year Board of Directors Election; Consolidation of Elections; and Specifications of the Election Order

The Board reviewed and approved the resolution to consolidate its election with the general election to be held on November 5, 2024.

MOTION: By Christian-Smith, seconded by Merrill, to approve Resolution No. 2244-0624 Even-Year Board of Directors Election Consolidation of Elections; and Specifications of the Election Order

VOTE: AYES: Beach, Christian-Smith, Merrill, O’Keefe, Gilbert-Snyder

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NOES: None
ABSTAIN: None
ABSENT: None

VIII. Financial Statements

- A. Monthly Investment, Cash, Receivables Report
- B. Monthly Operating Statement

The financial items were reviewed by the Board.

IX. Approval of Checks

- A. Checks for June 20, 2024 - Fund No. 3418 & 3423

MOTION: By O’Keefe, seconded by Christian-Smith, to pay the bills,
Check Nos. 1059 through 1093 in the amount of \$1,026,260.19

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

X. Future Agenda Items

July 18, 2024

July 4th Fair Debrief

Public Hearing/Resolution – Establish and Collect Sewer Service Charges

Public Hearing/Ordinance – Directors Meeting Compensation

Resolution – Notice of Completion

District Investment Policy

Reimbursement Report per Gov. Code 53065.5

Candidate Filing Period

CASA Conference

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CSDA Conference

Form 470

July 4th Fair Debrief

Quarterly Financial Statements

San Pablo Avenue Specific Plan Area Impact Fee Status Report

CLOSED SESSION – Quarterly Claims Report

+*District Climate Action Policy*

+*Draft Newsletter*

August 8, 2024

(none)

CLOSED SESSION

Public Employment Performance Evaluation

Gov. Code § 54957

Title: District Manager

Conference with Labor Negotiator

Gov. Code § 54957.6

Agency Designated Representative: Board President Gilbert-Snyder

Unrepresented Employee: District Manager

The Board entered into closed session at 8:54 P.M. and returned to open session at 9:25 P.M. President Gilbert-Snyder announced that the Board had taken no other reportable actions.

Item VII.C was taken out of order at this time in the meeting.

VII. Business

- C. Resolution No. 2241-0624 Approving and Authorizing Amendment to Employment Agreement with Rex Delizo to Serve as District Manager/Engineer, Secretary of the Board, and Treasurer of the District

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Pursuant to SB 1436, District Counsel orally reported a summary of a recommendation for a final action on the salary and benefits of the District Manager. The Board then approved the resolution providing a salary increase to \$270,600 per year effective as of July 1, 2024.

MOTION: By O'Keefe, seconded by Merrill, to approve Resolution No. 2241-0624 Approving and Authorizing Amendment to Employment Agreement with Rex Delizo to Serve as District Manager/Engineer, Secretary of the Board, and Treasurer of the District, as amended

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

Item VII.D was taken out of order at this time in the meeting.

VII. Business

D. Resolution No. 2242-0624 Establishing Salary Ranges of Maintenance, Technical and Administrative Employees Employed by Stege Sanitary District Beginning July 1, 2024.

The Board approved the resolution updating the salary ranges for employees based on the latest April CPI-W figures.

MOTION: By Christian-Smith, seconded by Merrill, to approve Resolution No. 2242-0624 Establishing Salary Ranges of Maintenance, Technical, and Administrative Employees Employed by Stege Sanitary District Beginning July 1, 2024

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

XI. Adjournment

The meeting was adjourned at 9:29 P.M. The next meeting of the District Board of Directors will be held on Thursday, July 18, 2024 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California

Rex Delizo
STEGE SANITARY DISTRICT
Secretary