

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 17, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

\*\*\*\*\* AGENDA \*\*\*\*\*

Items on the agenda may be taken out of order.

Public comment is limited to three (3) 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.stegesand.org](http://www.stegesand.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.*

*Public comment can be sent remotely by delivering to 7500 Schmidt Lane, El Cerrito, CA 94530 or via email to [comments@stegesand.org](mailto:comments@stegesand.org) with "Public Comment" in the subject line. To provide written comment 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 timely received 15 minutes before the starting time of the meeting will either be provided as written comment or be read into the record, with a maximum allowance of 3 minutes per individual comment read into the record, subject to the Board President's discretion. Copies of all timely received written comments will be provided to the Board and will be added to the official record.*

*Pursuant to Executive Order N-29-20, Board Members Christian-Smith, Gilbert-Snyder, Merrill, Miller, and O'Keefe may be attending this meeting via remote conferencing. In the event that any Board Member elects to attend remotely, all votes conducted during the remote conferencing session will be conducted by roll call vote.*

**I. Call To Order**

**II. Roll Call**

**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.

**III. Public Comment**

(Members of the public are invited to address the Board concerning topics that are **not** on the agenda)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 17, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

- Motion: **IV. Approval of Minutes**
- A. Approval of June 3, 2021 Board Meeting Minutes  
(The Board will be asked to review and approve the minutes of June 3, 2021 Board Meeting)

- Info/Motion: **V. Communications**
- A. Oral Communications
    - 1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings
      - a. City & Community Meetings
  - B. Written Communications
    - 1. CSDA 2021 Board of Directors Election Ballot - Term 2022-2024

- Info/Motion: **VI. Reports of Staff and Officers**
- A. Attorney's Report
  - B. Manager's Report
    - 1. Monthly Maintenance Summary Report
    - 2. Monthly Report of Sewer Replacements and Repairs
    - 3. Consent Decree Quarterly Report

- Info/Motion: **VII. Business**
- A. Resolution No. 2160-0621 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  
(The Board will consider approving the resolution)
  - B. Resolution No. 2161-0621 Establishing Salary Ranges of Maintenance, Technical and Administrative Employees Employed by Stege Sanitary District Beginning July 1, 2021  
(The Board will consider approving the resolution)
  - C. Resolution No. 2162-0621 Approving and Adopting Annual Budget for Fiscal Year 2021-2022  
(The Board will consider approval of the resolution)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 17, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

- D. Resolution No. 2163-0621 Authorizing the District Manager to Award a Contract to California Trenchless Inc. for Redundant Sanitary Sewer Forcemain Project No. 21202  
(The Board will consider approval of the resolution)
- E. Incentive Award Contribution (IAC) Achievements for FY 2020-2021  
(The Board will consider approval of the achievements)
- F. Incentive Award Contribution (IAC) Goals and Objectives for FY 2021-2022  
(The Board will consider approval of the goals and objectives)
- G. Working Capital and Reserve Fund Policy  
(The Board will consider approving the amendments to the Policy)
- H. Private Sewer Lateral Programs  
(The Board will learn about Ross Valley Sanitary District's private sewer lateral programs from General Manager, Steve Moore)
- I. Kids for the Bay – Watershed Action Program (WAP)  
(The Board will consider continuing to fund program)
- J. Appointment of Labor Negotiator – Board President  
(The Board will consider appointing the Board President as labor negotiator for the purpose of negotiations with District Counsel)

Info: **VIII. Financial Statements**

- A. Monthly Investment, Cash, Receivables Report
- B. Monthly Operating Statement  
(The Board will review the reports and statements)

**IX. Approval of Checks**

- Info/Motion: A. Checks for June 17, 2021 - Fund No. 3418 & 3423  
(The Board will be asked to approve the June 17, 2021 checks)

**CLOSED SESSION**

**Conference with Legal Counsel—Anticipated Litigation**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 - Number of Potential Cases: 1

Freehling – Government Tort Claim filed: 5/26/2021

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 17, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Info:

**X. Future Agenda Items**

**July 8, 2021**

CASA Conference

CSDA Conference

Form 470

Diversity, Equity, and Inclusion

**July 29, 2021**

CLOSED SESSION – Quarterly Claims Report

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

Quarterly Financial Statements

San Pablo Avenue Specific Plan Area Impact Fee Status Report

CASA Conference

CSDA Conference

Form 470

*+AB 1661 Harassment Prevention Training*

**XI. Adjournment**

(The next meeting of the Stege Sanitary District Board of Directors is scheduled to be held on July 8, 2021 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California.)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
 MEETING OF JUNE 3, 2021  
 TIME OF MEETING: 7:00 P.M.  
 DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

- I. Call To Order:** President O’Keefe called the meeting to order at 7:00 P.M.
- II. Roll Call:** Present: Christian-Smith\*, Gilbert-Snyder\*, Merrill, Miller\*,  
 O’Keefe\*  
 Absent: None  
 Others Present: Rex Delizo, District Manager  
*\*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.

**IV. Approval of Minutes**

A. Approval of May 20, 2021 Board Meeting Minutes

MOTION: By Gilbert-Snyder, seconded by Miller, to approve the minutes of the May 20, 2021 Board Meeting

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

**V. Communications**

A. Oral Communications

1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings
  - a. City & Community Meetings

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 3, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Miller gave a report on his recent attendance at an El Cerrito City Council Meeting.

**B. Written Communications**

1. CSDA 2021 Board of Directors Election Ballot - Term 2022-2024

The Board discussed each of the candidate's qualifications but asked to bring the item back at the next meeting to have more time to review before deciding on a candidate.

**VI. Reports of Staff and Officers**

**A. Manager's Report**

1. Draft Budget FY 2021-2022

The Manager reported on the updated draft budget. The final budget will be ready for consideration and approval by resolution at the next Board Meeting.

2. Beyond the Blueprint for Industry and Business Sectors - Effective June 15 (In-person Board Meetings)

The Manager reported on California's plan to return to usual operation beginning June 15. The Board will continue meeting via remote conferencing as allowed by the Governor's Executive Order Provision but will revisit the issue in the months ahead as things evolve.

**VII. Business**

**A. Review of Director's Meeting Compensation**

The Board discussed changing the compensation that Directors receive for their attendance at District related meetings and approved an adjustment equal to the same cost-of-living adjustment as employee salary ranges for the past year of 4.13% (April CPI-W).

MOTION: By Gilbert-Snyder, seconded by Christian-Smith, to approve an increase to the Directors' compensation rate to \$233.13 (↑4.13%) and direct the Manager to prepare an Ordinance for consideration

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
 MEETING OF JUNE 3, 2021  
 TIME OF MEETING: 7:00 P.M.  
 DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

B. Diversity, Equity, and Inclusion

The Board continued their Diversity, Equity, and Inclusion (DEI) discussions by reviewing and discussing the results of an anonymous employee survey conducted with staff by the Manager. The Board asked the Manager to thank the staff for their helpful feedback. The Board will bring back ideas for outreach material to use to help recruit underrepresented groups to become candidates for future appointments and/or District elections.

C. KIDS for the BAY – Watershed Action Program (WAP)

The Board discussed funding of the program for the 2021-22 school year and asked staff to bring the item back with the proposal and to ask KIDS for the BAY for feedback from teachers involved with the program.

**VIII. Approval of Checks**

A. Checks for June 3, 2021- Fund No. 3418 & 3423

MOTION: By Christian-Smith, seconded by Gilbert-Snyder, to pay the bills, Check Nos. 27114 through 27122 in the amount of \$5,926.99

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

**CLOSED SESSION**

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 3, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

**Conference with Labor Negotiator**

Gov. Code § 54957.6

Agency Designated Representative: Board President O'Keefe

Unrepresented Employee: District Manager

The Board entered into closed session at 8:30 P.M. and returned to open session at 9:28 P.M. President O'Keefe announced the Board had taken no reportable actions.

**IX. Future Agenda Items**

**June 17, 2021**

CLOSED SESSION – Counsel Performance Evaluation

Resolution – District Manager Salary

Approve Employee Salary Ranges

Approve and Adopt Final Budget

Review and Approve Incentive Award

Adopt Employee Incentive Award Goals & Objectives

Working Capital and Reserve Fund Policy

Consent Decree Quarterly Report

CASA Conference

+*Award of Forcemain Project Contract*

+*Private Sewer Lateral Programs*

**July 8, 2021**

CASA Conference

CSDA Conference

Form 470

Diversity, Equity, and Inclusion

**X. Adjournment**

The meeting was adjourned at 9:30 P.M. The next meeting of the District Board of Directors will be held on Thursday, June 17, 2021 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California



STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF JUNE 3, 2021  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

---

Rex Delizo  
STEGE SANITARY DISTRICT  
Secretary

DRAFT



## California Special Districts Association

*Districts Stronger Together*

### **CSDA 2021 Board of Directors Election Ballot - Term 2022-2024**

#### **Seat A - Bay Area Network**

Each of CSDA's six (6) networks has three seats on the Board and the candidates are either a board member or management-level employee of a member district located in your Network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) person to represent its Network in Seat A.

The deadline to complete your voting through the system is July 16, 2020 at 5:00 pm.

#### **Please vote for your choice**

Choose **one** of the following candidates (candidate information and statements sheets attached)

- Chad Davisson\*
- Cheryl Sudduth
- Ric Lohman

\*Incumbent

**This Page Left Blank Intentionally**



## 2021 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

**Name:** Chad Davisson

**District/Company:** Ironhouse Sanitary District

**Title:** General Manager

**Elected/Appointed/Staff:** Staff

**Length of Service with District:** 6-years

**1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

I am currently a Boardmember of CSDA, I serve as the Chair of the Professional Development Committee, am a member of the CSDA Finance Committee and serve on the SDRMA Board.

**2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

I have been involved with the California Assoc. of Sanitation Agencies, serving on the State Leg. Committee, as well as the California Water Environment Association.

**3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

I have worked closely with Contra Costa LAFCo, participating in the Municipal Service Review process, as well as chairing the East CC County Water Management Association looking at regional Water sustainability.

**4. List civic organization involvement:**

I am on the Executive Committee for the Contra Costa Chapter of CSDA. I also serve on the Exec Committee of the Bay Area Consortium of Water and Wastewater Education, as well as teach college level Water and Wastewater Courses preparing the future industry workforce.

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after March 29, 2021 will not be included with the ballot.**

My name is Chad Davisson. I am asking for your support in my efforts running for re-election to the CSDA Board of Directors. It has been my privilege to have spent my entire 35-year career serving California Special Districts. I have built my career in the field of water and wastewater, working for different Districts throughout California. I am currently the General Manager of Ironhouse Sanitary District in Contra Costa County.

Reflecting back on my career in Special Districts, I have had the unique opportunity to see first-hand, the value these singly focused agencies have in delivering our services efficiently and cost effectively, while maintaining the highest service levels. Building my career from entry level to executive management within Special Districts has given me both an understanding of day-to-day operational and resource needs as well as providing me with a deeper understanding of what I believe is critically important to an organization in terms of organizational culture and support of our communities.

I am passionate about issues of organizational sustainability and succession planning, fiscal responsibility and workforce diversity. As a current CSDA Board member, I am currently the chair of the Professional Development Committee and a member of the Fiscal Committee. Participation on these committees provides me the opportunity to work with the CSDA staff to develop relevant, cutting edge professional development content to educate and assist our Special District members.

Serving on the Executive Committee for the Contra Costa Chapter of CSDA, I have worked with my colleagues to interactively provide interesting, relevant content to our local Special District members on a myriad of important local issues.

Again, it has been an honor to serve on the CSDA Board and I appreciate your consideration in my re-election to a second term.

Respectfully,

Chad Davisson

General Manager, Ironhouse Sanitary District





## 2021 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Cheryl Sudduth

District/Company: West County Wastewater

Title: Board of Directors, President

Elected/Appointed/Staff: Elected

Length of Service with District: 3 years

**1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

Yes; I have attended nearly all of the CSDA in-person and virtual events and workshops over the past few years.

I also attend the Contra Costa County and Alameda County quarterly meetings & events. Prior to the pandemic, I attended all in-person meetings.

**2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

Yes; I am actively involved with ACWA, W.E.L.L., CA-HI NAACP Statewide Environmental & Climate Justice Committee, AWWA, AWWEE and Women in Water & Wastewater,

Black Women in Science & Engineering (BWISE), Nat'l Society Hispanic Engineers, Nat'l Disability Council, CA Disability Council, CA Diversity Council

**3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

Vice-Chair WCA, appointed Commissioner of the CCC Racial Justice Oversight Body, Board of Sups Equity Task Force, Dist Atty Juvenile Justice Task Force

Community Advisory Bd: Senator Padilla (prev. Sen. Harris), Senator Feinstein, Rep. DeSaulnier, Rep. Lee, WCCUSD Parent Advisory Board, Albany Unified BPAG

**4. List civic organization involvement:**

ACLU-ABNEB Board, CCC Budget Justice Coalition SC, CC Immigration Rights Alliance SC, Racial Justice Coalition SC, Reimagine Public Safety CC SC, NAACP Legal Redress Comm

Climate Reality Project, Climate 350 Contra Costa, Contra Costa County Climate Leaders (4CL), Community for a Better Environment (CBE), Sierra Club, Sunflower Alliance

**\*\*Candidate Statement –** Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after March 29, 2021 will not be included with the ballot.**

Cheryl Sudduth

CANDIDATE STATEMENT

At a time when our society continues to grapple with its deep ambivalence towards the freedoms, rights and humanities of people who may look, act, think and love differently from one another, there should be one constant that should never be at stake - access to clean, safe, affordable water & sewage systems. Our communities have been complacently standing by for fair treatment in a system that views equity as a *balancing* act rather than a must for all.

I spend my days in contracting, compliance and procurement, living my life with a strong ethical framework and approach all business and personal matters with unwavering integrity and diplomacy.

As an environmental scientist, I believe action, not talk, will help us make forward progress, which is why I lead by example. In addition to WCW Board President, I am also an ACLU Board Member, an appointed Commissioner of the CCC Racial Justice Oversight Body & Member of CA-HI Statewide Conference NAACP Environmental & Climate Justice Committee, as well as many environmental justice groups.

I am confident I possess the *right* blend of business acumen, political knowledge, technical expertise, *listening*, commUNITY involvement, relationship building, creative solution solving, consensus building, and balancing various stakeholder interests to positively serve the CSDA and it would be my honor to do so.

Throughout my career and my life, I have been unafraid to '*do the work*' - *whatever it takes* to take on righteous fights against systemic injustices. I will work tirelessly to ensure every Californian has access to clean, affordable water and sewage systems. *This is what I do.* The same passion, courage, humanity and commitment to justice I have carried in all of my social justice work, I will bring to this Board. ***Anyone can fill a position; I am and have been committed to do the work...***

I humbly ask for your support and your vote. Gracias.



## 2021 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Ric Lohman

District/Company: Montara Water and Sanitary District

Title: Director, Secretary

Elected/Appointed/Staff: Elected

Length of Service with District: 3 years. 13 with Granada Comm. Serv. Dist.

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

Former president and current member of San Mateo County CSDA Chapter.

Attend state conferences

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

Member of ACWA, Cal-LAFCo, CASA

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

Current LAFCo representative for county Special Districts. Member Coastside Sewer

Authority JPA 15 years. Former member Midcoast Community Council

4. List civic organization involvement:

Director, California State Parks Assoc., Resource Conservation District SOI Committee.

Active in County infrastructure and Sea Level Rise committees.

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after March 29, 2021 will not be included with the ballot.**



## Candidate Statement

Ric Lohman

Open Seat A on the BAY NETWORK Board

Dear Bay Network Colleagues,

I have a unique position in our Special Districts on the San Mateo County Coastside. I currently serve on the Montara Water and Sanitary District and manage both water and sewage issues. This area is also unique in that the three Sanitary agencies work together through a complex facilities-sharing agreement. I have served the local public in elected positions for over 25 years. These positions have been challenging, since much of our area is in San Mateo County's unincorporated region. I have had to deal with County laws and processes, demands from the City of Half Moon Bay, and the needs of our local unincorporated citizens. I have also been active in our county LAFCo for years, defending 7 attempts to merge local districts out of existence.

I feel that smaller districts have been under-represented in regional Boards, and their needs are different than the larger districts that are traditionally represented on our regional and state boards. Even though we are a small district, we still have to deal with all the larger issues, such as, affordable housing developments, sea level rise, ocean pollution, and regulators.

I would like to bring my broad political skills to our regional network and represent the often under-represented districts. I feel our smaller districts have unique issues in staffing, funding, and compliance that are often overlooked by the larger districts

I would appreciate your vote in the upcoming election.

Looking forward to seeing everyone live again in Monterey in the Fall.

Sincerely,

Ric Lohman

**STEGE SANITARY DISTRICT  
MONTHLY MAINTENANCE SUMMARY REPORT  
May-21**

**1. ROUTINE PREVENTIVE MAINTENANCE ACTIVITES**

There were 20 normal working days	Days	Feet
Unit #10 (combo) operated:	3	5,520
Unit #11 (rodder) operated:	0	0
Unit #15 (video) operated:	12	20,385
Unit #16 (combo) operated:	11	49,055

	Month (feet)		Quarter (feet)		
	Planned	Unplanned	Planned	Unplanned	Remaining
Total Cleaned	44,120	4,935	119,238	20,485	80,085
Total Video	12,843	7,542	26,809	14,200	17,969

**2. MONTHLY SERVICE CALLS**

After-hour service calls: 1 call 1 out

**STEGE SANITARY DISTRICT - SERVICE CALLS, OVERFLOWS AND BACKUPS**

YEAR	MO	SERVICE CALLS		LATERAL PROBLEMS		STRUCTURAL MAINLINE FAILURES		MAINLINE OVERFLOWS INTO HOMES	
		CURRENT MONTH	12 MONTH AVERAGE	CURRENT MONTH	12 MONTH AVERAGE	CURRENT MONTH	TOTAL LAST 12-MOS	CURRENT MONTH	TOTAL LAST 12-MOS
2021	May	15	14.0	9	8.3	0	2	0	1
CATEGORY 1 SSOs		OVERFLOWS CAUSED BY MAINLINE				OVERFLOWS RELATED TO WET WEATHER			
CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS
0	1	0	3	0	0	0	0	0	0

**3. SAFETY AND TRAINING**

Safety and training meetings were conducted twice a month.

This Page Left Blank Intentionally

# MONTHLY SERVICE CALLS

# May-2021

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS
5/10/2021 Monday 11:08 AM	101418 101417	6208 SUTTER AVE. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/20/2021 Thursday 12:30 PM	275245 275227	16 COWPER AVE. KENSINGTON, CA 94707	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	F				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/20/2021 Thursday 6:53 PM	101221 101217	2117 CARLSON BLVD. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	T				NOISE IN TUB, WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/25/2021 Tuesday 9:19 AM	211114 211105	3301 BELMONT AVE. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	O				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/26/2021 Wednesday 11:11 AM	292011 292010	7303 SCHMIDT LN. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	T				FOUND BROKEN TOILET TO BE THE CUSTOMER'S PROBLEM.
5/26/2021 Wednesday 12:37 PM	283115 283129	922 RICHMOND ST. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/26/2021 Wednesday 1:09 PM	186311 186310	2097 TAPSCOTT AVE. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/26/2021 Wednesday 1:19 PM	186110 186109	5826 FERN ST. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/26/2021 Wednesday 4:25 PM	101335 101333	1670 SHASTA ST. RICHMOND, CA 94804 <i>Last Call: 2/28/1998</i>	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMERS PROBLEM.
5/27/2021 Thursday 9:35 AM	234408 234405	829 COVENTRY RD. KENSINGTON, CA 94707 <i>Last Call: 9/8/1997</i>	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE COUSTOMER'S PROBLEM.
5/27/2021 Thursday 2:21 PM	211111 211110	5917 SAN DIEGO ST. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	A				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/28/2021 Friday 7:30 AM	262118 262105	6815 EUREKA AVE. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	A				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/28/2021 Friday 11:02 AM	273113 273112	9 ARLINGTON LN. KENSINGTON, CA 94707 <i>Last Call: 2/23/2015</i>	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/28/2021 Friday 1:09 PM	232004 232003	131 POMONA AVE. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.
5/28/2021 Friday 2:42 PM	265709 265707	822 CRAFT AVE. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C, F				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM.

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS
------	----------	---------	----------	------	-----	-------	-----	----------

**PROBLEM TYPE:**

Water (A) Odor (O)  
 Broken Main (B) Overflow (OF)  
 S/S Congestion (C) PG+E (P)  
 Debris in Main (D) Roots (R)  
 EBMUD (E) Surcharge (S)  
 Soft Stoppage (F) Storm Drain (SD)  
 Grease (G) Unknown (U)  
 Lateral Cause (LC) Other (T)  
 Misc (M) Wipes/Rags (W)  
 MH Cover (MC)

**SPILL**

**LOCATION:**  
 Lamp/Manhole (MH)  
 Mainline (ML)  
 Lateral (L)  
 Cleanout (CO)  
 Building (BLDG)  
 Other (O)

**SPILL**

**CAUSE:**  
 Blockage (B)  
 Surcharge (S)  
 Line Break (ML)  
 Other (O)

**SPILL END**

**LOCATION:**  
 Building (BLDG)  
 Creek (C)  
 Strt/Pvmnt (ST)  
 Storm Drn (SD)  
 Yard (Y)  
 Other (O)

**MAINLINE: 0**

**LATERAL: 9**

**OTHER: 6**

**TOTAL SERVICE CALLS: 15**

**MAINLINE OVERFLOW: 0**

**MAINLINE SURCHARGE: 0**

# SANITARY SEWER OVERFLOWS (SSOs) LAST 12 MONTHS

June-2021

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS	CAT*	VOL	RCVR'D	NET
7/15/2020 Wednesday 11:56 AM	231906 231901	329 RUGBY AVE. KENSINGTON, CA 94707	Main <input checked="" type="checkbox"/> Lateral <input type="checkbox"/> Other <input type="checkbox"/>	B	ML	ML	SD, C	BROKEN MAIN	CAT 1	117 gallons	12 gallons	105 gallons
12/13/2020 Sunday 4:37 PM	262118 262104	703 EVERETT ST. EL CERRITO, CA 94530	Main <input checked="" type="checkbox"/> Lateral <input type="checkbox"/> Other <input type="checkbox"/>	OF, T	BLDG	B	BLDG	WE FOUND A PLASTIC SOFTBALL IN SEWER LINE.	CAT 3	36 gallons	36 gallons	0 gallons
12/22/2020 Tuesday 8:36 PM	212115 212154	5735 COLUMBIA AVE. RICHMOND, CA 94804	Main <input checked="" type="checkbox"/> Lateral <input type="checkbox"/> Other <input type="checkbox"/>	D, W	MH	B	ST	FOUND DEBRIS AND BABY WIPES IN MAINLINE.	CAT 3	6 gallons	6 gallons	0 gallons

**PROBLEM TYPE:**

- Water (A)
- Broken Main (B)
- S/S Congestion (C)
- Debris in Main (D)
- EBMUD (E)
- Soft Stoppage (F)
- Grease (G)
- Lateral Cause (LC)
- Misc (M)
- MH Cover (MC)
- Odor (O)
- Overflow (OF)
- PG+E (P)
- Roots (R)
- Surcharge (S)
- Storm Drain (SD)
- Unknown (U)
- Other (T)
- Wipes/Rags (W)

**SPILL**

- LOCATION:**
- Lamp/Manhole (MH)
  - Mainline (ML)
  - Lateral (L)
  - Cleanout (CO)
  - Building (BLDG)
  - Other (O)

**SPILL**

- CAUSE:**
- Blockage (B)
  - Surcharge (S)
  - Line Break (ML)
  - Other (O)

**SPILL END**

- LOCATION:**
- Building (BLDG)
  - Creek (C)
  - Strt/Pvmnt (ST)
  - Storm Drn (SD)
  - Yard (Y)
  - Other (O)

TOTAL MAINLINE SSOs: 3  
 MAINLINE BREAK SSOs: 1  
 MAINLINE SURCHARGE SSOs: 0  
 CATEGORY 1 SSOs: 1  
 SSOs INTO BUILDINGS: 1

TOTAL SSO VOLUME (GALS): 159  
 TOTAL VOLUME RECOVERED (GALS): 54  
 TOTAL VOLUME UNRECOVERED (GALS): 105

\*CATEGORY 1 SSO: Discharges of untreated or partially treated wastewater of any volume resulting from an enrollees sanitary sewer system failure or flow condition that: Reach surface water and/or reach a drainage channel tributary to a surface water; or Reach a municipal separate storm sewer system and are not fully captured and returned to the sanitary sewer system or not otherwise captured and disposed of properly. Any volume of wastewater not recovered from the municipal separate storm sewer system is considered to have reached surface water unless the storm drain system discharges to a dedicated storm water or ground water infiltration basin (e.g., infiltration pit, percolation pond).

CATEGORY 2 SSO: Discharges of untreated or partially treated wastewater of 1,000 gallons or greater resulting from an enrollee's sanitary sewer system failure or flow condition that do not reach surface water, a drainage channel, or a municipal separate storm sewer system unless the entire SSO discharged to the storm drain system is fully recovered and disposed of properly.

CATEGORY 3 SSO: All other discharges of untreated or partially treated wastewater resulting from an enrollees sanitary sewer system failure or flow condition.

**This Page Left Blank Intentionally**

**STEGE SANITARY DISTRICT**  
**MONTHLY REPLACEMENT AND REPAIR SUMMARY**  
**May 2021**

<b>I SEWER REPLACEMENT - FY 2019-20</b>			
A.	BUDGET ALLOCATION		\$2,867,000
B.	PRIOR BUDGET EXPENDED (WITH RETENTION)		\$713,767
C.	SEWER REPLACEMENTS PAID THIS MONTH		
1	Mosto Construction Project 20203	\$131,195	
	SUBTOTAL FOR THIS MONTH	\$131,195	
D.	TOTAL BUDGET EXPENDED (NO RETENTION)	28.23%	\$809,273
E.	TOTAL 5% RETENTION HELD		\$42,593
F.	BUDGET REMAINING	70.29%	\$2,015,133
G.	PERCENTAGE OF FISCAL YEAR REMAINING	8.33%	
H.	TOTAL REPLACEMENT FOOTAGE PAID TO DATE	4,653 ( \$ 183.08 /LF)	
<b>II SEWER REPAIRS - FY 2019-20</b>			
A.	BUDGET ALLOCATION		\$66,000
B.	PRIOR BUDGET EXPENDED		\$53,694
C.	SEWER REPAIRS PAID THIS MONTH		
1		\$0	
2			
3			
4			
5			
	SUBTOTAL FOR THIS MONTH	\$0	
	SUBTOTAL FOR LAST MONTH	\$53,694	
D.	TOTAL BUDGET EXPENDED	81.35%	\$53,694
E.	TOTAL RETENTION HELD	0.00%	\$0
F.	BUDGET REMAINING	18.65%	\$12,306
G.	PERCENTAGE OF FISCAL YEAR REMAINING	8.33%	
H.	TOTAL NUMBER OF REPAIRS PAID TO DATE	11 ( \$ 4,881.27 /REPAIR)	



**STEGE SANITARY DISTRICT  
MONTHLY REPLACEMENT AND REPAIR SUMMARY  
May 2021**

III SAN PABLO AVE SPECIFIC PLAN AREA (SPASPA) UPGRADE - FY 2020-21			
A.	BUDGET ALLOCATION		\$1,000,000
B.	PRIOR BUDGET EXPENDED		\$0
C.	SPASPA UPGRADES PAID THIS MONTH		
1	None		
		SUBTOTAL FOR THIS MONTH	\$0
		SUBTOTAL FOR LAST MONTH	\$0
D.	TOTAL BUDGET EXPENDED	0.00%	\$0
E.	TOTAL 5% RETENTION HELD	0.00%	\$0
F.	BUDGET REMAINING	100.00%	\$1,000,000
G.	PERCENTAGE OF FISCAL YEAR REMAINING	8.33%	
H.	TOTAL SPASPA UPGRADE FOOTAGE PAID TO DATE	0 ( \$ - /LF)	



# STEGE SANITARY DISTRICT

Report Date: 6/7/2021

% FY Remain: 8.33%

## BOARD OF DIRECTORS CONSENT DECREE PROGRESS REPORT

FY Start Date 7/1/2020

FY End Date 6/30/2021

CD Start Date 9/22/2014

FY "Effective" Date 7/1/2013

CIP PROJECT	20201	COMPLETED	GOAL	PERCENTAGE
REPLACED since FY start	4,722 /	11,660	LF Yearly Objective Rate	40%
REPLACED since FY "Effective" Date	76,096 /	78,680	LF Cumulative Requirement	97%
CLEANED since FY start	878,455 /	211,200	LF Minimum Requirement	416%
HOTSPOTS since FY start	227,619 /	100,000	LF Minimum Requirement	228%
CCTV since FY start	220,805 /	77,616	LF Yearly Objective Rate	284%
CCTV since CD start	1,403,869 /	582,120	LF Cumulative Requirement	241%
ROOT FOAMING this FY	43,610 /	31,240	LF Minimum Requirement	140%

### IMPORTANT CONSENT DECREE DATES:

July 15, annually	Provide any available Flow and Rainfall data to EBMUD
Nov 15, annually	Comments on Regional Technical Support Plan (RTSP) update by EBMUD
Sept 30, annually	Annual Report for prior Fiscal Year
May 1, 2020	Comments to EBMUD on Draft Performance Evaluation Plan (PEP)
June 30, 2021	Review of Regional Standards Report
May 1, 2022	Provide data to EBMUD for Flow Monitoring Calibration Plan
September 30, 2022	First Mid-course Check-in Output Test
June 30, 2026	Review of Regional Standards Report
December 15, 2028	Compliance WWF Output Test for San Antonio Creek
May 1, 2030	Provide data to EBMUD for Flow Monitoring Calibration Plan
September 30, 2030	Second Mid-course Check-in Output Test
June 30, 2031	Review of Regional Standards Report
December 15, 2034	Compliance WWF Output Test for Pt. Isabel
June 30, 2036	Review of Regional Standards Report
December 15, 2036	Compliance WWF Output Test for Oakport

RESOLUTION NO. 2160-0621 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

**ISSUE:**

An amendment is necessary to the District Manager's Employment Agreement to provide a salary increase.

**FISCAL IMPACT:**

The fiscal impact of the amendment to the Manager's Employment Agreement is up to \$6,560 per year.

**STRATEGIC PLAN:**

GOAL 4: Provide Safe and Rewarding Work Environment that Recognizes the Worth and Value of Employees

WORK PLAN ITEM "b": Annually review employee salary and benefits by July of each year and conduct a survey vs. comparable agencies by June 2023 and at least every five (5) years thereafter

**BACKGROUND:**

Resolution No. 2131-1019 memorialized the District Manager's terms of employment in an Employment Agreement. After a recent performance evaluation, the Board would like to amend Employment Agreement to provide a salary increase to \$235,000 per year and increase the matching voluntary deferred compensation contributions to \$250 per month, effective as of July 1, 2021.

**RECOMMENDATION:**

Approve the Resolution.

**ALTERNATIVES:**

1. Make amendments to the resolution and approve as amended.
2. Take no action and provide staff direction.

**ATTACHMENTS:**

Resolution No. 2160-0621

**This Page Left Blank Intentionally**

RESOLUTION NO. 2160-0621

RESOLUTION 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

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

- A. The Stege Sanitary District (Employer) is a public agency and sanitary district organized and existing under and pursuant to the Sanitary District Act of 1923 (California Health and Safety Code § 6400 *et seq.*).
- B. Rex Delizo (Employee) has served as the District Manager/Engineer, Secretary of the Board, and Treasurer of the District since July 1, 2011.
- C. Employer entered into an employment agreement with Employee pursuant to Resolution No. 2131-1019 to memorialize Employee's terms of employment.
- D. Employer desires to amend Employee's employment agreement to provide a salary increase to \$235,000 per year and increase the voluntary deferred compensation matching contributions to \$250 per month, effective as of July 1, 2021.

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

- 1. The foregoing recitals are true and correct and are hereby incorporated by reference.
- 2. The Directors declare that the Board President, acting as the Labor Negotiator on behalf of the District, is authorized to execute the amendment to the Employment Agreement attached hereto as Exhibit A, between the Stege Sanitary District and Rex Delizo effective July 1, 2020.

\* \* \* \* \*

STATE OF CALIFORNIA)  
COUNTY OF CONTRA COSTA)

I HEREBY CERTIFY that the foregoing Resolution No. 2160-0621 was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting held on the 17<sup>th</sup> day of June 2021, by a X-X vote as follows:

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

---

BEATRICE O'KEEFE, President  
Stege Sanitary District  
Contra Costa County, California

ATTEST:

---

REX DELIZO, Secretary  
Stege Sanitary District

## **EXHIBIT A**

### **AMENDMENT TO STEGE SANITARY DISTRICT DISTRICT MANAGER/ENGINEER, SECRETARY OF THE BOARD, AND TREASURER OF THE DISTRICT EMPLOYMENT AGREEMENT**

This Amendment to the Employment Agreement (“Amendment”) is made by and between The Stege Sanitary District (“District”) and Rex Delizo (“Delizo”) (collectively the “Parties”) as of July 1, 2021.

#### **RECITALS**

1. On October 24, 2019, the Parties entered into an Employment Agreement (“Agreement”) memorializing the terms under which Delizo would serve as the District Manager/Engineer, Secretary of the Board, and Treasurer of the District; and
2. The purpose of this Amendment is to establish and memorialize an adjustment to the Agreement effective as of July 1, 2021.

#### **AGREEMENT**

##### Section 1      General Provisions.

The foregoing Recitals are true and correct and incorporated herein by reference.

##### Section 2      Increase of Compensation; Amendment of Section V(a).

Section 4(a)(i) of the Agreement is amended to read as follows:

Employee’s base annual salary as of July 1, 2021 shall be **\$235,000** per year, which sum shall be payable in installments at the same time as other employees of the District are paid and subject to customary withholdings. Employee is a salaried employee and is exempt from the FLSA.

##### Section 3      Increase of Employee Benefits; Amendment of Section V(b).

Section 4(b)(v) of the Agreement is amended to read as follows:

## EXHIBIT A

The District will match voluntary deferred compensation contributions by an additional **\$250** per month in addition to the amount specified in Section 4.1.6. Deferred Compensation, of the Policies, with the total amount not to exceed the maximum contribution allowed by law.

### Section 4      Effect of this Amendment

Except as the Agreement has been expressly modified by the Amendment, the Agreement shall continue in full force and effect according to its terms.

IN WITNESS WHEREOF, the PARTIES hereto have hereunto affixed their signatures as of the date and year first above written.

EMPLOYER

EMPLOYEE

\_\_\_\_\_  
Beatrice O'Keefe, President  
Stege Sanitary District

\_\_\_\_\_  
Rex Delizo, PE  
District Manager

Approved as to Form:

\_\_\_\_\_  
Kristopher Kokotaylo  
District Counsel



RESOLUTION NO. 2161-0621 ESTABLISHING SALARY RANGES OF MAINTENANCE,  
TECHNICAL, AND ADMINISTRATIVE EMPLOYEES EMPLOYED BY STEGE  
SANITARY DISTRICT, BEGINNING JULY 1, 2021

**ISSUE:**

The District revises its salary ranges for employees each year as part of the budget process.

**FISCAL IMPACT:**

The recommended salary range revision is a 4.13% cost-of-living adjustment based on the latest April CPI-W figures.

**STRATEGIC PLAN:**

GOAL 4: Provide Safe and Rewarding Work Environment that Recognizes the Worth and Value of Employees

WORK PLAN ITEM “b”: Annually review employee salary and benefits and conduct a survey vs. comparable agencies at least every five (5) years

**BACKGROUND:**

A salary comparison survey is typically conducted every five years to compare salaries and benefits to those of comparable positions at 11 comparable agencies which were chosen by Koff & Associates back in 2001 and an additional 2 comparable agencies that were added by the Board in subsequent years. In between the five years, the ranges are adjusted each year by a cost-of-living adjustment based on the latest April CPI-W figures.

A salary comparison survey was completed and approved by the board on April 1, 2021. The proposed salary ranges are based on the approved salary survey adjusted by the latest April CPI-W figure (4.13%).

The California Public Employees’ Retirement System (CalPERS), has requested all CalPERS employers list their compensation levels on one document, approved and adopted by the governing body, in accordance with California Code of Regulations section 570.5.

**RECOMMENDATION:**

Approve the Resolution.

**ALTERNATIVES:**

1. Amend the Resolution and approve as amended.
2. Take no action and provide staff further direction.

**ATTACHMENTS:**

- RESOLUTION NO. 2161-0621

RESOLUTION NO. 2161-0621

RESOLUTION APPROVING AN AMENDMENT TO THE SALARY RANGES OF MAINTENANCE, TECHNICAL, AND ADMINISTRATIVE EMPLOYEES EMPLOYED BY STEGE SANITARY DISTRICT, BEGINNING JULY 1, 2021, IN CONFORMANCE WITH CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5

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

- A. Stege Sanitary District job classifications are assigned to a salary range with a specified minimum and maximum level. The salary ranges are annually reviewed and adjusted, as necessary and appropriate, by Resolution.
- B. A review of the latest April CPI-W figures indicates a cost-of-living adjustment of +4.13% is appropriate for salary ranges effective as of July 1, 2021.
- C. The California Public Employees’ Retirement System (CalPERS), has requested all CalPERS employers list their compensation levels on one document, approved and adopted by the governing body, in accordance with California Code of Regulations section 570.5.
- D. The District desires to comply with CalPERS reporting requirement by amending the previously approved salary ranges to reflect compensation provided to Employees.

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

- 1. The foregoing recitals are true and correct and are hereby incorporated by reference.
- 2. The Directors hereby approve the amended monthly salary ranges for maintenance, technical, and administrative employees of the Stege Sanitary District, attached hereto as Exhibit A, effective as of July 1, 2021.

\* \* \* \* \*

STATE OF CALIFORNIA)  
COUNTY OF CONTRA COSTA)

I HEREBY CERTIFY that the foregoing Resolution No. 2161-0621 was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting, held on the 17<sup>th</sup> day of June 2021, by a X-X vote as follows:

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

---

BEATRICE O'KEEFE, President  
Stege Sanitary District  
Contra Costa County, California

ATTEST:

---

REX DELIZO, Secretary  
Stege Sanitary District

## EXHIBIT A

### SALARY RANGES OF EMPLOYEES EMPLOYED BY STEGE SANITARY DISTRICT BEGINNING JULY 1, 2021

<u>CLASSIFICATION</u>	<u>MONTHLY SALARY RANGE (\$)</u>
COLLECTION SYSTEM WORKER I	\$6,239 to \$8,050
COLLECTION SYSTEM WORKER II	\$6,975 to \$9,000
COLLECTION SYSTEM WORKER III	\$7,549 to \$9,740
COLLECTION SYSTEM SUPERINTENDENT (IV)	\$10,176 to \$13,130
ENGINEERING TECHNICIAN/INSPECTOR	\$8,362 to \$10,790
SENIOR CIVIL ENGINEER	\$11,951 to \$15,420
ADMINISTRATIVE ASSISTANT	\$5,642 to \$7,280
ADMINISTRATIVE SUPERVISOR	\$11,222 to \$14,480
DISTRICT MANAGER	\$19,583 to \$19,583

RESOLUTION NO. 2162-0621 APPROVING AND ADOPTING ANNUAL BUDGET  
FOR FISCAL YEAR 2021-22

**ISSUE:**

The District budget for fiscal year 2021-22 is ready for consideration and approval by the Board.

**FISCAL IMPACT:**

Approval of the budget will provide the authority to spend \$3,138,636 for operating needs and \$6,315,200 for capital needs.

**STRATEGIC PLAN:**

GOAL 3: Ensure Financial Stability and Efficiency

WORK PLAN ITEM "c": Annually develop and implement a financial budget by June of each year

**BACKGROUND:**

The draft budget has been presented to the Board for review and public input at several Board meetings over the previous months. The annual budget for FY 2021-22 is now ready for consideration and approval.

**RECOMMENDATION:**

Approve the resolution.

**ALTERNATIVES:**

1. Amend the Resolution and approve as amended.
2. Take no action and provide staff further direction.

**ATTACHMENTS:**

- Resolution No. 2162-0621
- June 17, 2021 Memo from District Manager to Board re: 2021-22 Budget
- Stege Sanitary District Fiscal Year 2021-22 Budget

This Page Left Blank Intentionally

RESOLUTION NO. 2162-0621

RESOLUTION APPROVING AND ADOPTING ANNUAL BUDGET FOR  
FISCAL YEAR 2021-2022

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

- A. The Directors of the Stege Sanitary District desire to establish the annual budget for fiscal year 2021-2022.
- B. Public sessions have been held to review and consider various District financial requirements for fiscal year 2021-2022.
- C. A proposed budget has been prepared by the Manager and presented to the Directors for their review and consideration.
- D. Upon their review, the Directors determine the proposed budget appropriate and necessary.

In consideration of these findings and determinations, it is resolved as follows:

The District's fiscal year 2021-2022 budget in the form attached to this resolution is approved and adopted.

\* \* \* \* \*

STATE OF CALIFORNIA)  
COUNTY OF CONTRA COSTA)

I HEREBY CERTIFY that the foregoing Resolution No. 2162-0621 was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting held on the 17<sup>th</sup> day of June 2021, by a X-X vote as follows:

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



ABSTAIN: BOARD MEMBERS:

---

BEATRICE O'KEEFE, President  
Stege Sanitary District  
Contra Costa County, California

ATTEST:

---

REX DELIZO, Secretary  
Stege Sanitary District



## STEGE SANITARY DISTRICT

---

*District Manager/Engineer:*  
Rex Delizo, P.E.

*District Counsel:*  
Kristopher Kokotaylo

*Board of Directors:*  
Juliet Christian-Smith  
Paul Gilbert-Snyder  
Dwight Merrill  
Alan C. Miller  
Beatrice R. O'Keefe

# Memorandum

**To:** Board of Directors

**From:** Rex Delizo, District Manager

**Date:** June 17, 2021

**Re:** Budget for Fiscal Year 2021-22

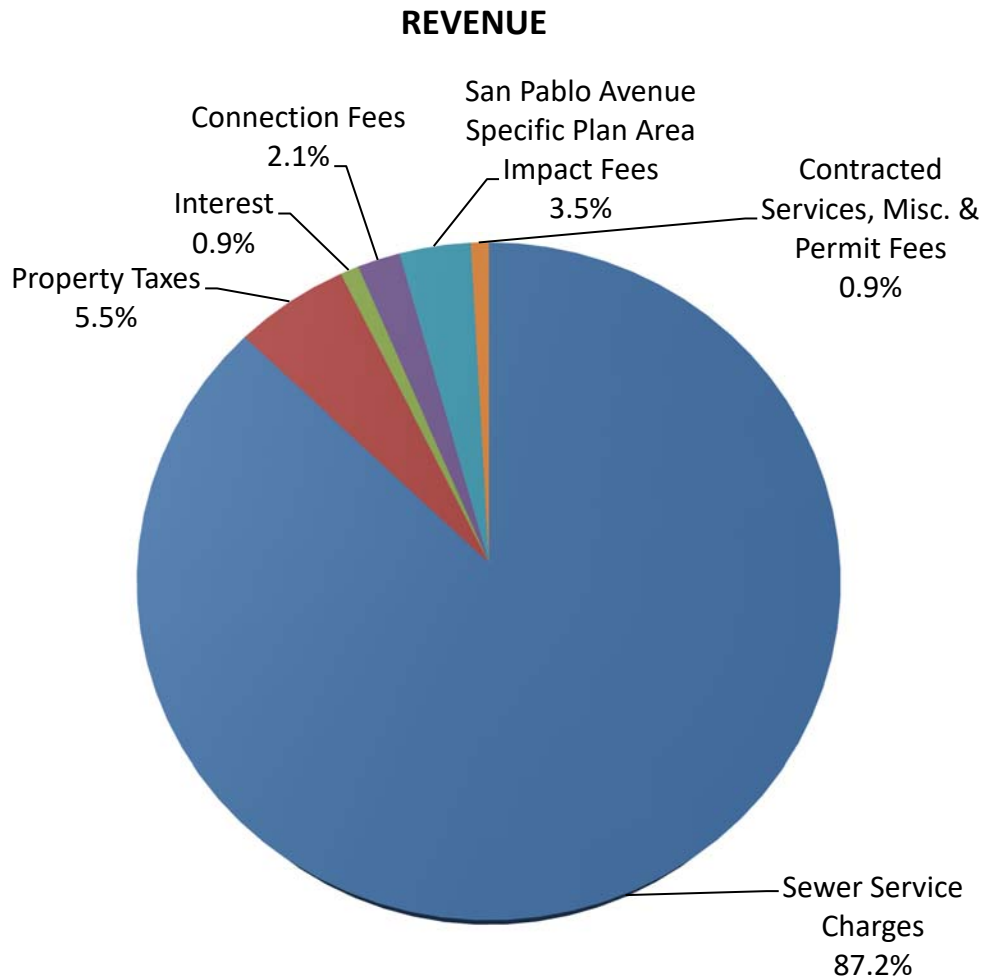
---

The Fiscal Year (FY) 2021-22 budget is presented for review and consideration by the Board of Directors. The budget includes all revenue and expenses for FY 2021-22 including supplemental data regarding fund target levels.

## BUDGET OVERVIEW

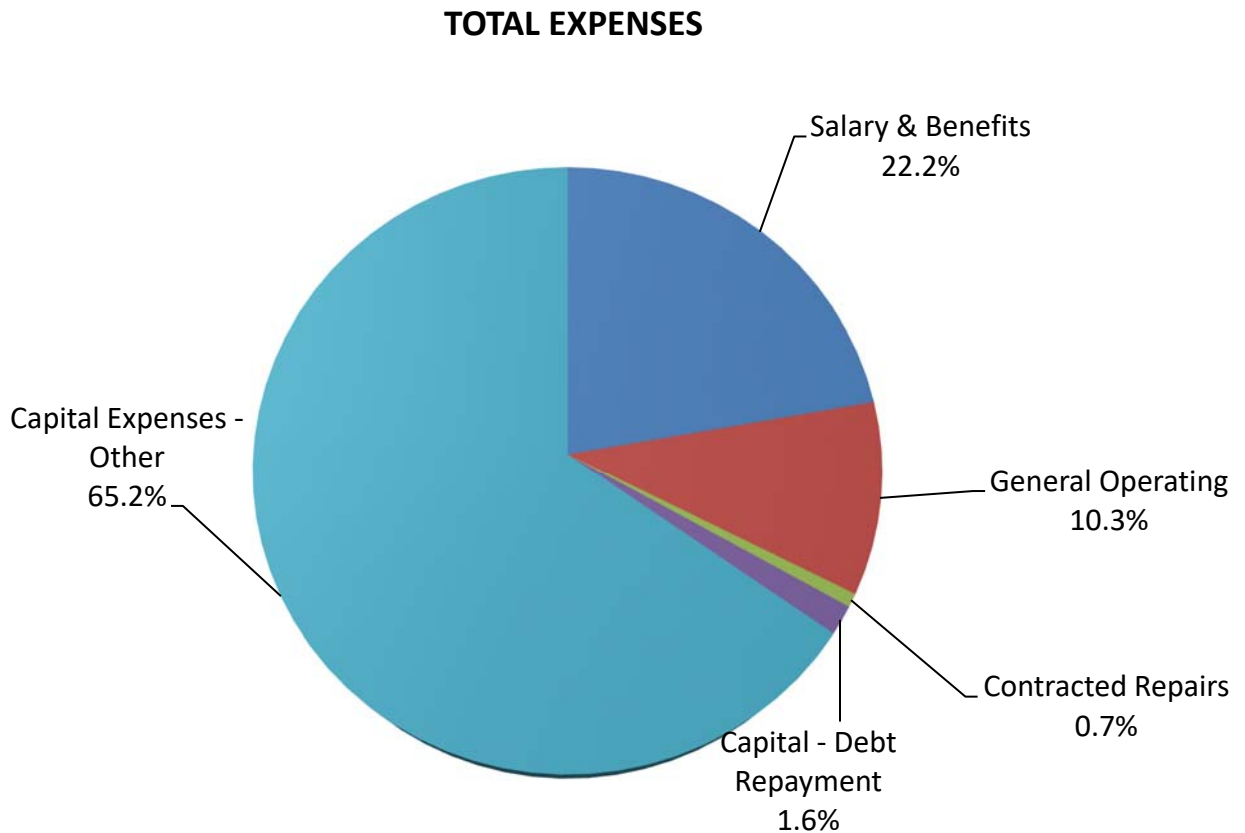
### Revenue

The FY 2021-22 budget includes \$7,226,000 in revenue, exclusive of the transfer of funds. The budget estimates service charge revenue at \$6,298,000 (87.2% of total revenue), property tax at \$400,000 (5.5%), interest income at \$65,000 (0.9%), connection fees at \$150,000 (2.1%), San Pablo Avenue Specific Plan Area Impact Fees at \$250,000 (3.5%), and contracted services, miscellaneous income and permit fees at \$63,000 (0.9%).



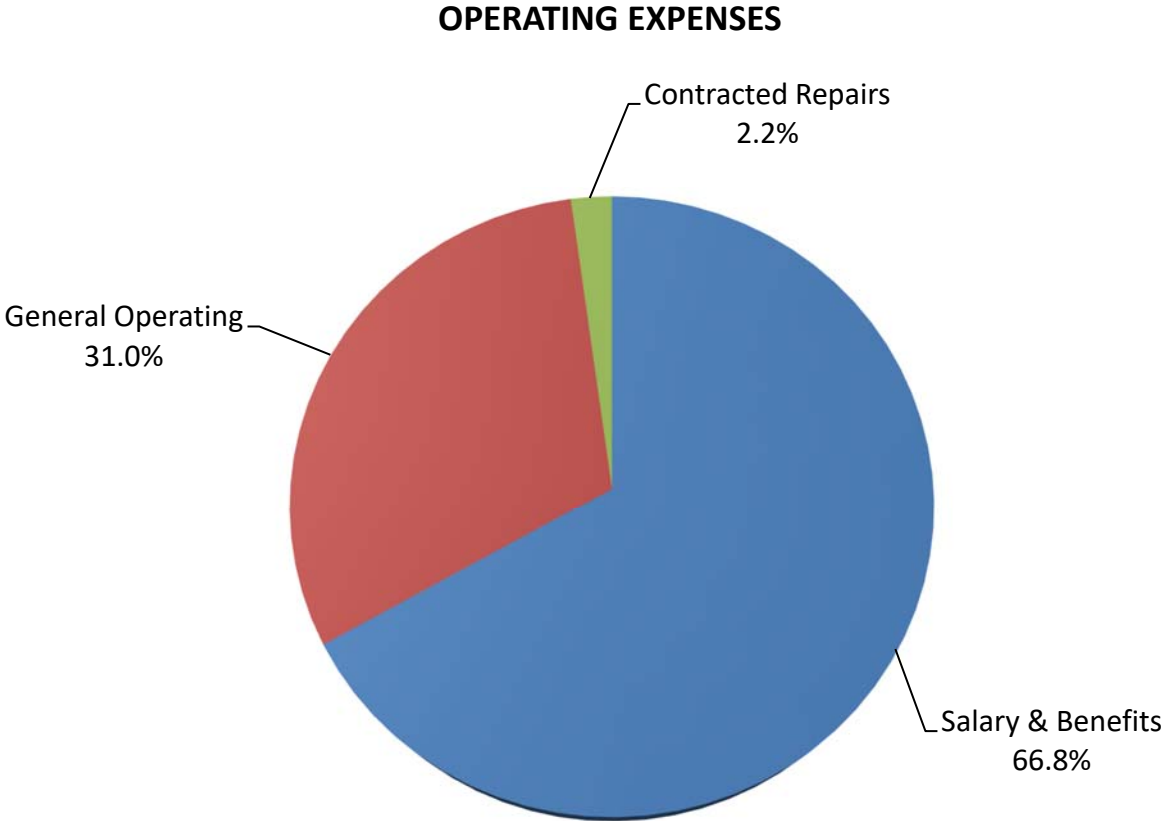
**Expenses**

The Total Operating and Capital Expenses for FY 2021-22 amounts to \$9,453,836. Salary and benefit expenses are budgeted at \$2,098,021 (22.2% of total budget), operating and general expenses at \$972,615 (10.3%), debt repayment at \$148,200 (1.6%), repairs at \$68,000 (0.7%), and capital expenses (excluding debt) at \$6,167,000 (65.2%).



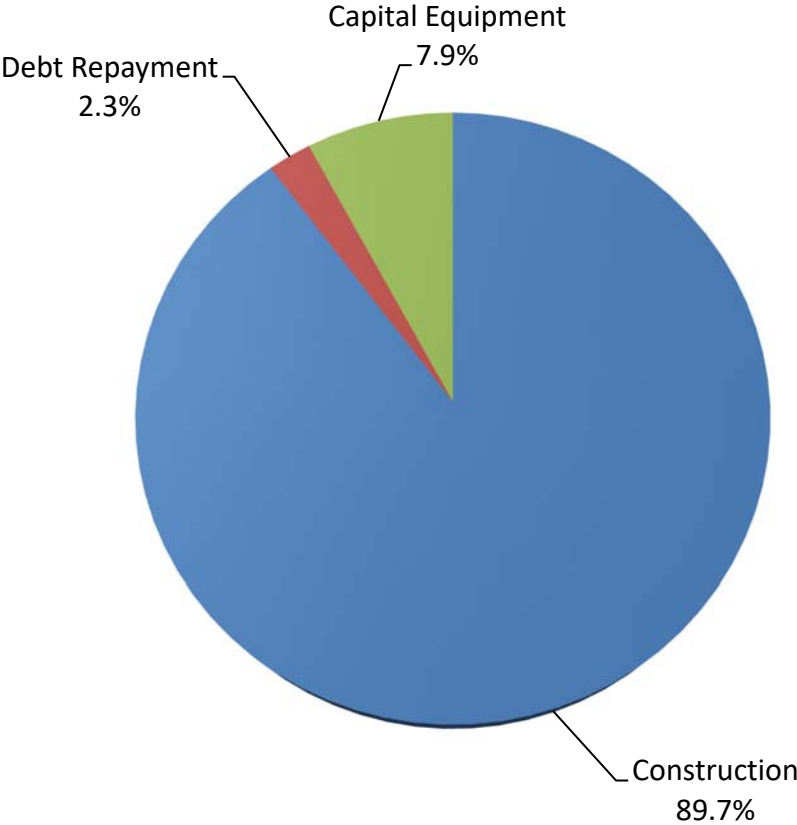
The budget estimates a deficit of \$2,227,836 of which \$1,000,000 will transfer from the SPASPA Impact Fee Fund and the remaining \$1,227,836 will transfer from the Working Capital and Reserve Fund.

The Operating Expenses for FY 2021-22 total \$3,138,636. The budget includes all operations, maintenance, and administrative expenses. The budget also includes the funding of the annual required contribution for “other post-employment benefits” or retiree health care funding. No additional staff is requested in this budget. Salary and benefit expenses are budgeted at \$2,098,021 (66.8%) of the operating budget. The operating and general expenses are budgeted at \$972,615 (31.0%) and contracted repairs at \$68,000 (2.2%).



The Capital Expenses for FY 2021-22 total \$6,315,200. Construction costs total \$5,667,000 (89.7%) which includes \$3,057,000 for the annual sewer rehabilitation project, \$1,000,000 for San Pablo Avenue Specific Plan Area (SPASPA) sewer upsizing (funded by the SPASPA Impact Fee Fund), \$1,000,000 to replace force mains for both the Burlingame Pump Station and the Canon Pump Station, \$500,000 for targeted I/I reduction construction costs, \$50,000 for interceptor cleaning, \$50,000 for manhole adjustments, and \$10,000 for capital work on the administration building (funded by the Building Reserve Fund). Two (2) annual debt service payments for outstanding State Revolving Fund (SRF) loans total \$148,200 (2.3%) and capital equipment expenses total \$500,000 (7.9%).

### CAPITAL EXPENSES



## BUDGET CONTENTS

The budget detail sheets are similar to those used in previous years and show the budget amounts for the previous and upcoming fiscal year. A brief description of the exhibits attached to the budget detail sheets is as follows:

1. Revenue and Expenses Summary (Exhibits A & B). This information shows current sources of revenue, expenses, and compares them with the forecasts for proposed revenue and expenses for the upcoming fiscal year.
2. Budget Composite (Exhibit C). This item shows the allocation of expenses by the two District departments (Operations and Administration).
3. Reconciliation of Fund Balances (Exhibit D). This table shows the allocation of revenue to and expenses from the various funds of the District as well as internal fund transfers necessary to meet the targeted balances established by the Board.
4. 10 Year Financial Model. The spreadsheet and graph indicate the estimated operating and capital expenses, and how the financial state of the District is affected. Planned sewer service charge rates to support District expenses and target balances are also projected for the period shown.

## **FISCAL YEAR BUDGET**

(Ref: Exhibits A-D & Detail Sheets)

### **Revenue**

The District's principal revenue source is the annual sewer service charge which is allocated equally into both the Operation Fund (\$3,149,000) and the Capital Fund (\$3,149,000). The sewer service charge rate is based on the April 2019 Sewer Rate Study prepared by public finance consulting firm, Lechowicz & Tseng Municipal Consultants, and approved by the Board on April 25, 2019.

The total amount of interest revenue of \$65,000, split between both the Operation Fund and the Capital Fund, is ~24% less than last fiscal year due to the expectation of low interest rates. Expected revenue from miscellaneous income is set at \$21,000, permit and inspection fees at \$12,000, and contracted services at \$30,000, all of which are the average amounts over the last several years. Property tax revenue remains at \$400,000 based on recent trends exclusive of unpredictable redevelopment assessment pass-through payments. District wide connection fee revenue is projected to be \$150,000 and the San Pablo Avenue Specific Plan Area Impact Fee revenue is estimated at \$250,000 in anticipation of proposed developments per the City of El Cerrito San Pablo Avenue Corridor - Major Projects Report.

### **Operating Expenses**

The proposed operating budget for FY 2021-22 of \$3,138,636 represents an 4% increase versus last year's budget of \$3,031,811. Salary (\$1,429,460) and benefits (\$668,561) combined is 67% of the operating budget which is the same percentage as last fiscal year, but distributed differently. This is due to the Board, in December 2020, approving the elimination of the Flexible Benefit Plan contribution amount of \$1866 and corresponding cash out amount of \$1000 and, instead, paying for employee health care coverage up to the Kaiser rate, or a cash in lieu amount of \$500, and increasing all employee salaries and salary ranges by \$1000.



**Salary and Benefits as Percentage of Operating Budget**

<b>Fiscal Year</b>	<b>Operating Budget (\$)</b>	<b>Salary (\$)</b>	<b>%</b>	<b>Benefits (\$)</b>	<b>%</b>	<b>Salary &amp; Benefits (\$)</b>	<b>%</b>
<b>2021-22</b>	3,138,636	1,429,460	46%	668,561	21%	2,098,021	67%
<b>2020-21</b>	3,063,711	1,247,160	41%	790,810	26%	2,037,970	67%
<b>2019-20</b>	2,955,871	1,209,460	41%	779,670	26%	1,989,130	67%
<b>2018-19</b>	2,724,330	1,156,060	42%	615,060	23%	1,771,120	65%
<b>2017-18</b>	2,489,790	1,118,130	45%	578,800	23%	1,696,930	68%
<b>2016-17</b>	2,425,190	1,065,310	44%	561,920	23%	1,627,230	67%
<b>2015-16</b>	2,286,512	1,002,990	44%	524,880	23%	1,527,870	67%
<b>2014-15</b>	2,543,260	1,000,320	39%	504,900	20%	1,505,220	59%
<b>2013-14</b>	2,395,531	981,249	41%	484,499	20%	1,465,748	61%
<b>2012-13</b>	2,285,059	949,687	42%	428,082	19%	1,377,770	60%

The retiree health “contribution” to fully fund the annual required contribution (ARC) as determined by the latest Actuarial Analysis of Retiree Health Benefits as of June 30, 2020 is \$22,072. Actual payments to retirees are anticipated to be about \$23,363, including administrative fees. When payments are higher than the ARC, the Board has typically decided to make the payments without receiving any disbursement of the difference from the California Employers' Retiree Benefit Trust (CERBT) Fund. Therefore, the retiree medical amount budgeted to transfer to/from the CERBT fund is \$0.

Contracted main line repair expenses are included as part of the operating expenses and increased slightly to \$68,000 which is consistent with the projections from the Sewer Rate Study.

Operating budget items notably different from the previous budget include:

- re-allocating the previous flexible benefit (cafeteria) plan contribution amount toward health care premiums and salaries, as approved by the Board in December 2020,
- adding \$3200 to retiree health care premiums for the benefit increase from \$280/mo. to \$324.48/mo., as approved by the Board in February 2021,
- adding \$2000 for security system monitoring of the detached garage,
- removing \$30,000 for election expenses that is only budgeted for even year elections, and
- adding \$37,900 (20%) to liability and property insurance as recommended by California Sanitation Risk Management Authority (CSRMA) due to market pressure created by wildfires,

storms, civil disorders, 'social inflation' (more litigation, more plaintiff-friendly judgements, and larger jury awards reflecting public sentiment more than actual damage), and the added uncertainty of the COVID-19 pandemic.

### **Capital Expenses**

The capital equipment expense of \$500,000 includes \$150,000 for the installation of flow meters at each sub-basin to assess the system's response to rehabilitation work completed since the inception of the Consent decree in 2011. Also included is \$350,000 for the replacement of a 2002 sewer rodder truck which is at the end of its useful life.

The capital budget includes \$50,000 for manhole adjustments based on anticipated paving projects in El Cerrito, Richmond and Kensington, \$50,000 for large interceptor cleaning by a professional services contract, and \$10,000 to spend the Building Reserve Fund for capital work on the Administration Building, if needed.

The Standard Sewer Rehabilitation (Pipe-bursting) Project, at a budget amount of \$3,057,000, continues to be the primary means of flexible and efficient main line replacement. This amount has been increased by 7% (\$190,000) over last year's budget, based on the projection of the Sewer Rate Study, to adequately fund the aggressive schedule of collection system rehabilitation required by the USEPA Consent Decree. Also included is \$1,000,000 for San Pablo Avenue Specific Plan Area (SPASPA) sewer upsizing to accommodate anticipated development along San Pablo Avenue which is solely funded by the SPASPA Impact Fee, \$1,000,000 to replace force mains for both the Burlingame Pump Station and the Canon Pump Station, and \$500,000 for targeted I/I reduction construction to replace leaky sewer lines in high I/I areas using reserve funds.

### **Fund Balances (Ref: Exhibit D)**

Exhibit D presents the reconciliation of fund balances for FY 2021-22, based on the projected ending balances estimated for June 30, 2021. The table shows the allocation of revenue and expenses to and from the respective funds, produces the year-end balance of each fund, and compares each fund balance to its target balance.

The Operating Target Balance is equal to 60% of budgeted operating and maintenance costs. This is the District's rough costs from May to December to reflect the lag in the collection of tax revenue and also provides a built-in mechanism to adjust for inflationary increases. The Operating Target Balance for FY 2021-22 is calculated to be \$1,883,182.

The Capital Target Balance is equal to the 3-year rolling average of the annual capital cost (i.e. average of the previous, current, and future year capital cost) plus the annual debt service cost. This is to ensure that the District will have adequate funds available on an annual basis to conduct sewer pipeline replacements or in case of an emergency such as an earthquake and also provides a built-in mechanism to adjust for inflationary increases. The Capital Target Balance for FY 2021-22 is calculated to be \$4,455,793.

Based on the budgeted figures as shown, the total fund balance at the end of FY 2021-22 is projected to be about \$90,000 (1.4%) more than the total target balance. Note that this amount is based on planned expenditures for FY 2020-21. Actual expenditures will not be finalized until after July. But as shown, the information indicates that the District continues to be financially prudent.

## **FY 2020-21 BUDGET PERFORMANCE**

The final expenses for FY 2020-21 have not been settled, but staff is confident that the total operating expenses should be less than the budgeted amount. Several significant unencumbered balances which will not be fully expended include operating supplies (such as rods, augers, hoses, and nozzles), professional services (such as technical/legal support, litigation expenses, and flow monitoring modeling), election expenses, penalties & fines, and, due to pandemic restrictions, travel and conference expenses. No other operating expenses are expected to be of material variance to the budgeted amounts.

Similarly, total capital expenses are expected to be less than the budgeted amount since some capital expenses will not be expended in FY 2020-21. The budget amounts for the San Pablo Avenue Specific Plan Upgrades (\$1,000,000) and Pump Station Force mains (\$1,000,000) will not be expended until FY 2021-22. The budget amount for a fuel tank (\$65,000) will not be expended since it was determined to not be cost effective due to regulatory requirements and restrictions. Manhole adjustments (\$50,000) was not fully expended due to the lack of paving projects by the City of El Cerrito, City of Richmond, and Kensington requiring this level of work. No other capital expenses are expected to be of material variance to the budgeted amounts.

## **FUTURE COSTS**

The operating expenses included in this budget are similar to what can be expected in the near future. The capital expense to fund collection system rehabilitation will continue to gradually rise over the next ten years to reflect inflation and fund the gradual ramp up of work as required by the USEPA Consent Decree and as projected in the Sewer Rate Study.

## EXHIBIT A

**STEGE SANITARY DISTRICT  
REVENUE SUMMARY**
**FISCAL YEAR 2021-2022**

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>REVENUE</b>			
I. SEWER OPERATION FUND (3418)			
Non Operating Income:			
Interest	\$ 70,000	\$ 50,000	-29%
Miscellaneous	\$ 21,000	\$ 21,000	0%
Operating Income:			
Permit & Inspection Fees	\$ 15,000	\$ 12,000	-20%
Sewer Service Charges	\$ 2,789,000	\$ 3,149,000	13%
Contracted Services	\$ 30,000	\$ 30,000	0%
Subtotal	<b>\$ 2,925,000</b>	<b>\$ 3,262,000</b>	<b>12%</b>
II. CAPITAL FUND (3423)			
Non-Operating Income:			
Interest	\$ 15,000	\$ 15,000	0%
Operating Income:			
Property Tax	\$ 400,000	\$ 400,000	0%
Capital Service Charges	\$ 2,901,000	\$ 3,149,000	9%
Connection Fees	\$ 150,000	\$ 150,000	0%
San Pablo Ave. Impact Fee	\$ 250,000	\$ 250,000	0%
Subtotal	<b>\$ 3,716,000</b>	<b>\$ 3,964,000</b>	<b>7%</b>
<b>TOTAL REVENUE</b>	<b>\$ 6,641,000</b>	<b>\$ 7,226,000</b>	<b>9%</b>

# EXHIBIT B

## STEGE SANITARY DISTRICT EXPENSE SUMMARY

**FISCAL YEAR 2021-2022**

	<b>Fiscal Year 2020-2021 Budget</b>	<b>Fiscal Year 2021-2022 Budget</b>	<b>% Change</b>
<b>EXPENSES</b>			
<b>I. OPERATING EXPENSES:</b>			
Dept 41 - Maintenance/Engineering	\$ 2,078,676	\$ 2,159,348	4%
Dept 41 - Pump Stations	\$ 16,460	\$ 16,460	0%
Dept 41 - Contracted Repairs	\$ 66,000	\$ 68,000	3%
Dept 45 - General & Administration	\$ 870,675	\$ 894,828	3%
<b>SUBTOTAL OPERATING EXPENSES</b>	<b>\$ 3,031,811</b>	<b>\$ 3,138,636</b>	<b>4%</b>
<b>II. CAPITAL EXPENSES:</b>			
Dept 41 - Capital Equipment	\$ 314,000	\$ 500,000	59%
Dept 41 - Debt Repayment (SRF)	\$ 148,200	\$ 148,200	0%
Dept 41 - Sewer Rehabilitation	\$ 4,977,000	\$ 5,667,000	14%
<b>SUBTOTAL CAPITAL EXPENSES</b>	<b>\$ 5,439,200</b>	<b>\$ 6,315,200</b>	<b>16%</b>
<b>TOTAL</b>	<b>\$ 8,471,011</b>	<b>\$ 9,453,836</b>	<b>12%</b>
<b>OTHER EXPENSES:</b>			
Transfer from Capital Fund	\$ -	\$ -	0%
Retiree Medical Fund	\$ -	\$ -	0%
<b>SUBTOTAL OTHER EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 8,471,011</b>	<b>\$ 9,453,836</b>	<b>12%</b>

## STEGE SANITARY DISTRICT TRANSFER TO/(FROM) RESERVES

**FISCAL YEAR 2021-2022**

	<b>Fiscal Year 2020-2021 Budget</b>	<b>Fiscal Year 2021-2022 Budget</b>	<b>% Change</b>
REVENUE	\$ 6,641,000	\$ 7,226,000	9%
EXPENSES	\$ (8,471,011)	\$ (9,453,836)	12%
<b>SUBTOTAL</b>	<b>\$ (1,830,011)</b>	<b>\$ (2,227,836)</b>	
<b>TRANSFER TO/(FROM) RESERVES</b>	<b>\$ (1,830,011)</b>	<b>\$ (2,227,836)</b>	

# EXHIBIT C

## STEGE SANITARY DISTRICT BUDGET - COMPOSITE

FISCAL YEAR 2021-2022

ITEM	FISCAL YEAR	FISCAL YEAR	% Change	OPERATIONS	GENERAL & ADMIN.
	2020-2021 BUDGET	2021-2022 BUDGET			
<b>OPERATING EXPENSES:</b>					
010 Salaries & Wages	\$ 1,247,160	\$ 1,429,460	15%	\$ 1,189,460	\$ 240,000
020 Employee Benefits	\$ 790,810	\$ 668,561	-15%	\$ 517,521	\$ 151,040
030 Directors' Expenses	\$ 39,731	\$ 39,888	0%	\$ -	\$ 39,888
040 Election Expense	\$ 30,000	\$ -	-100%	\$ -	\$ -
060 Gasoline, Oil, Fuel	\$ 22,000	\$ 22,000	0%	\$ 22,000	\$ -
070 Insurance	\$ 182,000	\$ 219,900	21%	\$ 15,000	\$ 204,900
080 Memberships	\$ 18,100	\$ 18,100	0%	\$ 3,000	\$ 15,100
090 Office Expense	\$ 10,100	\$ 10,100	0%	\$ -	\$ 10,100
100 Operating Supplies	\$ 40,000	\$ 40,000	0%	\$ 40,000	\$ -
110 Contractual Services	\$ 98,100	\$ 98,100	0%	\$ 98,100	\$ -
120 Professional Services	\$ 202,600	\$ 202,600	0%	\$ 129,000	\$ 73,600
130 Printing & Publications	\$ 29,000	\$ 29,000	0%	\$ -	\$ 29,000
140 Rents & Leases	\$ 1,800	\$ 1,800	0%	\$ 1,000	\$ 800
150 Repairs & Maintenance	\$ 116,700	\$ 116,700	0%	\$ 101,700	\$ 15,000
160 Revenue Collection Expenses	\$ 14,600	\$ 14,600	0%	\$ -	\$ 14,600
170 Travel & Meetings	\$ 18,500	\$ 18,500	0%	\$ 14,000	\$ 4,500
190 Utilities	\$ 39,200	\$ 41,200	5%	\$ 7,000	\$ 34,200
200 Other Expenses	\$ 62,100	\$ 62,100	0%	\$ -	\$ 62,100
203 First Aid Supplies	\$ 500	\$ 500	0%	\$ 500	\$ -
204 Safety Equipment and Gloves	\$ 4,500	\$ 4,500	0%	\$ 4,500	\$ -
205 Uniforms and Boots	\$ 12,500	\$ 15,317	23%	\$ 15,317	\$ -
206 Safety Incentive Program	\$ 1,250	\$ 1,250	0%	\$ 1,250	\$ -
207 Contracted Repairs	\$ 66,000	\$ 68,000	3%	\$ 68,000	\$ -
410 Pump Stations	\$ 16,460	\$ 16,460	0%	\$ 16,460	\$ -
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,063,711</b>	<b>\$ 3,138,636</b>	<b>2%</b>	<b>\$ 2,243,808</b>	<b>\$ 894,828</b>
<b>CAPITAL EXPENSES:</b>					
650 DEBT REPAYMENT	\$ 148,200	\$ 148,200	0%	\$ 148,200	\$ -
300 CAPITAL EQUIPMENT	\$ 314,000	\$ 500,000	59%	\$ 500,000	\$ -
400 CONSTRUCTION	\$ 4,977,000	\$ 5,667,000	14%	\$ 5,667,000	\$ -
<b>TOTAL CAPITAL EXPENSES</b>	<b>\$ 5,439,200</b>	<b>\$ 6,315,200</b>	<b>16%</b>	<b>\$ 6,315,200</b>	<b>\$ -</b>
TRANSFER TO CAPITAL FUND		\$ -		\$ -	\$ -
<b>TOTAL BUDGET</b>	<b>\$ 8,502,911</b>	<b>\$ 9,453,836</b>	<b>11%</b>	<b>\$ 8,559,008</b>	<b>\$ 894,828</b>

# DETAIL SHEET

## STEGE SANITARY DISTRICT ACCOUNT NO. 41 - OPERATIONS

FISCAL YEAR 2021-2022

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>010 SALARIES AND WAGES</b>			
011 Engineering Salaries	\$ 476,400	\$ 553,900	16%
011.6 Cell Phone (3)	2,160	2,160	0%
012 Collection System Salaries	453,200	541,900	20%
012.6 Cell Phone (5)	3,600	3,600	0%
013 Overtime - Service Calls	15,400	15,400	0%
014 Overtime - Engineering/Inspection	500	500	0%
015 Standby	51,000	60,000	18%
017 Performance Incentive	12,000	12,000	0%
<b>TOTAL SALARIES AND WAGES</b>	<b>\$ 1,014,260</b>	<b>\$ 1,189,460</b>	<b>17%</b>
<b>020 EMPLOYEE BENEFITS</b>			
021 Retirement	\$ 341,290	\$ 321,350	-6%
021a Deferred Comp Match <del>Cafeteria Plan</del>	25,440	25,440	0%
022 Health Care Premiums & Admin Fees	480	72,581	15021%
023 Life Insurance/Dental/LTD	13,920	15,840	14%
024 Workers' Compensation Insurance	18,300	19,200	5%
025 Unemployment Insurance	5,400	5,700	6%
026 Medicare	19,600	20,200	3%
027 Cash in Lieu (Dependent Care & Medical) Retiree Medical & ARC	179,136	24,000	-87%
'028 Retiree Medical (AnnReq'dContrib ARC)	-	-	0%
'029 Retiree Health Care Premium	10,300	11,900	16%
030 Social Security (On Call Maintenance)	1,000	1,310	31%
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 614,866</b>	<b>\$ 517,521</b>	<b>-16%</b>
<b>MAINTENANCE</b>			
<b>060 GAS, OIL AND FUEL</b>	\$ 22,000	\$ 22,000	0%
<b>070 CLAIMS</b>	15,000	15,000	0%
<b>080 MEMBERSHIPS</b>	3,000	3,000	0%
<b>100 OPERATING SUPPLIES</b>			
101 Rods and Augers	5,000	5,000	0%
102 Chemicals	1,000	1,000	0%
104 Hose and Nozzles	25,000	25,000	0%
105 Emergency Readiness	500	500	0%
107 Engineering and Inspection Supplies	2,000	2,000	0%
108 Computer/Supplies	6,500	6,500	0%
<b>Forward totals to next page</b>	<b>80,000</b>	<b>80,000</b>	<b>0%</b>



# DETAIL SHEET

## STEGE SANITARY DISTRICT ACCOUNT NO. 41 - OPERATIONS

FISCAL YEAR 2021-2022

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>Totals from previous page</b>	\$ 80,000	\$ 80,000	0%
<b>110 CONTRACTUAL SERVICES</b>			
111 Phone Service (Answering Service)	\$ 1,200	\$ 1,200	0%
112 Manhole Level Monitors	2,500	2,500	0%
115 Sewer Root Foaming	75,000	75,000	0%
116 Radio and Test Equipment Maintenance	500	500	0%
117 Utility Marking Service	3,000	3,000	0%
118 DOT Regulatory Compliance	900	900	0%
119 Collection System JPA	15,000	15,000	0%
<b>120 PROFESSIONAL SERVICES</b>			
121 Technical/Legal Support	\$ 107,000	\$ 107,000	0%
122 Safety Consultant	1,000	1,000	0%
123 Flow Monitoring Modeling	15,000	15,000	0%
124 Enforcement	6,000	6,000	0%
<b>140 RENTS AND LEASES</b>	1,000	1,000	0%
<b>150 REPAIRS AND MAINTENANCE</b>			
151 Vehicle Maintenance	\$ 40,000	\$ 40,000	0%
152 Equipment and Shop Maintenance	9,000	9,000	0%
153 Sewer Materials			
a. Pipe and Fittings	4,000	4,000	0%
b. Manholes	4,500	4,500	0%
c. Castings	1,000	1,000	0%
154 Emergency Sewer Replacement	12,500	12,500	0%
156 Building Maintenance	1,800	1,800	0%
157 Janitorial Services	4,500	4,500	0%
158 Yard Maintenance	2,400	2,400	0%
159 Refuse Service	4,750	4,750	0%
159a Refuse Service-Vactor	2,250	2,250	0%
160 Video Inspection Equipment Repair	15,000	15,000	0%
<b>170 TRAVEL AND MEETINGS</b>			
171 Training and Testing	\$ 3,000	\$ 3,000	0%
173 Travel Reimbursement	6,000	6,000	0%
174 Meetings and Conference	5,000	5,000	0%
<b>Forward totals to next page</b>	\$ 423,800	\$ 423,800	0%

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - OPERATIONS**

**FISCAL YEAR 2021-2022**

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>Totals from previous page</b>	\$ 423,800	\$ 423,800	0%
<b>193 WATER - HYDRO FLUSHER</b>	\$ 7,000	\$ 7,000	0%
<b>203 FIRST AID SUPPLIES</b>	500	500	0%
<b>204 SAFETY EQUIPMENT AND GLOVES</b>	4,500	4,500	0%
<b>205 UNIFORMS AND BOOTS</b>	12,500	15,317	23%
<b>206 SAFETY INCENTIVE PROGRAM</b>	1,250	1,250	0%
<b>TOTAL MAINTENANCE/ENGINEERING</b>	<b>\$ 449,550</b>	<b>\$ 452,367</b>	<b>1%</b>
<b>41.2 BURLINGAME PUMP STATION</b>			
150 Repairs (Contracted)	\$ 4,000	\$ 4,000	0%
150a Annual Inspection	2,500	2,500	0%
151 Electricity	900	900	0%
152 Telemetry	350	350	0%
153 Maintenance and Landscaping	960	960	0%
<b>41.4 CANON PUMP STATION</b>			
150 Repairs (Contracted)	4,000	4,000	0%
150a Annual Inspection	2,500	2,500	0%
151 Electricity	900	900	0%
152 Telephone/Telemetry	350	350	0%
<b>TOTAL PUMP STATIONS</b>	<b>\$ 16,460</b>	<b>\$ 16,460</b>	<b>0%</b>
<b>207 CONTRACTED REPAIRS</b>	66,000	68,000	3%
<b>TOTAL - MAINT/ENG EMPLOYEE SALARIES</b>	<b>\$ 1,014,260</b>	<b>\$ 1,189,460</b>	<b>17%</b>
<b>TOTAL - MAINT/ENG EMPLOYEE BENEFITS</b>	<b>614,866</b>	<b>517,521</b>	<b>-16%</b>
<b>TOTAL OTHER MAINTENANCE/ENGINEERING</b>	<b>449,550</b>	<b>452,367</b>	<b>1%</b>
<b>TOTAL - PUMP STATIONS</b>	<b>16,460</b>	<b>16,460</b>	<b>0%</b>
<b>TOTAL CONTRACTED REPAIRS</b>	<b>66,000</b>	<b>68,000</b>	<b>3%</b>
<b>TOTAL OPERATIONS</b>	<b>\$ 2,161,136</b>	<b>\$ 2,243,808</b>	<b>4%</b>

# DETAIL SHEET

## STEGE SANITARY DISTRICT

ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2021-2022

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>010 SALARIES AND WAGES</b>			
011 Administration Salaries	\$ 197,500	\$ 236,500	20%
017 Performance Incentive	3,500	3,500	0%
<b>TOTAL - SALARIES &amp; WAGES</b>	<b>\$ 201,000</b>	<b>\$ 240,000</b>	<b>19%</b>
<b>020 EMPLOYEE BENEFITS</b>			
021 Retirement	\$ 99,770	\$ 97,300	-2%
021a Deferred Comp Match	6,000	6,000	0%
<del>Cafeteria Plan</del>			
022 Health Care Premiums & Admin Fees	360	19,800	5400%
023 Life Insurance/Dental/LTD	1,980	2,160	9%
024 Workers' Compensation Insurance	4,000	4,200	5%
025 Unemployment Insurance	500	500	0%
026 Medicare	6,750	7,480	11%
027 Cash in Lieu (Dependent Care & Medical)	44,784	-	-100%
Retiree Medical			
'028 Retiree Medical (AnnReq'dContrib(ARC))	-	-	0%
'029 Retiree Health Care Premiums	10,300	11,900	16%
029a Social Security	1,500	1,700	13%
<b>TOTAL - EMPLOYEE BENEFITS</b>	<b>\$ 175,944</b>	<b>\$ 151,040</b>	<b>-14%</b>
<b>GENERAL EXPENSES</b>			
<b>030 DIRECTORS' EXPENSES</b>			
031 Board Meeting Compensation	\$ 22,231	\$ 22,388	1%
032 Travel Reimbursement	10,000	10,000	0%
033 Meetings & Conference	6,500	6,500	0%
034 Training	1,000	1,000	0%
<b>TOTAL - DIRECTORS' EXPENSES</b>	<b>\$ 39,731</b>	<b>\$ 39,888</b>	<b>0%</b>
<b>040 ELECTION EXPENSES</b>	\$ 30,000	\$ -	-100%
<b>070 INSURANCE</b>			
071 Liability and Property Insurance	\$ 189,500	\$ 227,400	20%
072 Dividends (CREDIT)	(22,500)	(22,500)	0%
<b>080 MEMBERSHIPS</b>			
081 Memberships	\$ 15,000	\$ 15,000	0%
082 Memberships - Board	100	100	0%
<b>Forward totals to next page</b>	<b>251,831</b>	<b>259,888</b>	<b>3%</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT**  
**ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL**      **FISCAL YEAR 2021-2022**

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>Totals from previous page</b>	\$ 251,831	\$ 259,888	3%
<b>090 OFFICE EXPENSES</b>			
091 Stationery, Postage, Supplies	\$ 4,000	\$ 4,000	0%
092 Subscriptions	5,000	5,000	0%
094 Public Notice Postage	400	400	0%
096 Bank Charges	700	700	0%
<b>120 PROFESSIONAL SERVICES</b>			
121 Legal Services	\$ 35,000	\$ 35,000	0%
123 Audit and Special Reports	20,000	20,000	0%
124 Resources Consultant	5,000	5,000	0%
125 Administrative Support	2,500	2,500	0%
126 Labor Relations/HR Training	100	100	0%
127 Litigation Expenses	5,000	5,000	0%
129 ADP Payroll Expenses	6,000	6,000	0%
<b>130 PRINTING AND PUBLICATIONS</b>			
131 Meetings and Hearings Notices	\$ 1,000	\$ 1,000	0%
132 Newsletters	20,000	20,000	0%
133 Publications (Ordinances & Notices)	7,500	7,500	0%
134 Job Advertising	500	500	0%
<b>140 RENTS AND LEASES</b>	\$ 800	\$ 800	0%
<b>150 BUILDING REPAIRS AND MAINTENANCE</b>			
151 Administration Offices	\$ 9,000	\$ 9,000	0%
155 Office Equipment	6,000	6,000	0%
<b>Forward totals to next page</b>	380,331	388,388	2%

# DETAIL SHEET

## STEGE SANITARY DISTRICT

ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2021-2022

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>Totals from previous page</b>	\$ 380,331	\$ 388,388	2%
<b>160 REVENUE COLLECTION EXPENSES</b>			
161 EBMUD	\$ 600	\$ 600	0%
162 CCC Assessment Collection Fees	14,000	14,000	0%
<b>170 TRAVEL AND MEETINGS</b>			
173 Travel Reimbursement	\$ 1,500	\$ 1,500	0%
174 Meetings and Conferences	3,000	3,000	0%
<b>190 UTILITIES</b>			0%
191 Gas and Electricity	\$ 13,000	\$ 13,000	0%
192 Telephone & Computer Internet	12,500	12,500	0%
193 Water	4,200	4,200	0%
194 Security System	2,500	4,500	80%
<b>200 OTHER EXPENSES</b>			
201 Miscellaneous	\$ 5,000	\$ 5,000	0%
202 Property Taxes	100	100	0%
203 LAFCO Net Cost Apportionment	4,000	4,000	0%
204 Public Outreach	18,000	18,000	0%
205 Penalties & Fines	35,000	35,000	0%
<b>TOTAL - GENERAL EXPENSES</b>	<b>\$ 493,731</b>	<b>\$ 503,788</b>	2%
<b>TOTAL - ADMIN. EMPLOYEE SALARIES</b>	<b>\$ 201,000</b>	<b>\$ 240,000</b>	19%
<b>TOTAL - ADMIN. EMPLOYEE BENEFITS</b>	<b>\$ 175,944</b>	<b>\$ 151,040</b>	-14%
<b>TOTAL - ADMINISTRATION &amp; GENERAL</b>	<b>\$ 870,675</b>	<b>\$ 894,828</b>	3%
<b>TOTAL OPERATIONS &amp; ADMIN. (3418)</b>	<b>\$ 3,031,811</b>	<b>\$ 3,138,636</b>	4%

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - CAPITAL EQUIPMENT EXPENSES**

**FISCAL YEAR 2021-2022**

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>CAPITAL EQUIPMENT EXPENSES</b>			
<b>300 CAPITAL OPERATIONS (3421)</b>			
315 Flow Meters	\$ 150,000	\$ 150,000	0%
319 Manhole Level Monitors	15,000	-	-100%
324 Vehicle Replacement	-	350,000	100%
328 Generator	50,000	-	-100%
329 Security Fence Burlingame PS	34,000	-	-100%
330 Fuel Tank	65,000	-	-100%
<b>Sub-Total Capital Operations</b>	<b>\$ 314,000</b>	<b>\$ 500,000</b>	<b>59%</b>
<b>TOTAL - CAPITAL EQUIPMENT EXPENSES (3421)</b>	<b>\$ 314,000</b>	<b>\$ 500,000</b>	<b>59%</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - CAPITAL EXPENSES**

**FISCAL YEAR 2021-2022**

ITEM	Fiscal Year 2020-2021 Budget	Fiscal Year 2021-2022 Budget	% Change
<b>411 MANHOLES</b>			
Manhole Adjustments	\$ 50,000	\$ 50,000	0%
<b>428 RENEWAL &amp; REPLACEMENT</b>			
a. Interceptor Cleaning	\$ 50,000	\$ 50,000	0%
b. Pump Station Rehab	-	-	0%
c. Admin Building	10,000	10,000	0%
<b>SUB TOTAL (428)</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>0%</b>
<b>434 STANDARD SEWER REHABILITATION (3423)</b>			
a. Construction Costs	\$ 2,867,000	\$ 3,057,000	7%
d. San Pablo Ave. Specific Plan Upgrades	1,000,000	1,000,000	0%
e. Pumpstation Forcemains	1,000,000	1,000,000	0%
f. Targeted I/I Reduction Construction Costs		500,000	0%
<b>SUB-TOTAL (434)</b>	<b>\$ 4,867,000</b>	<b>\$ 5,557,000</b>	<b>14%</b>
<b>436 STANDARD SEWER REHABILITATION (3423)</b>			
a. Grant Program			
<b>TOTAL CONSTRUCTION COSTS (400s)</b>	<b>\$ 4,977,000</b>	<b>\$ 5,667,000</b>	<b>14%</b>
<b>650 DEBT REPAYMENT (SRF LOANS)</b>			
a. Repayment Project 99201	104,300	104,300	0%
b. Repayment Project 02203	43,900	43,900	0%
<b>TOTAL DEBT REPAYMENT (650)</b>	<b>\$ 148,200</b>	<b>\$ 148,200</b>	<b>0%</b>
<b>TOTAL CAPITAL EXPENSES (400-650)</b>	<b>\$ 5,439,200</b>	<b>\$ 6,315,200</b>	<b>16%</b>

# EXHIBIT D

## STEGE SANITARY DISTRICT FISCAL YEAR 2021-2022 RECONCILIATION OF FUND BALANCES

	FISCAL YEAR 2021-2022 BUDGET	3418 OPERATIONS FUND	3423 CAPITAL FUND
<b>Total Fund Balances As of 6/30/2021 (est.)</b>	<b>\$ 8,655,079</b>	<b>\$ 1,804,766</b>	<b>\$ 6,850,313</b>
<b>OPERATING FUND</b>			
<b>REVENUE</b>			
Contracted Services	\$ 30,000	\$ 30,000	
Interest Income	\$ 50,000	\$ 50,000	
Permit, Inspection Fees	\$ 12,000	\$ 12,000	
Sewer Service Charges	\$ 3,149,000	\$ 3,149,000	
Miscellaneous	\$ 21,000	\$ 21,000	
Subtotal	\$ 3,262,000	\$ 3,262,000	
<b>EXPENSES</b>			
General & Administration	\$ (894,828)	\$ (894,828)	
Operating/Pump Stations	\$ (2,243,808)	\$ (2,243,808)	
Subtotal	\$ (3,138,636)	\$ (3,138,636)	
<b>Net Gain (Loss)*</b>	<b>\$ 123,364</b>	<b>\$ 123,364</b>	
<b>CAPITAL FUND</b>			
<b>REVENUE</b>			
Property Tax Collection	\$ 400,000		\$ 400,000
Capital Service Charges	\$ 3,149,000		\$ 3,149,000
San Pablo Impact Fee	\$ 250,000		\$ 250,000
Interest Income	\$ 15,000		\$ 15,000
Connection Fees	\$ 150,000		\$ 150,000
Subtotal	\$ 3,964,000		\$ 3,964,000
<b>EXPENSES</b>			
Capital Equipment	\$ (500,000)		\$ (500,000)
Construction	\$ (5,667,000)		\$ (5,667,000)
Debt Repayment (SRF Loan)	\$ (148,200)		\$ (148,200)
Subtotal	\$ (6,315,200)		\$ (6,315,200)
<b>Net Gain (Loss)*</b>	<b>\$ (2,351,200)</b>		<b>\$ (2,351,200)</b>
<b>Fund Balances</b>			
<b>Before transfers</b>	\$ 6,427,243	\$ 1,928,130	\$ 4,499,113
<b>Transfers between Reserves</b>		\$ (44,948)	\$ 44,948
*Used from Reserves			
<b>Fund Balances As of 6/30/2022 (est.)</b>	<b>\$ 6,427,243</b>	<b>\$ 1,883,182</b>	<b>\$ 4,544,061</b>
<b>TARGET BALANCE</b>	<b>\$ 6,338,975</b>	<b>\$ 1,883,182</b>	<b>\$ 4,455,793</b>

(60% of annual O&M)      (3Yr Avg. of Capital Costs)



**STEGE SANITARY DISTRICT - 10 YEAR FINANCIAL MODEL  
(\$ THOUSAND)**

FISCAL YEAR ENDING	(1) ANNUAL DEBT SERVICE	(2) DISTRICT O&M COSTS	(3) SYSTEM REHAB.	(4) CAPITAL EQUIP COSTS	(5) OTHER CAP COSTS	(6) TOTAL COSTS (1) thru (5)	(7) MONTH USER CHARGE	(8) TOTAL REVENUE	(9) CASH FLOW (8)-(6)	(10) FUND INTEREST	(11) FUND BALANCE	(12) TARGET BALANCE	(13) RESERVE RATIO (11)/(6)
<b>2021</b>	148	3064	2977	314	0	6503	25.33	6641	138	85	8655	6221	1.25
<b>2022</b>	148	3139	5667	500	0	9454	28.42	7226	-2228	65	6427	6339	0.92
<b>2023</b>	44	3235	3259	200	110	6848	31.92	7473	625	17	7052	6874	0.94
<b>2024</b>	44	3332	3473	445	910	8204	35.75	8222	18	17	7070	6110	0.86
<b>2025</b>	44	3419	3594	80	130	7266	28.50	6657	-609	17	6461	6249	0.97
<b>2026</b>	44	3508	3719	10	100	7381	30.50	7094	-287	17	6174	6010	0.88
<b>2027</b>	0	3609	3850	70	75	7604	33.00	7639	35	17	6209	6160	0.81
<b>2028</b>	0	3682	3983	60	75	7800	35.50	8183	383	17	6592	6427	0.80
<b>2029</b>	0	3806	4122	345	75	8348	37.50	8620	272	17	6864	6756	0.79
<b>2030</b>	0	3882	4265	150	340	8638	38.50	8830	193	10	7056	6961	0.79
<b>2031</b>	0	3990	4414	95	90	8589	38.50	8833	244	10	7300	7226	0.82

# Fund Balance vs. Target Balance for FY 2021-22



RESOLUTION NO. 2163-0621 AUTHORIZING THE DISTRICT MANAGER TO AWARD A  
CONTRACT TO CALIFORNIA TRENCHLESS INC. FOR  
REDUNDANT SANITARY SEWER FORCEMAIN PROJECT NO. 21202

**ISSUE:**

Staff opened bids on June 1st and is recommending award of the contract.

**FISCAL IMPACT:**

The lowest responsible, responsive bid amount is \$754,000.

**STRATEGIC PLAN:**

GOAL 2: Maintain and Improve Infrastructure

**BACKGROUND:**

Results of the project bid opening on June 1st are as shown in the attached table. Staff recommends award of bid to the lowest responsible, responsive bidder.

**RECOMMENDATION:**

Approve the resolution authorizing the award of contract to the lowest responsible, responsive bidder, California Trenchless Inc.

**ALTERNATIVES:**

1. Amend the resolution to authorize the award of contract to another bidder and approve as amended.
2. Take no action and provide staff further direction.

**ATTACHMENTS:**

- Bid Results
- Resolution No. 2163-0621

REDUNDANT SANITARY SEWER FORCEMAIN Project #21202

Bid Summary 6/1/2021

Company	Bond	Add1	Amount	Time
California Trenchless	x	x	\$754,000.00	1:07
Darcy & Harty	x	x	\$886,500.00	1:56
Ecast	x	x	\$1,008,000.00	1:54
Kerex	x	x	\$1,153,000.00	1:57
Glosage	x	x	\$1,177,500.00	1:55
WR Forde	x	x	\$1,604,200.00	1:53
Busset	x	x	\$1,707,799.00	1:40

**PRELIMINARY PRE-APPROVAL**

RESOLUTION NO. 2163-0621

RESOLUTION AUTHORIZING THE DISTRICT MANAGER TO AWARD A CONTRACT TO CALIFORNIA TRENCHLESS INC. FOR REDUNDANT SANITARY SEWER FORCEMAIN PROJECT NO. 21202

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

- A. In order to maintain the sanitary sewer system, the District must continuously replace failing sanitary sewer mains.
- B. District staff advertised the project plans and specifications for bid pursuant to Board approval at the January 21, 2021 Board meeting.
- C. A bid opening occurred on June 1, 2021.
- D. District staff received seven (7) valid bids in response.
- E. Upon review of the bids, California Trenchless Inc. submitted the lowest responsive bid and was found to be a responsible bidder.

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

- 1. The District Manager is authorized to award a contract for Redundant Sanitary Sewer Forcemain Project No. 21202 to California Trenchless Inc., conditioned on California Trenchless Inc.'s timely execution of the contract and submission of all required documents in accordance with the contract.
- 2. The District Manager is hereby authorized to execute the documents on behalf of the Directors of the Stege Sanitary District upon timely submission of California Trenchless Inc.'s signed contract and all other documents, subject to approval by District Counsel.

\*\*\*\*\*

STATE OF CALIFORNIA)

COUNTY OF CONTRA COSTA)

I HEREBY CERTIFY that the foregoing Resolution No. 2163-0621 was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting held on the 17th day of June 2021, by a X-X vote as follows:

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

---

BEATRICE O'KEEFE, President  
Stege Sanitary District  
Contra Costa County, California

ATTEST:

---

REX DELIZO, Secretary  
Stege Sanitary District

APPROVAL OF THE INCENTIVE AWARD CONTRIBUTION  
ACHIEVEMENTS FOR FY 2020-21

**ISSUE:**

The goals and objectives of the Incentive Award Contribution (IAC) are established each fiscal year and the achievements are ready for review.

**FISCAL IMPACT:**

The total savings is calculated to be \$12.737 and will be divided between the District and eligible employees.

**STRATEGIC PLAN:**

GOAL 4: Provide Safe and Rewarding Work Environment that Recognizes the Worth and Value of Employees

WORK PLAN ITEM "F": Provide an incentive award program and safety awards to recognize employee achievements

**BACKGROUND:**

The goals for the program are established each fiscal year. This year's achievements are as tabulated in the attached memo.

**RECOMMENDATION:**

Approve an IAC of \$7,642 to be shared among the eligible employees of the District and to be distributed on or about June 30, 2021.

**ALTERNATIVES:**

1. Take no action and provide staff further direction.

**ATTACHMENT:**

Memo dated 6/17/2021 re: Incentive Award Contribution (IAC) Achievements for FY 2020-21

This Page Left Blank Intentionally





## STEGE SANITARY DISTRICT

---

*District Manager/Engineer:*  
Rex Delizo, P.E.

*District Counsel:*  
Kristopher Kokotaylo

*Board of Directors:*  
Juliet Christian-Smith  
Paul Gilbert-Snyder  
Dwight Merrill  
Alan C. Miller  
Beatrice R. O'Keefe

# Memorandum

**To:** Board of Directors

**From:** Rex Delizo, District Manager

**Date:** June 17, 2021

**Re:** Incentive Award Contribution (IAC) Achievements for FY 2020-2021

---

### **BACKGROUND**

For FY 2020-2021, the Board adopted 5 cost saving incentives as goals for employees as follows:

1. Maintain a safe working environment thereby reducing the Workers Compensation Insurance premiums paid by the District.
2. Reduce the amount of overtime compensation in the performance of maintenance activities of the District.
3. Reduce the number of service calls related to main line problems.
4. Reduce the cost of equipment, vehicle and building repairs by performing repairs in-house, whenever safe to do so. The savings will be measured by comparing quotes to complete the repair work vs. the costs of staff time and materials.
5. The Board of Directors may consider additional cost savings goals eligible for an IAC as other cost saving measures are identified, including innovations in the way work is accomplished. Such innovations will be evaluated and recommended to the Board by the District Manager.

## DISCUSSION

Following is a tabulation of how the employees fared in achieving the goals established for FY 2019-2020 and the respective savings to be added to the Incentive Award Contribution (IAC).

1. Reduction of the Workers' Compensation Insurance Premiums Paid by the District

The District continues to have a historically safe workplace and as a result, the District's experience modification (ex mod) rate of 0.86 resulted in an annual cost savings or discount of \$2,534 from the standard premium. Sixty percent of the total savings is added to the IAC (\$1,520).

2. Reduction in the Overtime Salary Expense

The average overtime labor charges between 2011 and 2016 was \$8,521, or 2.34% of total maintenance salary. For FY 2020-2021, overtime labor charges are \$4,938, or 1.17% of total maintenance salary. Since the current fiscal year percentage is 1.17% less than the rolling 5 year average, there was a \$4,918 total savings in Overtime Expenses. Sixty percent of the savings is added to the IAC (\$2,951).

3. Reduction of Service Calls

The average number of service calls related to main line problems for the baseline time period between 2011 and 2016 is 1.7 per month at a cost of \$5,011 per year. The actual average number of service calls related to main line problems this FY 2020-2021 is 0.8 per month at a cost of \$2,304 per year. The calculated cost savings to the District is \$2,707 per year. Sixty percent of the savings is added to the IAC (\$1,624).

4. Reduction of Repair Costs

There were no repairs conducted in-house by staff to add to the IAC.

5. Reduction of Other Costs

A cost savings to be added to this year's IAC, as proposed by staff and recommended by the Manager, is a Delta Dental dividend of \$2,578. Sixty percent of the dividend is added to the IAC (\$1,547).

**SUMMARY OF INCENTIVE AWARD GOALS AND AWARD ASSESSMENT  
FISCAL YEAR 2020-2021**

<b>Incentive Award Goal</b>	<b>Total Savings (\$)</b>	<b>40% To District (\$)</b>	<b>60% To IAC (\$)</b>
1. Reduce Workers Compensation Insurance Premium	\$2,534	\$1,014	\$1,520
2. Reduce Overtime Charges	\$4,918	\$1,967	\$2,951
3. Reduce Service Calls	\$2,707	\$1,083	\$1,624
4. Reduce Repair Costs	\$0	\$0	\$0
5. Reduce Other Costs	\$2,578	\$1,031	\$1,547
<b>TOTALS</b>	<b>\$12,737</b>	<b>\$5,095</b>	<b>\$7,642</b>

**RECOMMENDATION**

Approve an IAC of \$7,642 to be shared among the eligible employees of the District and to be distributed on or about June 30, 2021.

APPROVAL OF THE INCENTIVE AWARD CONTRIBUTION  
GOALS AND OBJECTIVES FOR FY 2021-22

**ISSUE:**

The goals for the Incentive Award Contribution (IAC) should be established each fiscal year.

**FISCAL IMPACT:**

The fiscal impact would be determined by the savings achieved in the next fiscal year.

**STRATEGIC PLAN:**

GOAL 4: Provide Safe and Rewarding Work Environment that Recognizes the Worth and Value of Employees

WORK PLAN ITEM "F": Provide an incentive award program and safety awards to recognize employee achievements

**BACKGROUND:**

The goals for the program are established each fiscal year. This year's recommended goals are the same as the previous year, as stated in the attached memo.

**RECOMMENDATION:**

Approve the recommended goals and objectives.

**ALTERNATIVES:**

1. Add, delete, and/or amend the goals and objectives, and approve as amended.
2. Take no action and provide staff further direction.

**ATTACHMENT:**

Memo dated 6/17/2021 re: Incentive Award Contribution (IAC) Goals and Objectives for FY 2021-22

This Page Left Blank Intentionally



## STEGE SANITARY DISTRICT

---

*District Manager/Engineer:*  
Rex Delizo, P.E.

*District Counsel:*  
Kristopher Kokotaylo

*Board of Directors:*  
Juliet Christian-Smith  
Paul Gilbert-Snyder  
Dwight Merrill  
Alan C. Miller  
Beatrice R. O'Keefe

# Memorandum

**To:** Board of Directors

**From:** Rex Delizo, District Manager

**Date:** June 17, 2021

**Re:** Incentive Award Contribution (IAC) Goals and Objectives for FY 2021-2022

---

### DISCUSSION

Based on the adopted District employee compensation policy, each year the Board will consider adoption of certain cost savings goals and objectives for the Incentive Award Contribution (IAC). The recommended goals and objectives are as follows:

1. Maintain a safe working environment and reduce Workers Compensation Insurance premiums paid by the District.
2. Reduce overtime compensation incurred by the District in the performance of maintenance activities of the District.
3. Reduce the number of service calls related to main line problems in the collection system.
4. Reduce the cost of equipment, vehicle, and building repairs by performing repairs in-house, whenever safe to do so.
5. The Board of Directors may consider additional cost savings goals eligible for an Incentive Compensation Award as other cost saving measures are identified, including innovations in the way work is accomplished. Such innovations will be evaluated and recommended to the Board by the District Manager.

Item number 2, overtime reduction, historically used a baseline of \$15,077/year based on the average of overtime incurred for 1990-95. For the FY 2004-05, the period of 1995-00 was used as a baseline because the Board determined that the original intent at the initiation of the program was

that the baseline should be a moving average. The comparison period has rolled forward one year ever since. It is recommended that the period of 2012-17 be used as the baseline for the FY 2021-22 savings.

Overtime as a percentage of total salary should be used to determine the overtime savings instead of using the absolute overtime dollars of the baseline period. The percentage of overtime to total maintenance salary for the entire baseline period, multiplied by the overtime incurred, will provide the “baseline overtime amount” to determine the cost savings. It is recommended that this method be used again to calculate the overtime savings for this fiscal year as it was done for previous fiscal years.

Item number 3, cost savings from a low number of service calls related to main line problems, has been in accordance with the baseline of five (5) service calls per month, established in September 2001. The baseline prior to September 2001 was eight (8) per month. As of FY 2014-15, the baseline is compared to the same moving average time period of 2012-17 as Item number 2, overtime reduction. By this standard, the new baseline for the FY 2021-22 savings would be 1.6 per month.

Item number 4, the practice of performing equipment, vehicle and building repairs in-house as a cost savings measure has been eligible since FY 2011-12. Performing repairs in-house by staff not only saves the District money, but also reduces equipment and vehicle down time, helps maintain production, and encourages better knowledge of the equipment, vehicles and building. Staff will obtain quotes for any repair work proposed to be included in the ICP and will compare the costs of staff time and materials to complete the repair in-house. Up to 60% of the savings may be contributed to the IAC.

Below are the historical amounts that have been saved through the IAC:

<u>Fiscal Year</u>	<u>Total Savings</u>	<u>IAC</u>
2020-21	\$12,737	\$7,642
2019-20	\$18,642	\$11,185
2018-19	\$12,208	\$7,325
2017-18	\$33,379	\$20,027
2016-17	\$32,721	\$19,632
2015-16	\$16,804	\$10,082
2014-15	\$26,777	\$16,066
2013-14	\$25,581	\$15,510
2012-13	\$21,461	\$12,877

## **RECOMMENDATION**

Adopt the following IAC goals and objectives for FY 2021-2022:

1. Maintain a safe working environment and reduce the Workers' Compensation Insurance costs paid by the District. This shall be measured through savings or discounts achieved from a low experience modification rate (ex mod) assigned by the State Compensation Insurance Fund and performance returns (dividends). Up to 60% of the insurance cost savings may be contributed to the IAC.
2. Up to 60% of the overtime labor cost savings, determined as the difference in overtime cost from the average annual overtime incurred from 2012-2017, may be contributed to the IAC. Overtime cost will be determined as a percentage of overtime to total salary.
3. Reduce the number of service calls related to main line problems in the collection system. The savings shall be in accordance with the baseline of the average service calls related to main line problems that occurred from 2012-2017. Up to 60% of the District cost savings during the year may be contributed to the IAC.
4. Reduce the cost of equipment, vehicle and building repairs by performing repairs in-house, whenever safe and effective to do so. The savings will be measured by comparing quotes to complete the repair work vs. the costs of staff time and materials. Up to 60% of the savings may be contributed to the IAC.
5. The Board of Directors may consider additional cost savings goals eligible for an Incentive Compensation Award as other cost saving measures are identified, including innovations in the way work is accomplished. Such innovations will be evaluated and recommended to the Board by the District Manager. Up to 60% of the savings may be contributed to the IAC.



## WORKING CAPITAL AND RESERVE FUND POLICY

**ISSUE:**

The District's Working Capital and Reserve Fund Policy shall be reviewed by the Board annually.

**FISCAL IMPACT:**

The cost to review the policy is minimal.

**STRATEGIC PLAN:**

GOAL 3: Ensure Financial Stability and Efficiency

WORK PLAN ITEM "h": Annually review the District's Reserve Policy by June of each year

**BACKGROUND:**

The District's Reserve Fund Policy is reviewed and approved by the Board annually. The last amendment was made in June 2019 based on the recommendations of the latest Rate Study completed by Lechowicz & Tseng Municipal Consultants.

**RECOMMENDATION:**

No changes are recommended.

**ALTERNATIVES:**

1. Make amendments and approve as amended.

**ATTACHMENT:**

Working Capital and Reserve Fund Policy Fund Policy – June 2019

# **STEGE SANITARY DISTRICT**

## **Working Capital and Reserve Fund Policy**

**June 2019**

The approved policy of the Board is for the Working Capital and Reserve Fund to consist of an Operating Working Capital, a Capital Improvement Working Capital, and a Capital Reserve.

The Operating Working Capital shall be equal to 60% of operating and maintenance costs. This level of funding adjusts annually to equal the District's actual costs from July to December, reflecting the lag in the collection of sewer service charges from the County property tax roll.

The Capital Improvement Working Capital shall be a 3-year average of the annual capital cost (i.e. average of the previous, current, and future year capital cost) plus the annual debt service cost. The goal is to ensure that the District will have adequate funds available on an annual basis to conduct sewer pipeline replacements or in case of an emergency or natural disaster such as an earthquake.

The Capital Reserve is a reserve, or set-aside, established in 2019 that will be accumulated over time and used every five to ten years for major improvements. Annual funding of \$45,000 will accumulate \$225,000 (plus interest earnings) over five years, which could fund retrofits of the Administration Building such as HVAC improvements, roof repairs, repaving the parking lot, etc. This reserve could also provide funding for emergency repairs following a natural disaster such as a fire or earthquake.

## PRIVATE SEWER LATERAL PROGRAMS

### **ISSUE:**

The Board will learn about Ross Valley Sanitary District's private sewer lateral programs from General Manager, Steve Moore.

### **FISCAL IMPACT:**

The fiscal impact would be determined by programs established by the Board, if any.

### **STRATEGIC PLAN:**

GOAL 2: Maintain and Improve Infrastructure

GOAL 3: Ensure Financial Stability and Efficiency

### **BACKGROUND:**

The Stege Sanitary District is currently part of the East Bay Regional Private Sewer Lateral (PSL) Program ([eastbaypsl.com](http://eastbaypsl.com)) that requires a certificate demonstrating PSLs are without leaks and have proper connections in order to prevent the infiltration of rainwater, which can overwhelm wastewater pipes and treatment facilities, and can cause partially treated wastewater to be released into the Bay. This requirement applies when buying or selling a property, building or remodeling in excess of \$100,000, or changing the size of the water meter.

The Board would like to consider taking a more proactive approach to PSL I/I reduction and may consider other programs, such as PSL grants and loans, to further accelerate replacements.

The Board will learn about Ross Valley Sanitary District's private sewer lateral programs from General Manager, Steve Moore.

### **RECOMMENDATION:**

Discuss and consider private sewer lateral programs and direct staff accordingly.

### **ALTERNATIVES:**

1. Take no action.

### **ATTACHMENTS:**

- Ross Valley Sanitary District's Lateral Replacement Grant Program (LRGP) - Resolution 18-1541
- Ross Valley Sanitary District's Lateral Replacement Loan Program (LRLP) - Ordinance No. 70

This Page Left Blank Intentionally

## RESOLUTION NO. 18-1541

### A RESOLUTION OF THE BOARD OF DIRECTORS OF ROSS VALLEY SANITARY DISTRICT AMENDING THE FRAMEWORK AND GUIDELINES OF THE LATERAL REPLACEMENT GRANT PROGRAM

**WHEREAS**, the Sanitary District No. 1 of Marin County ("District") is authorized by the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.) to provide public services and facilities related to the acquisition, construction, replacement, maintenance and operation of wastewater collection facilities within the District's service area; and

**WHEREAS**, the District finds and determines that deficient private lateral conditions are a significant cause of debris entering the public sewer mains and causing elevated risk of sanitary sewer overflows from the public sewer system; and

**WHEREAS**, the District finds and determines that Infiltration and Inflow (I&I) adds substantial cost to system operation and maintenance in that during heavy rains, additional flows are introduced to the wastewater collection system; and

**WHEREAS**, the District conducted a flow monitoring study in 2014 to collect wastewater flow, rainfall, and water quality data that can be used to validate the scope and size of near-term hydraulic capacity improvement projects; and

**WHEREAS**, the District operations records show that I&I flows result in peak system flows up to 15 times normal, dry weather flows, and these extreme peak flows increase the risk of sanitary sewer overflows; and

**WHEREAS**, the District implemented an Infrastructure Asset Management Plan in October 2013 introducing a risk assessment methodology for identifying and recommending specific pipeline improvements; and

**WHEREAS**, industry studies have determined that up to half or more of the I&I is introduced into the wastewater collection system from private sewer laterals or unpermitted drainage structures leading from the private property to the wastewater collection system; and

**WHEREAS**, the District has determined that it is in the interest of public health and safety that the private sewer lateral I&I problem be addressed; and

**WHEREAS**, the District has adopted Ordinance No. 66 relating to the regulation of the maintenance of private sewer laterals, requiring periodic testing and, if necessary, repair or replacement of private sewer laterals; and

**WHEREAS**, on June 24, 2015, the District Board of Directors adopted Resolution No. 15-1493 establishing the framework and guidelines of the Lateral Replacement Grant Program (LRGP); and

**WHEREAS**, the District finds this Resolution No 18-15\_\_ is statutorily exempt from the provisions of the California Environmental Quality Act of 1970 ("CEQA") per CEQA Guidelines Section 15308, Actions by Regulatory Agencies for Protection of the Environment.

**NOW, THEREFORE, LET IT BE RESOLVED** by the Board of Directors of the Ross Valley Sanitary District approves as follows:

**SECTION 1. Recitals.** All of the above Recitals are true and incorporated by reference herein.

**SECTION 2. Lateral Replacement Grant Program Guidelines**

1. Property owners must submit an application from the then-current LRGP Guide for review and approval by the District. Only complete applications that meet the requirements listed below will be accepted and reviewed.
2. All applications will be taken on a first-come, first-served basis.
3. Property owners not in a Common Interest Development (as defined in the Private Sewer Lateral Ordinance) may only apply for one grant per parcel regardless of the number of units, buildings, or laterals serving the property.
4. A property owner of an individual unit in a Common Interest Development that is responsible to maintain the Private Sewer Lateral(s) associated with the unit may apply for one grant.
5. The Homeowners' Association (HOA) of a Common Interest Development may apply for one grant per construction phase in the Corrective Action Plan, if the HOA is responsible for, or elects at its discretion, to replace all Private Sewer Lateral(s), including the portions the property owners are responsible for. Maximum grant funding shall be the lesser of: one grant equivalent funding allocation per parcel connecting to the Private Sewer Lateral(s) replaced, or one-half of the cost of construction based on the approved Corrective Action Plan.
6. Parcels that currently qualify for a Certificate of Compliance are not eligible for LRGP funding.
7. Applications will not be accepted unless funding has been authorized and is available.
8. The LRGP may not be used in conjunction with any other financial assistance program(s) that may be offered by the District.
9. Any repair work performed prior to receiving a letter of approval from the District is performed solely at the risk and cost of the property owner.
10. The Property Owner must submit a DVD or USB with a copy of a sewer lateral video inspection and PDF or other electronic format of the inspection report performed by a contractor holding an A, B, C-36 or C-42 license with the California Contractors State License Board, or National Association of Sewer Service Companies Pipeline Assessment and Certification Program (NASSCO PACP) certification. The Property Owner must also submit a Private Sewer Lateral Inspection Report Form from the then-current LRGP Guide.

11. Sewer lateral video inspections are valid for a period not to exceed one (1) year.
12. Sewer lateral video inspections must meet the following requirements:
  - a. Visually verify the property address for the lateral being inspected,
  - b. Lateral must be cleared of significant debris and/or obstructions to provide a clear view,
  - c. All reasonable efforts must be made to fully inspect the entire lateral, including cleaning and removal of obstructions,
  - d. Any lateral tie in connections need to be inspected and their source identified,
13. The Property Owner must obtain three (3) estimates, dated within 90 days of the application date, from contractors holding an A, B, C-36 or C-42 license with the California Contractors State License Board that will also qualify with the agency having jurisdiction over the right-of-way for any required encroachment permit for work to replace the lateral. The District will use the lowest of the three (3) estimates to establish a funding amount. However, the Property Owner may choose to work with any one of the three qualified contractors.
14. The District has the discretion to provide grant funding in the amount not to exceed half of the lowest of the bids submitted to the District by the Property Owner, up to a maximum amount to be determined by the Board of Directors each fiscal year as part of the annual budget process.
15. Applications will be subject to the established program guidelines, including funding limitations set by the Board of Directors, in place on the date that the application is approved by the District.
16. For any additional work confirmed to be required for completing the lateral replacement, but identified by the Owner after grant approval, the Property Owner may present a written request for additional grant funds if the grant funding obligated towards their project is below the maximum grant allowed in that fiscal year. The District shall have sole discretion to approve/disapprove any additional grant funds for any extra work.
17. The Property Owner is responsible for managing the work, including the activities of the contractor, District permitting and inspection, encroachment and other local jurisdiction permits, restoration work, repairs and claims for damages incurred. The Property Owner shall retain all receipts, permits, inspection reports and other documents.
18. The District may issue grant funds once the Property Owner has submitted an itemized statement of costs, copies of all necessary permits and inspections, and verification that the contractor has been paid in full (e.g. copy of the paid-in-full invoice).
19. Lateral grant funds will be obligated for a period not to exceed ninety (90) days from

the date of grant funding approval. The obligation period shall include all work, inspections, and submission of verification of payment. The District shall have sole discretion to approve/disapprove written requests for grant funding extensions, up to a maximum of sixty (60) days. Grant funding extensions will not be reviewed or approved if funding is not available at the time of request. If program requirements are not completed within the ninety (90) day period or an approved extension period, the grant funding agreement will be nullified and the District will be released of any obligation to issue grant funds to the Property Owner.

20. Property Owners that fail to complete program requirements within ninety (90) days or an approved extension period but wish to reapply for the LRGP will need to begin the application process again and will be treated as new applications subject to the then current conditions of the LRGP.
21. Applications for lateral replacement work initiated and/or completed in a fiscal year(s) previous to the one the application is being submitted will not be reviewed or accepted.
22. Only complete lateral replacements will be considered for grant funding. A request for an exception can be made in writing by to the District if a portion of the lateral has previously been replaced, meets current District lateral standards and specifications, and passes a pressure test during final inspection of the entire lateral.

### **SECTION 3. Permits and Lateral Specifications**

1. A Private Sewer Lateral Permit must be obtained from the District. The lateral must pass final inspection by the District prior to grant reimbursement being issued.
2. As a condition of the grant program the entire lateral must be replaced from the exit of the foundation of the house to the connection with the public sewer main except as stated in Section 3.1.a.
3. All work must conform to the District's then current lateral Specifications and Drawings.

### **SECTION 7. Terms of Agreement**

1. The work done on lateral sewers shall not grant the District, its agents, or employees and/or contractors the power to exercise dominion or control over the subject property and shall not be construed as creating a public project or substantial participation in the planning, approval, construction or operation of the lateral sewers for any purposes. The work does not constitute a grant of any permanent real property rights to the District. The District's participation in this program shall not constitute an acceptance of any permanent real property rights or obligations without express approval of the District's Board of Directors and conveyance by a separate written instrument executed by the appropriate party(ies).



2. The Property Owner of the lateral sewers shall be solely responsible for all future maintenance, repairs, and replacement of the lateral and related appurtenances including cleanouts, backflow prevention devices, wyes, tees, and the connection to the public main. Any warranty(ies) provided for materials supplied or work performed shall remain with the Property Owner and it shall be the Property Owner's responsibility to maintain and/or make any claims thereunder.

## **SECTION 8. Severability**


If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held invalid, unconstitutional or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases is for any reason held invalid, unconstitutional or unenforceable.

## **SECTION 9. Effective Date of Resolution**

The effective date of this Resolution shall be May 1, 2018.

**PASSED, APPROVED, AND ADOPTED** by the Board of Directors of Ross Valley Sanitary District at a regular meeting held this 18<sup>th</sup> day of April, 2018, by the following vote:

AYES: *Boorstein, Gaffney, Kelly, Meigs, Sylla*  
NOES: *None*  
ABSENT: *None*  
ABSTAIN: *None*

  
\_\_\_\_\_  
Doug Kelly  
President of the Board

**Attest:**

  
\_\_\_\_\_  
Thomas Gaffney  
Secretary of the Board

This Page Left Blank Intentionally

**SANITARY DISTRICT NO. 1 OF MARIN COUNTY  
ORDINANCE NO. 70**

**AN ORDINANCE AUTHORIZING CONTRACTUAL ASSESSMENT BETWEEN THE  
DISTRICT AND PRIVATE PROPERTY OWNERS TO ADD THE COSTS OF  
REPLACEMENT OF SEWER LATERALS TO THE PROPERTY TAX ROLL FOR EACH  
INDIVIDUAL PROPERTY FOR WHICH THE CURRENT PROPERTY OWNER ENTERS  
INTO A CONTRACTUAL ASSESSMENT AGREEMENT WITH THE DISTRICT**

**WHEREAS**, the Sanitary District No. 1 of Marin County ("District") is authorized by the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.) to provide public services and facilities related to the acquisition, construction, replacement, maintenance and operation of wastewater collection facilities within the District's service area; and

**WHEREAS**, the District finds and determines that Infiltration and Inflow (I&I) adds substantial cost to system operation and maintenance in that during heavy rains, additional flows are introduced to the wastewater collection system; and

**WHEREAS**, the District conducted a flow monitoring study in 2014 to collect wastewater flow, rainfall, and water quality data that can be used to validate the scope and size of near-term hydraulic capacity improvement projects; and

**WHEREAS**, the District operations records show that I&I flows result in peak system flows up to 15 times normal, dry weather flows, and these extreme peak flows increase the risk of sanitary sewer overflows; and

**WHEREAS**, the District implemented an Infrastructure Asset Management Plan in October 2013 introducing a risk assessment methodology for identifying and recommending specific pipeline improvements; and

**WHEREAS**, industry studies have determined that up to half or more of the I&I is introduced into the wastewater collection system from private sewer laterals or unpermitted drainage structures leading from the private property to the wastewater collection system; and

**WHEREAS**, the District has determined that it is in the interest of public health and safety that the private sewer lateral I&I problem be addressed; and

**WHEREAS**, the District has adopted Ordinance No. 66 relating to the regulation of the maintenance of private sewer laterals, requiring periodic testing and, if necessary, repair or replacement of private sewer laterals; and

**WHEREAS**, recent legislation by the California Legislature (AB741) has amended various sections of the Health and Safety Code thereby allowing public entities to enter into Contractual Assessment agreements with private property owners under which the costs of repairs to an owner's private sewer lateral can be financed and collected by use of the local county tax rolls; and

**WHEREAS**, the District finds this Ordinance No. 70 is statutorily exempt from the provisions of the California Environmental Quality Act of 1970 ("CEQA") per CEQA

Guidelines Section 15308, Actions by Regulatory Agencies for Protection of the Environment.

**NOW, THEREFORE**, the Board of Directors of the Sanitary District No. 1 of Marin County does ordain as follows:

**SECTION 1. Recitals.** All of the above Recitals are true and incorporated by reference herein.

**SECTION 2. Background and Purpose**

The District has developed and begun implementation of a program to plan, fund, and complete projects to upgrade the sewer collection system in a manner that reduces risk of Sanitary Sewer Overflows (SSO). The program includes proposed capacity improvements that are needed to address inflow and infiltration (I&I) that enters the system during heavy rainfall events. .

Mainline replacements will help to eliminate cracks and holes that allow I&I to enter the pipes. However, industry studies have determined that in some Bay Area sewer systems, mainline pipes may be responsible for half or less of I&I. The rest of the I&I comes from failing private sewer laterals, due to poor condition of the laterals and the presence of illegally connected roof drains and other private property storm-water drainage connections.. As a result, many agencies are pursuing private lateral replacements with the same urgency as mainline rehabilitation, in order to accelerate I&I reduction.

The District has over 15,000 lateral connections, which translates to approximately 200 miles of private lateral pipes within the service area. Private lateral pipes can be more problematic than mainline pipes because often they are not replaced along with the mainline. Therefore, the private laterals are older in general than the public system. Further, private laterals are often shallow and can be located in hillsides, making them more prone to movement and damage. Failing sewer laterals and connections not only cause localized private SSO's, but also allow debris such as roots, rocks, and soil that migrate to the public sewer system, causing blockages and public SSOs.

The District implemented a Lateral Replacement Grant Program in 2009 to provide an incentive for property owners to replace defective and leaking private laterals. The individual grant funding amount and number of laterals replaced have varied each year. The total amount of grant funds allocated, through the end of calendar year 2014 is approximately \$1,841,938, with 606 total laterals replaced, or about 102 laterals per year. In FY 2014-15, RVSD has allocated \$850,000 to grant funding, and is issuing an average grant amount of \$3,178. Given the number of laterals that need to be replaced to achieve I&I reduction, reliance on grant funding alone does not achieve the lateral replacements that are needed to sufficiently reduce I&I. The grant funding levels necessary to support a meaningful rate of lateral replacement are also not financially sustainable under the District's five year financial plan. Therefore, the District is implementing a Lateral Replacement Loan Program.

Funding for the Lateral Replacement Loan Program will be determined by the Board of Directors each fiscal year as part of the annual budget process. If the District allocates

100% of the funding available for a fiscal year no additional loans will be approved without Board approval of additional funding for the current fiscal year.

The District has determined that it is in the public interest to reduce the risk of SSOs and to ensure efficient and reliable provision of community wastewater service, and that I&I from private sewer laterals must be addressed. Therefore, facilitating the upgrade and replacement of private sewer laterals has become a priority for the District.

### **SECTION 3. Lateral Replacement Loan Program Guidelines**

1. All applications will be taken on a first-come, first-served basis.
2. The Lateral Replacement Loan Program may not be used in conjunction with any other financial assistance program(s) offered by the District.
3. Property Owners must submit an application and a "Contractual Assessment Agreement" (a copy of which is attached hereto in Exhibit "A") for review and approval by the District. Any repair work performed prior to receiving a letter of obligation from the District is performed solely at the risk and cost of the Property Owner.
4. The Property Owner must have a video inspection of the sewer lateral conducted by a contractor on the Pre-Qualified Contractor List. The District may require that a representative be present to witness this inspection.
  - a. The video will be reviewed by District staff and rated using the Pipeline Assessment Certification Program (PACP) guidelines.
  - b. Only laterals meeting at least one (1) the following requirements will qualify for a loan:
    - i. The sewer later lateral has at least one (1) PACP rated defect;
    - ii. The lateral has failed to pass a pressure test under the requirements of Ordinance 66; or
    - iii. The pipe is partially or wholly constructed of material not listed in Table 1 – Approved Side Sewer/Lateral Pipe Materials of the Districts Lateral Specifications and Drawings.
5. The Property Owner must obtain three (3) estimates from contractors on the Pre-Qualified Contractors List, for work to replace the lateral. The District has the discretion to provide Contractual Assessment Funds in the amount not to exceed either;
  - a. The lowest of the qualified bids submitted to the District by the Property Owner, or
  - b. The actual cost of construction of the work performed, whichever is less.

6. The Property Owner is responsible for managing the work, including the activities of the contractor, District permitting and inspection, restoration work, repairs and claims for damages incurred. The Property Owner shall retain all receipts, permits, inspection reports and other documents.
7. The District may authorize payment once the Property Owner has submitted an itemized statement of costs, copies of all necessary permits and inspections, and a Notice of Completion, executed by the Property Owner, accepting the improvements and authorizing payment. A "Contractual Assessment Agreement" (a copy of which is attached hereto in Exhibit "A") shall be executed and submitted to the District and approved by the District prior to payment. The District will pay the contractor directly for the work performed.
8. For any additional work, the Property Owner may present a written request for additional Contractual Assessment Funds. However, the District shall have sole discretion to approve/disapprove any additional Contractual Assessment Funds for any extra work.
9. Contractual Assessment Funds will be obligated for a period not to exceed ninety (90) days from date of approval of the Contractual Assessment Agreement. The obligation period shall include all work, inspections, and submission of receipts for payments.

#### **SECTION 4. Permits and Lateral Specifications**

1. A sewer repair permit must be obtained from the District. The lateral must pass final inspection by the District prior to payment being administered.
2. As a condition of the loan program the entire lateral must be replaced from the exit of the foundation of the house to the connection with the public sewer main.

Note: If a section of the lateral has previously been replaced and meets current District standards, said section may be excluded from the replacement project if it passes a pressure test (see the District's Lateral Specifications and Drawings, 3-07 – Testing of Gravity Sewers for requirements).

3. All work must conform to the District's then current Lateral Specifications and Drawings.

#### **SECTION 5. Retroactive Requests for Loan Assistance for Emergency Situations**

In the event that a sewer lateral fails, causes a private sewer overflow, and requires immediate replacement, the Property Owner may request loan assistance after the work has been completed, in compliance with the requirements of this Section. A failed lateral is only considered an emergency situation if the cause of the failure cannot be corrected through reasonable efforts, such as mechanical rodding or hydro jetting.

Retroactive requests for loan assistance will only be considered if the work was done under an emergency situation. The granting of relief by the District to allow a property

owner leave to file a "Retroactive Application" shall not be construed to guarantee, represent or warranty that a property owner will be allowed to participate in the Lateral Replacement Loan Program. It is solely within the District's discretion whether to allow a Property Owner to participate in the Loan Program. Any work performed that is sought to be included in the Lateral Rehabilitation Program pursuant to the submission of a "Retroactive Application" is at the owner's risk and cost.

In no case may a "Retroactive Application" be filed with the District greater than thirty (30) days from the substantial completion of the work or after a Notice of Completion has been recorded, whichever is earlier. "Retroactive Applications" filed after thirty (30) days shall be rejected and are not subject to further request for relief or appeal.

Only "Retroactive Applications" meeting the requirements outlined in Section 4 will be considered for approval.

#### **SECTION 6. Contractual Assessment Principal and Interest Rate**

1. The principal sum of cost of the replacement to each Property Owner's sewer lateral shall constitute a lien against the Owner(s) property, for purposes of collection of said principal sum and interest.
2. Said principal sum to accrue interest at a rate of 3.6% per annum. This rate may be modified by the Board of Directors by resolution.
3. The maximum amount of the initial Contractual Assessment Principal allowed per property shall be \$10,000.
4. The maximum term of each Contractual Assessment shall be ten (10) years.
5. There shall be no prepayment penalty.
6. The Contractual Assessment will remain with the property until completely paid regardless of transfer of ownership.

#### **SECTION 7. Terms of Agreement**

1. Each property owner shall be responsible for any additional fees or charges to include, but not limited to, title search fees and recording fees, related to the participation, execution and/or recording of the Contractual Assessment Agreement. These fees may be added to the principal amount of the lien against the property which is to be added to the County Tax Rolls at the District's discretion.
2. Pursuant to Health & Safety Code §§ 5470 – 5474.10 and 6940 – 6941.9, the Property Owner(s) and the District shall enter into a "Contractual Assessment Agreement" whereby it is agreed that the above-referenced semi-annual principal and interest installment amounts shall be installment payments to the County of Marin Tax Rolls, to be collected at the same time and in the same manner as county taxes are collected.

3. Said lien/assessment shall be of the same force and effect as other liens for taxes, and their collection shall be enforced by the same means as provided for the enforcement for liens for counts taxes.
4. The "Contractual Assessment Agreement" executed by each Property Owner and approved by the District shall be recorded with the Marin County Recorder's office. A copy shall also be provided to the Marin Tax Collector if necessary.
5. Pursuant to Health & Safety Code § 6487, the District's General Manager or designee is hereby authorized, on behalf of and in the name of the District, to execute each "Contractual Assessment Agreement" entered into with a Property Owner.
6. The work done on the lateral sewers shall not grant the District, its agents, or employees and/or contractors the power to exercise dominion or control over the subject property, and shall not be construed as creating a public project or substantial participation in the planning, approval, construction or operation of the lateral sewers for any purposes. The work does not constitute a grant of any permanent real property rights to the District. Nor is the District's participation in this program to be construed as an acceptance of any permanent real property rights or obligations without express approval of the District's Board of Directors and conveyance by a separate written instrument executed by the appropriate party(ies).
7. The Property Owner of the lateral sewers shall be solely responsible for all future maintenance and repairs to the sewer lateral or everything required to install and maintain said laterals, including cleanout or any wyes or tees attached or "cut-in" to the main sewer lines. Any warranty(ies) provided for materials supplied or work performed shall remain with the Property Owner and it shall be the Property Owner's responsibility to maintain and/or make any claims thereunder.

#### **SECTION 8. Severability**

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held invalid, unconstitutional or unenforceable, such holding shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases is for any reason held invalid, unconstitutional or unenforceable.

#### **SECTION 9. Effective Date of Ordinance**

This Ordinance shall be published once in the Marin Independent Journal, a newspaper of general circulation published in the District. The effective date of this Ordinance shall be March 1, 2015.



**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of Sanitary District No. 1 of Marin County, held on the 28<sup>th</sup> day of January, 2015 by the following vote:

AYES: *Sylla, Boorstein, Egger, Meigs, Gaffney*

NOES:

ABSENT:

ABSTAIN:

*Thomas Gaffney*

\_\_\_\_\_  
Thomas Gaffney  
President of the Board

**Attest:**

*Michael Boorstein*

\_\_\_\_\_  
Michael Boorstein  
Secretary of the Board

RECORDING REQUESTED BY:  
Sanitary District No. 1 of Marin County  
2960 Kerner Blvd.  
San Rafael, CA 94901

WHEN RECORDED MAIL TO:  
Sanitary District No. 1 of Marin County  
2960 Kerner Blvd.  
San Rafael, CA 94901

THIS SPACE FOR RECORDER'S USE ONLY

---

**CONTRACTUAL ASSESSMENT AGREEMENT**  
[Health & Safety Code §§5464, 5465, 5474 & 5474.6]

---

THIS CONTRACTUAL ASSESSMENT AGREEMENT made this of \_\_\_\_\_ day of \_\_\_\_\_, between \_\_\_\_\_ (the "Owner(s)"), whose address is \_\_\_\_\_, \_\_\_\_\_, CA, \_\_\_\_\_, A.P.N. \_\_\_\_\_, and the SANITARY DISTRICT NO. 1 OF MARIN COUNTY, aka. ROSS VALLEY SANITARY DISTRICT, (the "RVSD"), a sanitary district, created pursuant to The Sanitary District Act of 1923, Health & Safety Code §§ 6400 et seq., whose address is 2960 Kerner Blvd., San Rafael, CA 94901; and

WHEREAS, the Owner(s) and RVSD did agree, pursuant to Health & Safety Code §§ 5465 and 5465, to the replacement of existing sewer laterals on Owner(s)' property and that said cost of the lateral replacement shall constitute the cost of an improvement for connection to a sewer system pursuant to Health & Safety Code §§ 5464 AND 5474; and

WHEREAS, RVSD did fund said cost of the lateral replacement in the sum of \$ \_\_\_\_\_; and

WHEREAS, IN CONSIDERATION for the replacement of Owner(s) entire Sewer Laterals and for RVSD's having funded the costs of construction and repair of Owners(s) Private Sewer Laterals for the principal sum of \$ \_\_\_\_\_;

OWNER(S) AND RVSD DO HEREBY AGREE AS FOLLOWS:

1. Said principal sum of \$ \_\_\_\_\_, shall constitute a lien against Owner(s) property, whose address is \_\_\_\_\_, \_\_\_\_\_, CA, \_\_\_\_\_ A.P.N. \_\_\_\_\_, not unlike that of a regular assessment against said property for the RVSD's regular annual assessment for sewer charges related to sewer service for purposes of collection of said principal sum and interest; and
2. Said principal sum of \$ \_\_\_\_\_ to accrue interest at the rate of \_\_\_\_\_ percent per annum; and

3. Said lien/assessment amount plus interest shall be payable to LGVSD in semi-annual installments of \$ \_\_\_\_\_; commencing on \_\_\_\_\_ and ending on \_\_\_\_\_; Attached is a amortization schedule which shows the installment amounts and due dates;
4. Pursuant to Health & Safety Code §§ 5470 -5474.10 and 6940 –6941.9, Owners(s) and RVSD agree that said semi-annual principal and interest installment amounts shall be collected pursuant to the procedures for regular assessment by addition of said installment payment to the County of Marin Tax Rolls, to be collected at the same time and in the same manner as county taxes are collected; and
5. Said lien/assessment shall be of the same force and effect as other liens for taxes, and their collection shall be enforced by the same means as provided for the enforcement for liens for county taxes.

OWNER(S): _____ Signature _____ Print Name _____ Dated: _____	OWNER(S): _____ Signature _____ Print Name _____ Dated: _____
---	---

**ACKNOWLEDGMENT**

**KIDS FOR THE BAY - WATERSHED ACTION PROGRAM (WAP)**

**ISSUE:**

The Board will consider supporting the KIDS for the BAY Watershed Action Program (WAP) for the 2021-22 School Year.

**FISCAL IMPACT:**

The proposal is for \$12,000.

**STRATEGIC PLAN:**

GOAL 5: Maintain and Improve Community Outreach and Communication

WORK PLAN ITEM “g”: Work cooperatively with other agencies within and around our service area

WORK PLAN ITEM “i”: Maintain governance and transparency practices that qualify for the Special District Leadership Foundation District of Distinction Accreditation and the District Transparency Certificate of Excellence

**BACKGROUND:**

With the ongoing partnership of the Stege Sanitary District, KIDS for the BAY (KftB) has successfully provided the WAP to schools in the Stege Sanitary District area since 2009. KftB is requesting continued support for the WAP for the coming school year at the \$12,000 level to continue the partnership and continue to deliver the program within the District.

The KftB WAP also fulfills one of the Outreach/Best Practices Requirements of the Special District Leadership Foundation (SDLF) District Transparency Certificate of Excellence. The WAP is considered a Special Community Engagement Project that promotes community engagement within our District.

**RECOMMENDATION:**

Approve \$12,000 to fund the KIDS for the BAY WAP for the 2021-22 School Year.

**ALTERNATIVES:**

1. Approve funding at a different amount.
2. Take no action and provide staff further direction.
3. Reject funding the program.

**ATTACHMENTS:**

Kids for the Bay - Watershed Action Program Proposal

This Page Left Blank Intentionally

# **KIDS for the BAY**

## **Watershed Action Program**

### **Proposal to Stege Sanitary District**

For the 2021 –2022 School Year

#### **Introduction**

KIDS for the BAY (KftB) has successfully provided the Watershed Action Program to schools in the Stege Sanitary District (SSD) area for the past twelve years. We will be submitting our Final Report on the Watershed Action Program for the 2020 – 2021 School Year in July. Although this was an unusual year due to the pandemic, KftB successfully engaged two fourth grade classes of students, teachers and families in a special version of the Watershed Action Program adjusted for distance learning.

We would now like to request continued funding for the Watershed Action Program for the coming 2021 – 2022 school year, which should be in-person, at the \$12,000 level, to continue our partnership with SSD and to deliver this program in your area of service.

A description of the Watershed Action Program and organizational information on KIDS for the BAY are included in this proposal.

#### **The Watershed Action Program**

Working with KftB, schools adopt their local watershed and use the watershed as a stimulating educational resource and as a focus for environmental action. In the Watershed Action Program (WAP) students:

- learn how their school neighborhood connects with their local creeks, the San Francisco Bay estuary and the Pacific Ocean
- study watershed ecology, environmental health and environmental justice issues
- learn about point and nonpoint sources of pollution that pollute the watershed including sanitary sewer system pollution and how to prevent back-ups
- plan pollution reduction projects, including personal actions to reduce pollution, presentations to families and peers and school campus trash cleanup projects
- implement restoration projects to grow and plant trees, wildflowers and native grasses along local creeks
- complete neighborhood, creek and bay habitat trash cleanup projects.

The WAP is a comprehensive, in-depth education program. It includes:

- five two-hour classroom lessons at the school site with preparation and follow up activities for the teacher to complete with their students
- a creek, bay and neighborhood trash cleanup project
- a watershed field trip to a local creek or bay habitat
- an Environmental Action Project, which the students plan, develop and implement, with instruction and guidance from KftB and their classroom teacher.

#### **Next Generation Science Standards**

The KIDS for the BAY Watershed Action Program supports Next Generation Science Standards and includes a useful guide for teachers to help them identify the standards integrated into each activity.

## Classroom Lessons

For each lesson the KftB Educator teaches all the activities and models them for the teacher with their students. Each lesson includes hands-on activities, visual aids, multimedia resources, group work, problem solving and critical thinking. Students learn about the unique ecosystem of the San Francisco Bay watershed, its biology, chemistry and ecology and how it connects with their neighborhoods through local urban creeks, the storm drain system and the sanitary sewer system. Students study sources of pollution to their local watershed and learn how pollution entering the storm drain system and the sanitary sewer system affect the entire ecosystem.

## Reducing Sanitary Sewer System Pollution

KftB students learn about the importance of **preventing sanitary sewer system back-ups**, the problems caused by pollution entering the bay through the sanitary sewer system and how to reduce this pollution. They learn about **the importance of keeping Fats, Oils, and Greases (FOG) out of the sanitary sewer system**. Students brainstorm different types of foods that contain FOG, learn how FOG can collect in pipes and cause sanitary sewer system back-ups and overflows, and learn how to dispose of FOG safely to prevent back-ups and overflows. Students learn how the sanitary sewer system and the storm drain system are normally separate systems, but when an overflow occurs sewage water can enter the storm drain system and cause serious pollution problems.

Students also **learn about the problems with “flushable” wipes**, which are not actually flushable and cause clogging and back-up problems when flushed down the toilet. Instead these wipes should be disposed of in the garbage.

KftB students learn that disposing of **prescription medicine, household chemicals and automotive fluids into the sanitary sewer system can introduce harmful chemicals to the bay**. They learn that these items should not be disposed of down the drain but should be taken to local disposal sites.

KftB students:

- take home free gift food scrapers and educate their families to use scrapers to remove FOG from pots and pans after cooking and dispose of FOG in the garbage can
- complete take-home interviews and make pledges with family members to change their behaviors at home to reduce sanitary sewer system pollution.

## Creek, Bay and Neighborhood Trash Cleanup Projects

After learning how everything in a watershed is connected, students are motivated to clean up their own neighborhood, creek and bay habitats, because they see how a piece of garbage can travel through the watershed system to harm a marine animal living many miles away. Students organize trash cleanup projects and recruit their families and fellow school students to participate.

## Creek and Bay Field Trips

The field trips give students and teachers a direct, hands-on experience in a natural watershed habitat. In addition to learning the science of the habitat, students make real connections with nature and develop further reasons to protect and care for their watershed. The KftB Educator meets the class at the field trip site and leads activities with students and models them for the teacher. Sample field trip descriptions:

**Creek Field Trip** – Students study the creek habitat and the fascinating aquatic invertebrates that make the creek their home. They are excited to find damselfly nymphs,

water striders, mayfly nymphs, caddis fly larvae and many more interesting invertebrates. Students study the adaptations of these organisms and complete a survey to determine if their creek site is healthy by assessing the quantity of a variety of aquatic invertebrate indicators. Students study locally native creek-side plants, including ferns, willows, buckeye trees and more and complete observational drawings of the plants. They investigate the velocity of the creek and test the water quality to further assess the health of the creek habitat. Tests include pH and oxygen levels, salinity, temperature and other indicators of creek health.

**Bay Field Trip** – Students study the animal and plant life in the rocky shore habitat and learn about the adaptations that help them survive in this special environment. Crabs, barnacles, clams, mussels, marine pill bugs, and sea lettuce are some of the organisms the students find in their investigations. Students closely observe a shoreline crab’s anatomy and answer questions about its adaptations and behaviors before carefully returning it to the exact rock under which it was discovered. Students collect plankton in bay water samples, including larval fish, juvenile crabs and barnacles, diatoms, and many more species. They identify zooplankton and phytoplankton using field microscopes. Students also learn how the San Francisco Bay is an important site in the Pacific Flyway for migratory birds. They observe a variety of birds, including egrets and cormorants, and use binoculars and field guides to identify the birds and classify their feeding habits.

Students use field journals to identify plants, animals and landmarks and record their observations. The field journals are prepared with specific information and activities for each field trip site. The students are proud of their journals and excited to have a scientific record of their experience to take back to school with them and share with their families. All field trip sites are on public land and accessible by public transport. Students often bring their families back to their field trip site to share what they have learned. The field trips take students into the outdoors and give them a direct, hands-on experience in a natural habitat that builds on the prior classroom learning experiences.

#### Local Watershed Action Projects

Students have the opportunity to develop their leadership skills by completing an Environmental Action Project in their local watershed environment. Students select their own project, as a class, and take action to:

- adopt, clean up and restore local urban creeks by removing trash and invasive plants and by planting trees and wildflowers, in collaboration with local agencies
- complete daily water usage logs and implement water conservation projects
- teach family members and peer students how to safely prepare and cook fish from the San Francisco Bay to reduce the intake of toxins
- lead schoolwide assemblies and video presentation events to teach how to protect and care for the watershed environment
- Organize schoolwide zero-waste events to practice using the Five Rs (Reduce, Reuse, Recycle, Rot and Refuse) to reduce trash and waste.

#### **Teacher Training Model**

KftB provides the unique opportunity for teachers to learn alongside their students in a comprehensive Teacher Training Model, which includes:

- professional level academic credit for teachers through our partnership with California State University East Bay



- modeling of classroom lessons, field trips and Environmental Action Projects
- a curriculum guide
- an equipment kit
- a year of follow-up support to help teachers to teach programs themselves with each new class of students (Blue Watershed Classrooms program)
- a Schoolwide Impact Approach which ensures that a grade level team of teachers, the school principal, students and parents are engaged in the WAP.

### **Blue Watershed Classrooms**

Our Blue Watershed Classrooms teacher follow-up program (BWC) provides support for KftB partner teachers who continue to develop watershed-friendly, low-waste classrooms with their students and families. A KftB Educator meets with each teacher to provide a program orientation and an equipment kit. Teachers are provided with the tools to lead easy-to-follow lessons on watershed health, and school campus trash cleanup projects with their students, to commit to low-waste events with students and families and to set up effective waste-management systems in their classrooms. Teachers and students may also lead schoolwide educational events and trash cleanup field trips. All teacher participants receive a certificate and recognition on the KftB website. They are also entered into a drawing to win a KftB Classroom Workshop or Spring Field Trip for their class. In the 2020-2021 school year, 20 partner teachers and 555 students participated in the BWC through distance learning. Transitioning the BWC program into an online format has made it even more user-friendly for teachers!

### **Organization Description**

KIDS for the BAY provides vital environmental education, primarily to low-income, urban elementary school communities in Alameda and Contra Costa Counties. KftB programs turn the local environment into a living laboratory for hands-on science education and environmental stewardship. KftB students learn that everyone has the right to live in a clean and healthy environment. Students are empowered to become environmentalists and take action in their communities. Teachers are provided with the tools and skills needed to turn the local environment into a key educational resource and to develop a watershed-friendly, zero-waste classroom with their students. Programs support Next Generation Science Standards. KftB is a project of Earth Island Institute, our fiscal sponsor.

### Mission Statement

KIDS for the BAY collaborates with teachers to inspire environmental consciousness in children and cultivate a love of learning. We are committed to equal access to environmental science education and to restoring a healthy environment for all communities. Since 1992, KftB has provided empowering programs for **97,171 students** and more than **12,000 parents**. We have also provided curricula, resources and training to **3,906 teachers**. We are currently in our 29<sup>th</sup> year of operation.

The goal of KftB is equal access to environmental education for all children. KftB teaching strategies include: English Language Learner support, support for students with special educational needs, and addressing environmental health and justice issues that affect the communities we partner with. KftB provides internal professional development for our staff to develop culturally literate, environmental education leaders from diverse backgrounds. Staff training in Diversity, Equity and Inclusion, Teaching Environmental Justice, Culturally Responsive Classroom Management and Teaching English Language Learners is provided annually. Our website list of Past Staff includes many women and 75% people of color. During our almost 29-year history, KftB has helped to develop a new generation of leaders in environmental education. Please visit our website to read our Diversity Policy and our Theory of Change: [www.kidsforthebay.org](http://www.kidsforthebay.org).

# KIDS for the BAY

## Teacher Evaluation Survey

Timestamp	Your Name	School Name	KftB Educator Name	Have you noticed a change in awareness, attitude, and/or behavior in your students as a result of the program? If so, please describe how.	Please describe the virtual lesson activities that were most engaging for your students.	Please describe the success of the Action Project (consider skills students developed, environmental impact, and behavior changes).
6/9/2021 21:05:00	Becky Raikow	Madera Elementary	Laurel Sebastian	They really enjoyed the program. They liked the hands on experiments and learned a great deal about their local watershed.	The 'eggsperiment' was the most engaging. They enjoyed comparing fresh water with salt water and learned about the differences.	The action project helped to bring the watershed program full circle for students. It was a good way for them to demonstrate their knowledge of the local watershed and what they can do to support it.

Has the Watershed Action Program increased your confidence and ability to teach environmental science education? If yes, please explain how.	Please suggest any improvements to the Classroom Lessons or Action Project.	Please describe one strength and one area of improvement for your KftB educator.	Are there any activities that we could adjust to better address NGSS or common core standards? If yes, how?	If you could change the program to make it more accessible to future teachers, what would you change and why?	How did the Virtual Field Trip connect to or enhance the Classroom Lesson and Action Project components of the program?
Yes. I'm not originally from California, so this program has helped me to better understand the local watershed.	none	Laurel was very organized and had good lesson plans for each session.	n/a	I thought it was really good, so I'm not sure what I would change.	The virtual field trip connected the classroom lesson by going to Muir beach. It connected a local place with animals and the environment that students have been learning about.

APPOINTMENT OF LABOR NEGOTIATOR – BOARD PRESIDENT

**ISSUE:**

The Board will consider appointing the Board President as labor negotiator for the purpose of negotiations with District Counsel.

**FISCAL IMPACT:**

The fiscal impact of appointing the Board President as labor negotiator is minimal.

**STRATEGIC PLAN:**

GOAL 4: Provide a Safe and Rewarding Work Environment that Recognizes the Worth and Value of Employees

**BACKGROUND:**

The Board will consider appointing the Board President as labor negotiator for the purpose of negotiations with District Counsel in advance of an upcoming performance evaluation and consideration of a compensation increase.

**RECOMMENDATION:**

Appoint the Board President as labor negotiator for the purpose of negotiations with District Counsel.

**ALTERNATIVES:**

1. Appoint a different labor negotiator for the purpose of negotiations with District Counsel.
2. Take no action and provide staff further direction.

**ATTACHMENTS:**

None.

**STEGE SANITARY DISTRICT**  
**Investment, Cash & Receivables Report**

**1:05 PM**  
**06/14/2021**

As of May 31, 2021

	<u>May 31, 2021</u>	<u>April 30, 2021</u>	<u>\$ Change</u>	<u>Deposits</u>	<u>Checks</u>	<u>Transfers</u>
<b>ASSETS</b>						
<b>Current Assets</b>						
<b>Checking/Savings</b>						
<b>LAIF Investment Accts</b>						
11012 · Sewer Operations- 3418	9,943,263	10,168,263	-225,000	0	0	-225,000
11014 · System Rehab- 3423	1,010,796	1,010,796	0	0	0	0
<b>Total LAIF Investment Accts</b>	<u>10,954,060</u>	<u>11,179,060</u>	<u>-225,000</u>	<u>0</u>	<u>0</u>	<u>-225,000</u>
<b>Checking Accts</b>						
100 · Mechanics Bank	91,239	193,802	-102,563	2,216	-329,779	225,000
100 · County Cash Acct #3418	-131,770	-131,770	0 *	0 *	0	0
<b>Total Checking Accts</b>	<u>-40,531</u>	<u>62,032</u>	<u>-102,563</u>	<u>2,216</u>	<u>-329,779</u>	<u>225,000</u>
11021 · Petty Cash	250	250	0	0	0	0
<b>Total Checking/Savings</b>	<u>10,913,779</u>	<u>11,241,342</u>	<u>-327,563</u>	<u>2,216</u>	<u>-329,779</u>	<u>0</u>
301 · Ca Employer's Retiree Benefit Trust	232,647	232,647	0	0	0	0
<b>Total CA Employer's Retiree Benefit Trust</b>	<u>232,647</u>	<u>232,647</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Accounts Receivable</b>						
11072 · Accounts Receivable	3,925	4,094	-169			
<b>Total Accounts Receivable</b>	<u>3,925</u>	<u>4,094</u>	<u>-169</u>			

Note: \* Reduction or Increase is based on property tax estimate.

I hereby certify that the invested funds of the Stege Sanitary District are in compliance with the investment policies of the Stege Sanitary District and provide sufficient liquidity to meet budgeted expenses for the next six month period.

\_\_\_\_\_  
Rex Delizo, District Manager

\_\_\_\_\_  
Date

STEGE SANITARY DISTRICT

Operating Statement

06/14/2021

May 2021

91.78% of Fiscal year Completed

	<u>July-May 2021</u>	<u>Annual Budget</u>	<u>% of Annual Budget</u>
<b>Income</b>			
<b>31 - OPERATING REVENUE</b>			
31010 - Sewer Service Charges	2,660,580	2,789,000	95%
31020 - Permit & Insp. Fees	8,125	15,000	54%
31030 - Connection Fees	50,266	150,000	34%
31040 - San Pablo Impact Fee	4,958	250,000	2%
31080 - Contracted Services	-	30,000	0%
31010a - Capital Service Charges	2,736,134	2,901,000	94%
<b>Total 31 - OPERATING REVENUE</b>	<u>5,460,062</u>	<u>6,135,000</u>	<u>89%</u>
<b>32 - NON-OPERATING REVENUE</b>			
32050 - Interest - 3418	37,712	70,000	54%
32052 - Interest - 3423	4,908	15,000	33%
32080 - Property Taxes	509,091	400,000	127%
32085 - Insurance Dividend	-	-	0%
32090 - Miscellaneous	2,603	21,000	12%
<b>Total 32 - NON-OPERATING REVENUE</b>	<u>554,313</u>	<u>506,000</u>	<u>110%</u>
Transfer (to)/from Reserves	-	1,861,911	0%
<b>Total Income</b>	<u>6,014,376</u>	<u>8,502,911</u>	<u>71%</u>
<b>Expense</b>			
<b>OPERATING EXPENSES</b>			
<b>Administration/General</b>			
45-010 - Salaries & Wages	193,080	201,000	96%
45-020 - Employee Benefits	134,188	165,644	81%
45-029 - Retiree Health	9,284	10,300	90%
45-030 - Directors Expenses	17,640	39,731	44%
45-070 - Insurance	155,101	167,000	93%
Administration - Other	164,479	287,000	57%
<b>Total Administration</b>	<u>673,771</u>	<u>870,675</u>	<u>77%</u>
<b>Maintenance/Engineering</b>			
41-010 - Salaries & Wages	972,379	1,046,160	93%
41-020 - Employee Benefits	414,588	604,566	69%
41-029 - Retiree Health	9,294	10,300	90%
41-100 - Operating Supplies	16,366	40,000	41%
41-110 - Contractual Services	76,522	98,100	78%
41-207 - Contracted Repairs	53,694	66,000	81%
Maintenance- Other	165,950	311,450	53%
<b>Total Maintenance/Engineering</b>	<u>1,708,792</u>	<u>2,176,576</u>	<u>79%</u>
Pump Stations	12,170	16,460	74%
<b>Total OPERATING EXPENSES</b>	<u>2,394,734</u>	<u>3,063,711</u>	<u>78%</u>
<b>CAPITAL</b>			
41-650 - Debt Repayment (SRF Loans)	148,220	148,200	100%
Construction Projects	921,427	4,977,000	19%
Outlay(Maintenance/Engineering)	140,737	314,000	45%
<b>Total CAPITAL</b>	<u>1,210,383</u>	<u>5,439,200</u>	<u>22%</u>
<b>Total Expense</b>	<u>3,605,117</u>	<u>8,502,911</u>	<u>42%</u>
<b>Net</b>	<u>2,409,259</u>	<u>0</u>	

<b>10:27 AM</b>	<b>STEGE SANITARY DISTRICT</b>			
<b>06/14/2021</b>	<b>Check Report</b>			
<b>Accrual Basis</b>	<b>June 17, 2021</b>			
	<b>Name</b>	<b>Memo</b>	<b>Amount</b>	<b>Num</b>
<b>Jun 17, 21</b>				
	Aramark Uniform Services	Uniform Services	-547.60	27123
	Cerrito Printing, Inc.	Summer Newsletter 2021	-4,854.69	27124
	CWEA	Membership Renewal #45251 Wright	-192.00	27125
	Direct Line	Answering Service 05/01-31/21	-105.00	27126
	ENR	Subscription Renewal Acct# 1109034062	-48.00	27127
	Exxonmobil	Gas	-129.41	27128
	MR Copy	Copier Supplies	-237.34	27129
	PG&E- #0103467151-9	Burlingame Pump Station	-83.33	27130
	PG&E- #6675831511-4	Office/Shop	-891.77	27131
	S.P. Automotive	Maintenance Supplies	-135.45	27132
	Schaaf & Wheeler	Canon Pump Station Design	-9,015.00	27133
	TelePacific Communications	Office Phones	-1,081.81	27134
	Universal Building Services	Janitorial May	-393.00	27135
	Cerrito Printing, Inc.	Summer Newsletter 2021 Postage	-2,164.85	27136
<b>Jun 17, 21</b>			<b>-19,879.25</b>	

## STEGE SANITARY DISTRICT BOARD OF DIRECTORS MEETING AGENDA CALENDAR

JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021
1/1 & 1/18 HOLIDAY  CASA Winter Conf. Jan 27-28, Virtual Event	2/15 HOLIDAY  <del>CASA Policy Forum Feb ???, Wash, DC</del>	AB 1234 Training (even years)		5/31 HOLIDAY  AB 1661 Training (odd years)	6/9 Safety and Recognition Awards Luncheon
1/7/2021 – 7:00 P.M.	2/11/2021 – 7:00 P.M.	3/6/2021 – <b>9:00 A.M.</b>	4/1/2021 – 7:00 P.M.	5/6/2021 – 7:00 P.M.	6/3/2021 – 7:00 P.M.
<ul style="list-style-type: none"> <li>• Board Governance Manual Review</li> <li>• Long Range Planning Workshop Agenda</li> <li>• Service Rate Discussion</li> <li>• District of Distinction (even years)</li> <li>• Director’s Contact Info</li> <li>• Board Training Summ.</li> <li>• CASA Conference</li> </ul>	<ul style="list-style-type: none"> <li>• Actuarial Analysis of Retiree Health Benefits Report (even years)</li> <li>• Long Range Planning Workshop Agenda</li> <li>• Service Rate Discussion</li> <li>• Performance Report</li> <li>• Board Training Summ.</li> <li>• CASA Conf. + Attendee Reports</li> <li>• Form 700</li> </ul>	<u>9AM Meeting Time</u> <ul style="list-style-type: none"> <li>• Long Range Planning Workshop <ul style="list-style-type: none"> <li>– Past 5 yrs. Expenditures Review</li> <li>– Self-Assessment of Governance</li> <li>– Strategic Plan Review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Service Rate Discussion/ Approval (&amp; 30-day Notice)</li> <li>• Board Training Summ.</li> <li>• Diversity, Equity, and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Appoint Labor Negot.</li> <li>• CLOSED SESSION – Conf. Labor Negot.</li> <li>• Draft Budget</li> <li>• Board Training Summ.</li> <li>• July 4<sup>th</sup> Fair Discussion</li> <li>• Review of Comparable Agencies</li> <li>• Diversity, Equity, and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Draft Budget</li> <li>• Review Directors’ Meeting Compensation</li> <li>• District Working Capital and Reserve Policy</li> <li>• Approve Project Plans and Specs (+CEQA)</li> <li>• July 4<sup>th</sup> Fair Discussion</li> <li>• CASA Conference</li> <li>• Diversity, Equity, and Inclusion</li> </ul>
1/21/2021 – 7:00 P.M.		3/18/2021 – 7:00 P.M.	4/15/2021 – 7:00 P.M.	5/20/2021 – 7:00 P.M.	6/17/2021 – 7:00 P.M.
<ul style="list-style-type: none"> <li>• CLOSED SESSION – Quarterly Claims Rpt – Manager Perf. Eval.</li> <li>• Board Governance Manual Approval</li> <li>• Long Range Planning Workshop Agenda</li> <li>• Service Rate Discussion</li> <li>• Quarterly Financial Statements</li> <li>• SPASPA Status Report</li> <li>• CASA Conference</li> </ul>		<ul style="list-style-type: none"> <li>• Auditor – RFP</li> <li>• California Employer’s Retiree Benefit Trust (CERBT)</li> <li>• Service Rate Discussion</li> <li>• Action Plan</li> <li>• Consent Decree Quarterly Report</li> <li>• Board Training Summ.</li> <li>• Form 700</li> </ul>	<ul style="list-style-type: none"> <li>• CLOSED SESSION – Quarterly Claims Rpt</li> <li>• Draft Budget</li> <li>• Employee Benefit Package Review</li> <li>• Service Rate Discussion/Approval (+ 30-day Notice)</li> <li>• July 4<sup>th</sup> Fair Discussion</li> <li>• Quarterly Financial Statements</li> <li>• SPASPA Status Report</li> </ul>	<ul style="list-style-type: none"> <li>• CLOSED SESSION – Manager Perf. Eval. – Conf. Labor Negot.</li> <li>• Resolution Ordering Board Election (even years)</li> <li>• Connection Charge</li> <li>• Draft Budget</li> <li>• July 4<sup>th</sup> Fair Discussion</li> <li>• Service Rate Discussion/Approval (+ 30-day Notice)</li> </ul>	<ul style="list-style-type: none"> <li>• CLOSED SESSION – Counsel Perf. Eval.</li> <li>• Resolution Salary of District Manager</li> <li>• Resolution Employee Salary Ranges</li> <li>• Resolution Approve/Adopt Budget</li> <li>• Review and Approve Incentive Award</li> <li>• Adopt Incentive Award Goals &amp; Objectives</li> <li>• July 4<sup>th</sup> Fair Discussion</li> <li>• CD Quarterly Report</li> <li>• CASA Conference</li> </ul>

# STEGE SANITARY DISTRICT BOARD OF DIRECTORS MEETING AGENDA CALENDAR

JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	DECEMBER 2021
7/5 HOLIDAY 4 <sup>th</sup> of July Fair Booth	CASA Annual Conf. Aug 11-13, San Diego  CSDA Annual Conf. Aug 30-Sep 1, Monterey	9/6 HOLIDAY		11/25-26 HOLIDAY	12/9 HOLIDAY LUNCHEON  12/24 & 12/31 HOLIDAY
7/8/2021 – 7:00 P.M.	8/19/2021 – 7:00 P.M.	9/9/2021 – 7:00 P.M.	10/7/2021 – 7:00 P.M.	11/11/2021 – 7:00 P.M.	12/9/2021 – <b>2:00 P.M.</b>
<ul style="list-style-type: none"> <li>July 4<sup>th</sup> Fair Debrief</li> <li>CASA Conference</li> <li>CSDA Conference</li> <li>Diversity, Equity, and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Select Actuary for Analysis of Retiree Health Benefits (odd years)</li> <li>Quarterly (FY End) Financial Statements</li> </ul>	<ul style="list-style-type: none"> <li>CSDA Conference – Attendee Reports</li> <li>Diversity, Equity, and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Regional PSL Program Update</li> <li>Regional FOG Program Update</li> </ul>	<ul style="list-style-type: none"> <li>Proposed Meeting Calendar</li> <li>Board Officer Succession Plan</li> <li>CASA Conference</li> </ul>	<u>2PM Meeting Time</u> <ul style="list-style-type: none"> <li>Fiscal Year Financial Audit</li> <li>Resolution Certifying Election Results (even years)</li> <li>Emergency Contact Update</li> <li>Meeting Calendar</li> <li>Consent Decree Quarterly Report</li> <li>CASA Conference</li> <li>Pension + OPEB UAL Reports</li> <li>Nomination &amp; Election of Officers</li> </ul>
7/29/2021 – 7:00 P.M.	<ul style="list-style-type: none"> <li>Conn. Charge Report per Gov. Code 66013</li> <li>CASA Conference – Attendee Reports</li> <li>CSDA Conference</li> </ul>	9/23/2021 – 7:00 P.M.	10/21/2021 – 7:00 P.M.		
<ul style="list-style-type: none"> <li>CLOSED SESSION – Quarterly Claims Rpt</li> <li>Hearing +Res./Ord. – Establish and Collect Sewer Service Charges – Director Meeting Compensation</li> <li>Resolution Filing Notice of Completion</li> <li>District Investment Policy</li> <li>Reimb. Report per Gov. Code 53065.5</li> <li>Quarterly Financial Statements</li> <li>Candidate filing period (even years)</li> <li>SPASPA Status Report</li> <li>CASA Conference</li> <li>CSDA Conference</li> <li>Form 470</li> </ul>		<ul style="list-style-type: none"> <li>Health Care Benefits Review</li> <li>Consent Decree Quarterly Report</li> </ul>	<ul style="list-style-type: none"> <li>CLOSED SESSION – Quarterly Claims Rpt</li> <li>SPASPA Status Report</li> <li>Quarterly Financial Statements</li> </ul>		