

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF JANUARY 12, 2017
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

***** **AGENDA** *****

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

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)

IV. Approval of Minutes

Motion:

A. Approval of December 8, 2016 Board Meeting Minutes

(The Board will be asked to review and approve the minutes of December 8, 2016 Board Meeting)

Info:

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. California Water Environment Association (CWEA) Collection System Specialty Workshop 2017

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF JANUARY 12, 2017
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Info: **VI. Reports of Staff and Officers**

A. Manager's Report

1. Director's Contact Info
2. Board of Director's Training
3. California Association of Sanitation Agencies(CASA)
 - January 18-20, 2017- Winter Conference, Palm Springs, CA
 - February 27-March 1, 2017 – Washington D.C. Conference
 - August 22-24, 2017 – 62nd Annual Conference, San Diego, CA

VII. Business

Ordinance/Motion A. Ordinance 2073-0117 Amending Chapter 7 of the Stege Sanitary District Ordinance Code – Connection Charge

(The Board will be asked to approve the Ordinance)

Info/Motion: B. Board Governance Policy Manual - Review

(The Board will review the Board Governance Manual)

VIII. Approval of Checks

Info/Motion: A. Checks for January 12, 2017 - Fund No. 3418 & 3423

(The Board will be asked to approve the January 2017 checks)

Info: **XI. Future Agenda Items**

January 26, 2017

Resolution for Disposal of Surplus Property
CLOSED SESSION – Quarterly Claims Report
CLOSED SESSION – Manager Performance Evaluation
Quarterly Financial Statements
CASA Conference – Director's Reports
Service Rate Discussion

February 9, 2017

Board Governance Approval
Actuarial Analysis of Retiree Health Benefits Report

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF JANUARY 12, 2017
TIME OF MEETING: 7:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Service Rate Discussion

Form 700

CASA Conference

Board Training Summary

X. Adjournment

(The next meeting of the Stege Sanitary District Board of Directors is scheduled to be held on January 26, 2017 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, CA.)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

*****MINUTES*****

I. Call To Order: President Alan Miller called the meeting to order at 7:00 P.M.

II. Roll Call: Present: Gilbert-Snyder, James, Merrill, O’Keefe, Miller
Absent: None
Others Present: Rex Delizo, District Manager
Ben Reyes, District Counsel
A.J. Major, Vavrinek, Trine, Day & Co., LLP
(Items VII.A & VI.C.2 only)
Kary Richardson, Administrative Supervisor
(Items VII.A, VI.C, & VIII only)
Mandi Billinge, Kids for the Bay (Item VII.B only)

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

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

VII. Business

B. Fiscal Year 2015-2016 Financial Audit/Financial Reporting

The District’s auditor, A.J. Major from Vavrinek, Trine, Day & Co., LLP, gave a presentation to the Board of his audit of the District’s finances for Fiscal Year 2015-16 and gave it a clean “unmodified” opinion. In the future, the Board asked to have the engagement letter included for reference while reviewing the audit.

MOTION: By Merrill, seconded by Gilbert-Snyder, to accept the Fiscal Year 2015-16 Financial Audit Report

VOTE: AYES: Gilbert-Snyder, James, Merrill, O’Keefe, Miller
NOES: None
ABSTAIN: None

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

ABSENT: None

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

VI. Reports of Staff and Officers

C. Administrative Supervisor's Report:

1. Expenditure Notification Threshold

The Administrative Supervisor asked the auditor to report on his experience with establishing a threshold on expenditures exceeding budget amounts that would require the attention of the Board. The auditor said this can be done but is typically discretionary. The Board asked for this item to be brought back for further discussion.

2. Connection Charge Calculation Report

Administrative Supervisor, Kary Richardson, reported on the updated connection charge calculation. The Board requested staff prepare an ordinance increasing the connection charge to the calculated amount of \$2,154 per connection for approval at an upcoming Board meeting.

MOTION: By Merrill, seconded by James, to approve the preparation of an Ordinance increasing the connection charge to the calculated amount of \$2,154 per connection

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

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

VIII. Financial Statements – November 2016

A. Monthly Investment, Cash, Receivables Report, November 2016

B. Monthly Operating Statement, November 2016

The financial items were reviewed by the Board with no significant issues.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

III. Public Comment: There was no public comment.

CLOSED SESSION

Conference with Legal Counsel - Existing Litigation

Gov. Code § 54956.95

Claimant: Dorje

Agency Claimed Against: Stege Sanitary District

The Board entered into the closed session at 3:03 P.M. and returned to open session at 3:07 P.M. President Miller announced the Board had taken no reportable actions.

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

VII. Business

B. Kids for the Bay

Kids for the Bay Executive Director/Founder, Mandi Billinge, gave a presentation to the Board on the Watershed Action Program (WAP). Two third grade teachers from Fairmont Elementary School in El Cerrito have committed to participate in the WAP for the 2016-2017 school year.

NOMINATION AND ELECTION OF OFFICERS

Nomination and Election of Officers - 2017

MOTION: By Gilbert-Snyder, seconded by James, to nominate and elect Beatrice O'Keefe for president and Dwight Merrill for vice president of the Stege Sanitary District Board of Directors for 2017

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

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

IV. Approval of Minutes

A. Approval of November 10, 2016 Board Meeting Minutes

MOTION: By James, seconded by Gilbert-Snyder, to approve the minutes of the November 10, 2016 Board Meeting, as corrected

VOTE: AYES: Gilbert-Snyder, James, Merrill, O’Keefe, Miller
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

Miller gave a brief report on his attendance at the El Cerrito City Council Meeting held on December 6, 2016 and a Meyers Nave webinar on Proposition 64.

B. Written Communications

There were no written communication items to consider.

VI. Reports of Staff and Officers

A. Attorney’s Report:

1. New Legislation Regarding Second Units - SB 1069 & AB 2299

Reyes reported that the new requirements apply to “local agencies” which the legislation defines to mean a city, county, or city and county. (Gov. Code §65852.2(i)(2)). Accordingly, special districts, including the District, are not subject to the requirements of SB 1069 and AB 2299.

B. Manager’s Report:

1. Monthly Maintenance Summary Report – November 2016

The Manager reported on last month’s maintenance activities to the Board with no significant issues.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

2. Monthly Report of Sewer Replacements and Repairs

The Manager reported there were no replacement invoices and one repair invoice paid in November.

3. Consent Decree Minimum Requirements Quarterly Report

The Manager reported on the District's current minimum requirement status as of December 1st with no significant issues.

4. District Personnel Policy - Substance Abuse Policy

The Manager reported on the District's current Substance Abuse Policy. Although the enactment of Proposition 64 will legalize recreational use of marijuana in California, marijuana will still remain an illegal Schedule I substance under the federal Controlled Substances Act. Therefore, even with the passage of Proposition 64, the District will continue to prohibit use, possession and impairment at work.

5. State Water Resources Control Board - Fiscal Year (FY) 2016-17 Wastewater User Charge Survey

The Manager reported on the survey of sewer rates and connection (capacity) fees for FY 2016-17.

6. 2017 California Association of Sanitation Agencies (CASA) Conference

The Manager reported on the upcoming CASA conferences.

C. Administrative Supervisor's Report:

This item was taken earlier in the meeting.

VII. Business

A. Fiscal Year 2015-2016 Financial Audit/Financial Reporting

This item was taken earlier in the meeting.

B. Kids for the Bay

This item was taken earlier in the meeting.

C. 2017 Board of Director's Meeting Calendar

The Board reviewed and accepted the meeting schedule for calendar year 2017.

MOTION: By James, seconded by O'Keefe, to accept the Board Meeting Schedule for Calendar Year 2017

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
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DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

VIII. Financial Statements – November 2016

This item was taken earlier in the meeting.

IX. Approval of Checks

A. Checks for December 8, 2016 - Fund No. 3418 & 3423

MOTION: By O'Keefe, seconded by James, to pay the bills, Check Nos. 24677 through 24717 in the amount of \$115,829.35.

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

X. Future Agenda Items

January 12, 2017

Board Governance Review
Connection Charge Ordinance
Service Rate Discussion
CASA Conference
Director's Contact Info
Board Training Summary

January 26, 2017

CLOSED SESSION – Quarterly Claims Reports
CLOSED SESSION – Manager Performance Evaluation
Resolution for Disposal of Surplus Property

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
MEETING OF DECEMBER 8, 2016
TIME OF MEETING: 2:00 P.M.
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Quarterly Financial Statements
CASA Conference – Director’s Report
Service Rate Discussion

XI. Adjournment

The meeting was adjourned at 4:30 P.M. The next meeting of the District Board of Directors will be held on Thursday, January 12, 2017 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California

Rex Delizo
STEGE SANITARY DISTRICT
Secretary

COLLECTION SYSTEMS SPECIALTY WORKSHOP

Less Risk, More Rewards When Managing California's Sewer Systems



Today, sewer professionals are under extreme pressure - regulations, maintenance and impacts from the drought and sudden storms. CWEA along with the State Water Board are hosting these three regional training workshops to bring California's sewer professionals together to discuss what's working and the issues to watch for.

Join your fellow sewer professionals and State regulators for an in-depth discussion of Sewer System Management Plans, enforcement actions and managing risks. Learn, network, ask questions and get ahead of looming challenges. Please bring your up-and-coming team members so we can build a strong pipeline of future leaders.

After attending this workshop, participants will be able to:

- Describe trends and findings from recent SSMP enforcement cases
- Utilize specific strategies for handling an enforcement inspection
- Identify how to handle NGO lawsuits
- Apply the latest best practices for SSMP refinement and updates

Who should attend:

- Agency leaders
- Collection system leaders
- Sewer workers interested in advancing to supervisor/management
- Engineers and support staff
- Regulatory affairs staff
- Local regulators

Earn up to 6.8 CWEA contact hours towards Collection System Maintenance, Environmental Compliance Inspector, Laboratory Analyst, Mechanical Technologist and Electrical & Instrumentation recertification.

Wednesday, February 1st Manteca Transit Center

220 Moffat Blvd.
Manteca, CA 95336

Wednesday, February 8th Long Beach

Long Beach Water Department
Training Room
2950 Redondo Ave
Long Beach, CA 90806

Wednesday, February 15th Dublin

Shannon Community Center
Ambrose Room
11600 Shannon Avenue
Dublin, CA 94568

EARLY BIRD RATE DEADLINE IS JANUARY 20TH

Supporting Partners

Professional Training per MOA



CWEA



COLLECTION SYSTEMS SPECIALTY WORKSHOP

Less Risk, More Rewards When Managing California's Sewer Systems

Workshop Program		Manteca Speakers	Long Beach Speakers	Dublin Speakers
7:30 a.m.*	Registration/Coffee/Light Snack			*Dublin opens at 8:00 a.m.
8:30 a.m.	Welcome, Opening Remarks and Today's Agenda	Michael Flores, HDR	Michael Flores, HDR	Michael Flores, HDR
8:40 a.m.	10 Year Anniversary of the SSS-WDR General Order in CA Where we were. What's been learned? What is the vision moving forward?	Jim Fischer – Enforcement	Jim Fischer – Enforcement	Jim Fischer – Enforcement
9:05 a.m.	Recent Enforcement Case Studies Review Inspection Report, O&M gaps noticed, Enforcement Calculation Sheet, and Economic Benefit Analysis.	Jim Fischer – Enforcement Wendy Wyels - Region 5, Compliance and Enforcement	Jim Fischer – Enforcement Russ Colby – Region 4, Compliance and Enforcement	Jim Fischer – Enforcement Michael Chee – Region 2, Enforcement
9:55 a.m.	Break			
10:10 a.m.	Navigating an Enforcement Action Region-specific case studies of regulatory and 3rd party enforcement actions.	Ken Merkle, City of Stockton	Mark Chamberlin, EMWD	Phil Scott and Sergio Ramirez, West Bay Sanitary District
11:00 a.m.	Optimizing Collection System Program Performance Practices an agency can employ to manage and improve collection system performance with limited resources through resource optimization, use of technology, and targeted/timely maintenance.	TBD	Ralph Palomares, El Toro Water District	TBD
11:50 a.m.	Lunch & Networking (included with registration)			
12:35 p.m.	CCTV Inspection Data Lifecycle – Data Acquisition to Decision	Michael Flores, HDR	Michael Flores, HDR	Michael Flores, HDR
1:25 p.m.	Agency Case Study – The Journey to Mature and Well-Functioning Data and Information Management Walks through how an agency evolved to the point of well functioning data and information management and the lessons learned along the way.	Rich Cunningham, Retired Public Works Manager, SFPUC & Albany	Rich Cunningham, Retired Public Works Manager, SFPUC & Albany	Rich Cunningham, Retired Public Works Manager, SFPUC & Albany
1:50 p.m.	Break			

COLLECTION SYSTEMS SPECIALTY WORKSHOP

Less Risk, More Rewards When Managing California's Sewer Systems

Workshop Program		Manteca Speakers	Long Beach Speakers	Dublin Speakers
2:00 p.m.	Collection System Training - Establishing Consistency and Uniformity in Performance Shows how an agency can develop and implement a collection system training program that focuses on consistent, uniform, and measurable performance outcomes.	Bob Bradley, SASD	Mike Rosenberg, San Diego	Bob Bradley, SASD
2:50 p.m.	Communicating with your Decision-Makers and Stakeholders Communicating your actions and needs and motivating non-technical decision-makers to support the agency's collection system program	Paul Causey & Doug Humphrey	Paul Causey & Doug Humphrey	Paul Causey & Doug Humphrey
3:15 p.m.	Closing Remarks: Next Steps for Leveraging the MOA & Adjourn	Michael Flores, HDR	Michael Flores, HDR	Michael Flores, HDR

DISCLAIMER: CWEA and its Board, members, and volunteers are not responsible for the actions of speakers or the contents of their papers, and no endorsement is implied or given of any persons or their philosophies, ideas, or statements, nor of any products or processes, nor of any organizations or companies who volunteer to serve as speakers at the conference or exhibitors who purchase display space in the exhibit hall.

CWEA is not responsible for theft of or damage to personal or agency/company property whether intended to be used for CWEA purposes or not.

COLLECTION SYSTEMS SPECIALTY WORKSHOP

Less Risk, More Rewards When Managing California's Sewer Systems

Registration Form

Workshops sell-out please register early.

Register your team before January 20th!

Early Bird (due by 1/20)

Member \$110 Non-Member \$196

Registration includes lunch

Regular (after 1/20)

Member \$140 Non-Member \$226
 Full-Time Student - No Cost (Provide proof of college attendance w/minimum of 9 units.)


Select Location

Manteca 2/1/2017
 Long Beach 2/8/2017
 Dublin 2/15/2017

PLEASE PRINT OR TYPE INFORMATION (attach form with additional attendees)

NAME FOR BADGE: _____
FIRST NAME: _____ LAST NAME: _____
TITLE: _____
AGENCY/COMPANY: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
PHONE: () _____ FAX: () _____ E-MAIL: _____
EMERGENCY CONTACT: _____ EMERGENCY PHONE: () _____

CWEA MEMBER WEF MEMBER or CA-NV AWWA MEMBER (must have current membership for member rates)

 **Special Services:** Please check here if you require special accommodations to fully participate. Attach a written description of your needs and return it to CWEA 30 days before the conference.

Dietary restrictions: Please check here to indicate dietary restrictions _____

Please indicate payment method: CHECK PURCHASE ORDER (attached)

VISA MASTERCARD DISCOVER AMEX

Name of Account holder: _____

Account number: _____

Expiration date: _____ Billing zip code: _____

SIGNATURE: _____

Please make checks payable to: CWEA 2017 Collection Systems Specialty Workshop

Send registration form and payments to:

Fax (510) 382-7810

Or, mail to:

CWEA Workshops

7677 Oakport Street, Suite 600, Oakland, CA 94621-1935

REGISTRATION QUESTIONS?

Contact MEMBER SERVICES: 510.382.7800 x160

Full payment or purchase order is required to process registrations. If you have to cancel, written cancellation notice is required and must be received at least 15 days prior to the workshop date. A 25% service fee shall be retained on all cancellations. No refunds shall be given for cancellations made less than 15 days prior to the event. A written special service request is required 30 days in advance.

Need help? We're here for you!

Contact MEMBER SERVICES

510.382.7800 x160

memberservices@cwea.org

**Sponsorship Questions,
contact: Alec Mackie
DIR. OF COMMUNICATIONS**

510-382-7800 x114 or

amackie@cwea.org

REGISTER ONLINE AT MYCWEA.ORG

Supporting Partners

Professional Training per MOA



**California Association of Sanitation Agencies (CASA)
2017 Winter Conference
January 18-20, 2017
Palm Springs**

**Hilton Palm Springs
Hotel Reservations**

	<u>Arrival Date</u>	<u>Departure Date</u>	<u>CSRMA</u>
Paul Gilbert-Snyder	<i>Will Not Attend</i>		
Jay Z. James	<i>Will Not Attend</i>		
Dwight Merrill	Wednesday 1/18	Friday 1/20	NO
Al Miller	<i>Will Not Attend</i>		
Beatrice O'Keefe	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>

CASA Registration Deadline: **January 11, 2017**

Hotel Cancellation Deadline: **January 12, 2017**

**ORDINANCE NO. 2073-0117 AMENDING CHAPTER 7 OF THE STEGE SANITARY
DISTRICT ORDINANCE CODE – CONNECTION CHARGE**

ISSUE:

Per the Board's request, an Ordinance revising the connection charge is ready for approval.

FISCAL IMPACT:

The proposed change to the connection charge from the current rate of \$2079 to the proposed rate of \$2154 is an increase of \$75 per new connection.

BACKGROUND:

Based on latest figures from the 6/30/16 Financial Statements and Audit Report, total assets have increased to \$43,335,160 mainly due to capital improvement projects adding value to the collection system. Total liabilities increased to \$2,670,656 mainly due to accrued accounts payable for capital improvement expenses billed after 6/30/16.

Equivalent dwelling units (EDUs) were calculated based on the FY 2016-17 Sewer Service Charge Revenue of \$4,568,455 divided by the Single Family Unit (SFU) rate of \$242 per year for a total of 18,878 EDUs.

Dividing the assets less liabilities by the total number of EDUs equals the proposed amount per connection of \$2,154 as shown on the attached Connection Charge Calculation Sheet.

RECOMMENDATION:

Approve the Ordinance increasing the connection charge to the calculated rate of \$2,154 per connection.

ATTACHMENTS:

- Ordinance No. 2073-0117
- Connection Charge Calculation Sheet

ORDINANCE NO. 2073-0117

ORDINANCE AMENDING CHAPTER 7 OF THE STEGE SANITARY DISTRICT
ORDINANCE CODE – CONNECTION CHARGE

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

- A. The Stege Sanitary District Ordinance Code section regarding connection fees is reviewed annually and revised by the Board of Directors when deemed necessary.
- B. A recent review indicates the need to amend the Ordinance Code to increase the connection charge to the calculated amount of \$2,154 per connection.

In consideration of the foregoing findings and determinations, it is ordained as follows:

- 1. Chapter 7 of the Stege Sanitary District Ordinance Code is hereby amended to increase the connection charge to the calculated amount of \$2,154 per connection as set forth in the attached Notice.
- 2. As prescribed by California Health and Safety Code Section 6490, this Ordinance is effective upon the expiration of one week from the date of publication of a summary of the Ordinance.

* * * * *

STATE OF CALIFORNIA)
COUNTY OF CONTRA COSTA)

I HEREBY CERTIFY that the foregoing Ordinance No. 2073-0117 was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting thereof, held on the 12th day of January 2017 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

ATTACHMENT TO ORDINANCE NO. 2073-0117

NOTICE OF ADOPTION OF AMENDMENTS TO CHAPTER 7 TO THE
STEGE SANITARY DISTRICT CODE OF ORDINANCE

Notice is hereby given that on January 12, 2017; the Directors of the Stege Sanitary District adopted an ordinance amending Chapter 7 of the District Code of Ordinance. The Ordinance will become effective upon the expiration of one week from the date of this publication. The vote was: AYES: XXX; NOES: XXX; ABSTAIN: XXX; ABSENT: XXX.

A summary of the amendment is set forth below:

Chapter 7 - FEES, RATES AND CHARGES AND OTHER FINANCIAL MATTERS

SECTION 7.3 SEWER CONNECTION CHARGES

7.3.5 Schedule/Determination of Charges.

7.3.5.1 Schedule. The applicable base connection charges and connection charge rates for new connections and increased discharges to the District’s system shall be as follows:

Base Charges	Base Rates
<u>(Aggregate)</u>	<u>(Per Gallon Per Day)</u>
<i>\$2,154</i>	<i>\$15.06</i>

A copy of the Ordinance is posted at the District Office, at 7500 Schmidt Lane, El Cerrito, CA. Anyone desiring a copy of the Ordinance should contact the District at staff@stegesan.org or (510) 524-4668.

**STEGE SANITARY DISTRICT
CONNECTION CHARGE CALCULATION
(50 Year Life, 10% Residual for Sewers)**

	Current Assets*	\$5,513,240
Sewer Lines Other: Property, Plant and Equipment*	+	\$51,873,137
Less Depreciation*	-	(\$14,185,692)
Land, Land Easement Rights*	+	\$134,475
TOTAL ASSETS		<u>\$43,335,160</u>

	Current Liabilities*	\$695,017
Long-Term Liabilities*	+	\$1,975,639
TOTAL LIABILITIES		<u>\$2,670,656</u>

	TOTAL ASSETS	\$43,335,160
	- TOTAL LIABILITIES	<u>\$2,670,656</u>
ASSETS less LIABILITIES		<u>\$40,664,504</u>

	FY 2016-17 Sewer Service Charge Revenues	\$4,568,455
	÷ Single Family Use (SFU) Rate	<u>\$242</u>
TOTAL EQUIVALENT DWELLING UNITS (EDUs)		<u>18,878</u>

	ASSETS less LIABILITIES	\$40,664,504
	÷ Total EDUs	<u>18,878</u>
<u>CONNECTION CHARGE per EDU</u>		<u>\$2,154</u>

**per the 2016 Financial Statements for the year ended 6/30/16*

BOARD GOVERNANCE POLICY MANUAL - REVIEW

ISSUE:

The Board shall review the Board Governance Policy Manual annually.

FISCAL IMPACT:

The expense of this review is minimal.

BACKGROUND:

The Board decided to prepare a Board Governance Policy Manual in 2004. The Manual was completed in April 2005 and includes sections on roles, beliefs, norms and protocols, policies and procedures. The Manual was reviewed in January 2016 and last updated in February 2016.

RECOMMENDATION:

Review the Board Governance Policy Manual and recommend revisions, if necessary.

ATTACHMENTS:

- SSD Board Governance Policy Manual - February 2016

STEGE SANITARY DISTRICT

BOARD GOVERNANCE POLICY MANUAL



FEBRUARY 2016

(First Issued April 2005)

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SECTION 1

MISSION STATEMENT

It shall be the mission of the Stege Sanitary District to plan and operate a safe, efficient and economical wastewater collection and transfer system for the present and future customers of the District.

(Resolution No. 2020-0114)

SECTION 2

DISTRICT SUMMARY

The Stege Sanitary District (District) was organized in 1913 to provide for the collection, treatment and disposal of wastewater from the developed area in southwest Contra Costa County. The original District boundaries were similar to those of today, however service within the boundaries has expanded to include approximately 33,000 people and 13,900 sewer connections. The only expected growth of the District is through building on the few remaining vacant parcels and commercial area redevelopment.

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

SECTION 3

ROLES OF DISTRICT OFFICERS

The Stege Sanitary District Board of Directors comprises five (5) Directors elected at large and serving staggered four (4) year terms with elections being held on even-numbered years. The roles, obligations and responsibilities of members of the Board are as follows:

Officers of the Board include the **President**, **Vice-President** and **Secretary** of the Board. The term of office of the President and Vice-President of the Board of Directors shall commence on January 1 of the year immediately following their election by the Board.

The **President** of the Board shall be elected annually by the Board at the last regular meeting of each calendar year. The President of the Board shall serve as Chairperson at all Board meetings. She/he shall have the same rights as the **other Directors** to vote; introduce motions, resolutions and ordinances; and to engage in debate. The President signs all contracts, deeds, warrants, releases, receipts and documents in the name of the District unless the Board, by resolution, authorizes the Manager or other District officers or employees to sign the documents. The President of the Board is also responsible for interacting with and communicating Board directions to the Manager so that the Manager can effectively and efficiently carry out Board directives.

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

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

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

District Counsel's Role in Representing the District

As a direct report of the Board of Directors, the District Counsel is responsible for representing the Stege Sanitary District in all legal matters. As Chief Legal Officer, the District Counsel represents the District as a whole, including the District Board of Directors, District management

and staff. The District Counsel shall comply with all applicable professional rules of conduct that govern the representation of organizations, including State Bar Rules of Professional Conduct, Rule No. 3-60, which states:

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

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

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

SECTION 4

CORE BELIEFS OF THE DISTRICT BOARD OF DIRECTORS

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

FINANCIAL RATES

8. Our rates shall be fair, equitable, and reasonable.
9. Our reserves shall be maintained at levels that will provide adequate, but not excessive, funds to support anticipated working capital and emergency needs.
10. "Pay as you go" is the preferred way to finance our sewer infrastructure, particularly in a built-up district such as ours.
11. We will periodically review all procedures and policies to ensure our rates are fair, justified and as low as can be sustained to achieve our mission and maintain the current and long-term viability of the District.

ASSET MANAGEMENT

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

PERSONNEL

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

ETHICS/INTEGRITY

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

SECTION 5

CULTURAL NORMS OF THE DISTRICT BOARD OF DIRECTORS

1. The Board will be efficient in the number of meetings it holds to limit costs and payments to Directors. One board meeting and one committee meeting per month or two board meetings per month should be the normal schedule.
2. Directors will be compensated with meeting fees consistent with current law and will not receive any health or pension benefit.
3. Board members will be reimbursed only for pre-approved meetings which offer significant benefits to the District. CASA meetings will generally be reimbursed for actual and reasonable travel expenses and each Director should try to hold down costs.
4. If a member is attending a non-board meeting for which reimbursement will be provided, the member should attend the sessions, pay attention, and, in accordance with AB 1234, provide a brief report at the next regular meeting.

5. Directors are expected to attend all board meetings. It is understood that there sometimes will be personal and business reasons that result in absences. In the event when Directors need to be excused from attendance at a meeting, they should give notice at an earlier meeting. If this is not possible, Directors should contact the Board President prior to the meeting, rather than the District Manager or staff.
6. The Board President will contact and speak to Directors that have attendance, tardiness, lack of attentiveness, or meeting participation issues or problems.
7. Directors should be engaged, participate, and pay attention at all board meetings.
8. Newly elected or appointed Directors should receive a copy of the Board Governance Policy Manual and Board Handbook prior to attendance at their first board meeting. The new Directors will be asked to review the material and be ready to discuss it with the full board at a meeting about six months after their term begins, or earlier if the Directors request an earlier discussion. The purpose is to reach a consensus regarding board operations, which may include modifications of certain items.
9. Newly elected or appointed Directors should take a tour of District facilities within the first three months of their term. The Manager and Superintendent should be contacted to arrange this tour, which is an important part of a new Director's orientation.
10. In order to distribute the Directors' duties evenly, the offices of President and Vice President will be rotated among Directors so that each Director will hold those offices about once every five years. The Director who is Vice President will ordinarily be the President the following year. This rotational scheme will be followed unless there are unusual circumstances or a significant change in the composition of the Board.
11. Except in extraordinary circumstances, neither District staff nor District vehicles shall be used to transport board members to or from regular board meetings.

SECTION 6

PROTOCOLS

BOARD MEETINGS

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

1. Rules of Order. Ordinarily, meetings of the Board will be conducted informally in the manner determined by the President. However, at the request of any Director, the meeting shall be conducted in accordance with the rules of order and parliamentary procedure as specified in the current edition of The Standard Code of Parliamentary Procedure by Alice F. Sturgis, copyright 1950. A copy of that reference work shall be available at every Board meeting.

2. Board Room Layout/Seating. Board meetings shall be conducted around a rectangular meeting table so Directors, Manager and Counsel face each other. Seats for the public will be available.
3. Agenda Preparation. The Board Secretary shall prepare the agenda consistent with the Board President, with assistance from District staff. The agenda shall be completed and posted at the District office and website no later than 72 hours prior to the start of the meeting, and agenda packets will be delivered to Directors at least 72 hours prior to the start of the meeting. Some supporting information may be supplied closer to the meeting or at the meeting.
4. Agenda Structure. The basic structure of each regular meeting agenda includes items for Roll Call, Conflict of Interest review, Public Comment for issues not included on the agenda, Approval of Minutes, Closed Sessions, including prior Public Comment Section, (if needed), Communications (both oral and written), reports of Staff and Officers, Business, Monthly Financial Statements, Approval of Checks, Future Agenda Items (generally for the next two meetings), Information Items, and Adjournment. The first meeting of the month will be considered a study session and will generally not include any monthly or quarterly reports.
5. Agenda Item Identification. The Manager, as Secretary, will provide specific items for Board meeting agendas. Other agenda items may be identified as part of the Future Agenda Item section of the regular meeting. Items identified after the adjournment of the most recent Board meeting may be added by request of any Director. Requests for inclusion of urgent agenda items should be directed to the Manager. The President shall be contacted if the Manager discourages inclusion of requested items.
6. Getting Questions Answered About Agenda Items Before a Meeting. Directors are encouraged to contact the Manager prior to the meeting if they have any questions. Some questions on agenda items may be answered prior to the meeting and this will help to minimize the length of meetings. The Manager will let the Board know if these questions become excessive.
7. Public Participation. All Board meetings are open and public, and all persons are permitted to attend any meeting, except closed sessions of the Board held in accordance with law. Public participation is addressed in Ordinance Code 2.5.2.8. Directors and staff members shall treat members of the public who attend Board meetings with respect. The President will accommodate public members wishing to speak on specific agenda items by moving these items up on the agenda, if the Board determines it is practical. The President may invite members to sit at the table if seating is available.
8. Public Addressing Board. Members of the public will be asked to complete a request slip if they wish to address the Board. The Board President may choose to limit the time allowed for any member of the public to address the Board. In the event there is a large group completing slips, the Board President may ask the public members to refrain from repeating what others have said, and to further limit time allowed to speak.

9. Informal Board Reports at Meetings. Directors may briefly comment on any subject not on the agenda during the Public Comment section of the agenda. There will also be an agenda item titled Oral Communication at each Board meeting that provides an opportunity for informal, verbal reports. Other informal reports should be brief and limited to specific subjects on the agenda.
10. Allow Majority to Set Direction – How We Act When We’re Not in Majority. Directors shall accept decisions of the Board after action is taken. Discussion of an item shall not continue at that meeting after a vote on it has been taken.
11. Bringing Agenda Items Back for Further Discussion – Revisiting Issues. There are times that additional discussion on items may be desirable and necessary. Additional information or analysis may help to clarify questions and it may be appropriate to defer items for future agendas if and when a majority of Directors want this. Tabling should not be used as a mechanism to simply defer decisions.
12. Explanation of Votes. Explanation of a vote after the vote has been taken is discouraged. Director’s viewpoints should be expressed as part of the discussion of an issue prior to the vote.
13. Sharing Expertise. The expertise of individual Directors can be an important and useful tool in deliberating issues and setting policies. Directors should share their expertise in a judicious manner, staying on topic and being mindful not to engage in lengthy accounts of personal experiences.
14. Deliberation at Meetings. Deliberation of issues at meetings should be focused, open, honest and undertaken with a goal of reaching a solution. When the Board is stymied or obviously there are differing opinions regarding an item under discussion or review, the Board should first focus on issues where there is agreement among directors. Disagreements should then be discussed and deliberated, in hopes of reaching a consensus.
15. Preparation for Board Meetings. Directors should come to meetings well-prepared. Agenda materials should be read and reviewed in advance of the meeting, and questions that can be answered in advance of the meeting that are not relevant to policy decisions and/or agenda items should be asked of the Manager outside of the meeting.
16. Discussion of Policy vs. Non-Policy Issues. The major focus at Board meetings shall be on policy issues, Manager’s performance and Board fiduciary responsibilities. The Board should avoid directing the Manager on day-to-day operations.
17. Disclosure. Directors should disclose to the Board if they have had discussions with parties that have a personal, financial interest in an agenda item that is to be considered by the Board.
18. Number of Meetings. The number of meetings should be minimized. The Board will generally meet twice monthly in all months except December, when there will usually be one meeting. An annual special meeting for long-range planning will usually be held in the Spring. Other special meetings should be scheduled to be on the same days as regular meetings, when possible, to avoid extra meeting expense compensation.

BOARD/MANAGER RELATIONS

19. Board/Manager Communications. Informal communications between the Manager and individual Directors by phone, electronic mail or personal meeting is expected to occur periodically. Formal communications regarding any concerns of Manager conduct should be directed to the Manager through the Board President. There will be communications with the Manager at Board meetings as part of the normal meeting process, and at times as specific agenda items.
20. Manager/Board Communications. The Manager's concern about Board members' conduct should be directed through the Board President or the Vice President if the concern regards the President.
21. Manager Performance Evaluation and Review. The Board will review the performance of the Manager periodically, at least twice per year. An interim review by the Board will occur sometime late in the calendar year at a Board meeting. An annual review will be performed in June at a Board meeting and will be used as a factor in the determination of any compensation adjustments for the Manager for the next fiscal year.
22. Individual Board Member Request for Action. Individual Directors should ask the Manager to take action on issues only if there is a concern such as safety that necessitates immediate action, or there is a situation that requires quick action. Otherwise, Directors should request actions through the Board meeting process.
23. Individual Board Members Request for Information. Individual Board members are encouraged to ask the Manager if they have questions regarding District business or activities. The Manager will let the Board know if these types of questions become excessive. Requests for information that would require substantial staff time to handle should only come through the Board, not individual Directors.

BOARD/STAFF RELATIONS

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

encounters at the District office. Communications on issues like employee salaries and benefits, disciplinary issues, and other Board business should be directed through the Manager.

BOARD/COMMUNITY RELATIONS

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

BOARD/BOARD RELATIONS

31. Role of the President. The President is in charge of the conduct of the Board meetings and has final approval of the agenda. The Board traditionally appoints the President as representative of the Board in negotiations with the Manager for the Manager's compensation. The President is also the official representative and spokesperson for the Board of Directors.
32. Use of Committees. Ad hoc Committees, created in accordance with the District Ordinance Code, may be used to address special issues as they arise.
33. Confidentiality and Trust. In order for the Board to function most effectively, there must be a high level of trust among the Board members. In order to maintain trust, Board members will respect the confidentiality of closed sessions and personal information. Board members may disagree, but will not indulge in back stabbing, double crossing, or other counterproductive activities.
34. Role in Public. Directors shall identify themselves as speaking for themselves, not as a representative of the Board, unless relating Board policy. Directors should not undercut Board actions in Public.
35. Board/Board Communications. Conversations between and among Board members are often governed by the Brown Act. All Board members shall familiarize themselves with the Brown Act and comply with its requirements. Whenever three or more Board members are together, they will avoid discussing specific District matters which are or might be agendized at future Board meetings. When two members are together, they shall also avoid discussing specific District matters which might become matters the Board would act on, thus avoiding the possibility of "serial" meetings. Communications include electronic communications.

General matters relating to sewage collection and local government are not restricted by the Brown Act and are appropriate topics of conversation under any circumstances.

36. Electronic Communication during Meetings. The Board shall avoid disrupting meetings with electronic communication devices (e.g., cellular phones). All Board Members shall turn off electronic communication devices or set them to silent or vibrate. Board Members shall step outside of the meeting room to talk on a cellular phone. No communication is allowed that would be a violation of the Brown Act.
37. Self-Assessment of Governance. The Board will have an item at its annual Long Range Planning Workshop to assess the effectiveness of its governance.
38. Team Effectiveness. Directors are expected to support each other and function as a team. Newly appointed or elected Directors are expected to review the Board Governance Policy Manual and Board Handbook. Existing Directors are expected to assist new Directors in their transition onto the Board. Both new and existing Directors should work together constructively to develop a new consensus as to how the Board will govern and conduct its business.

SECTION 7

CODE OF ETHICS AND BEHAVIOR

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

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

of Directors takes action, Directors should commit to supporting said action and not to create barriers to the implementation of said action.

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

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

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

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

SECTION 8

CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which

contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, it may be amended by the FPPC to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the STEGE SANITARY DISTRICT.

Designated employees shall file their statements of economic interest with Contra Costa County and STEGE SANITARY DISTRICT. *STEGE SANITARY DISTRICT will retain statements for all designated employees and will make the statements available for public inspection and reproduction (Cal. Gov. Code Sec. 81008).*

(Ordinance No. 2055-0216)

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

<u>Designated Positions</u>	<u>Disclosure Category</u>
Secretary of the Board	All
Legal Counsel	All
Consultants* **	All

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

Members of the Board of Directors
District Manager/Engineer

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

*With respect to Consultants, the District Manager of the District may determine, in writing, whether a particular consultant is hired to perform a range of duties which are limited in scope and thus are not required to comply with the disclosure requirements described in these categories. Such determination shall include a description of the consultant's duties, and, based upon that description, a statement of the extent of disclosure requirements. The District Manager shall forward a copy of this determination to the Board of Supervisors of the County of Contra

Costa. Nothing herein excuses any such consultant from any other provisions of this Conflict of Interest Code.

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

Disclosure Categories

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

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

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

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

SECTION 9

STATEMENT OF ECONOMIC INTEREST (FORM 700)

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

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

Essentially, there are four times to file Form 700:

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

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

SECTION 10

CAMPAIGN FINANCES (FORM 470)

Any candidate or officeholder who does not have a controlled committee and who does not intend to raise or spend \$1,000 or more in a calendar year shall file a California Fair Political Practices Commission Form 470 - Officeholder and Candidate Campaign Statement available at the Fair Political Practices Commission website (www.fppc.ca.gov).

This statement is used to declare that the candidate/officeholder has no intention of receiving or spending \$1,000 or more in a calendar year. In most cases, July 31 is the filing deadline.

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

SECTION 11

BOARD MEMBER COMPENSATION POLICY

It is the policy of the Stege Sanitary District Board of Directors that Board members will be compensated for attendance at all Board meetings, in accordance with Section 2.9 of the District Code of Regulations. Board members will not be compensated for attendance at CASA, City Council, Council Committee, Neighborhood Council, or special district association meetings.

Compensation will consist of meeting fees consistent with current law and will not include any health, pension or other benefit.

The Board may decide that it needs to be represented at certain functions, meetings or events and that attending members should be compensated for services rendered in these cases. Authorization of compensation for these “special events” shall be made by a majority of the Board. Consideration of authorization may be done during the Communications section of the meetings, and shall be considered at a Board meeting before the special event at the request of the attending member or the Board President.

The current Directors’ fees payable to members of the Board of Directors of the Stege Sanitary District is \$205 per meeting day of service.

(Ordinance No. 2049-0715)

SECTION 12

POLICY PROHIBITING ACCEPTANCE OF GRATUITIES

Board members shall not accept gratuities offered or presented except for trivial items of negligible commercial value, such as a hat, cap, note pad, pen, blotter, calendar or other item that does not exceed \$25.

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

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

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

SECTION 13

ATTENDANCE AT MEETINGS, SEMINARS AND CONFERENCES POLICY

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

(Ordinance No. 1456-0189)

SECTION 14

EXPENSE REIMBURSEMENT POLICY

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

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

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

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

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

(Ordinance No. 1762-0501)

SECTION 15

REQUIRED TRAINING COURSES

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

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

SECTION 16

PUBLIC RELATIONS POLICY

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

District newsletters are a preferred means of conveying this information, and newsletters should be sent to all known customers. There shall be two newsletters each year, and the target transmittal dates are May and November. These dates provide an even spacing of six months between letters and the May date allows for informing customers about budget information for the next fiscal year, including service charge increases.

SECTION 17

NON-DISCRIMINATION POLICY

It is the policy of the District that employment practices and conditions shall be free of unlawful discrimination on the basis of race, religion, color, national origin, ancestry, pregnancy, childbirth, medical condition, physical or mental disability, marital status, gender, age, sexual orientation, political affiliation, or any other basis as defined and protected by federal or state law. This policy covers District employees, applicants, and elected or appointed officials.

(Resolution No. 2044-0515 – Amended Personnel Policy)

SECTION 18

NON-HARASSMENT POLICY

The District is committed to providing a work environment free of harassment prohibited by state or federal law. Harassment in employment based upon unlawful discrimination is prohibited by the District and may result in disciplinary action, up to and including dismissal. This policy covers District employees, applicants, and elected or appointed officials. In addition, harassment carried out by persons with whom the District has a business, service, or professional relationship is prohibited and may result in termination of the business relationship, or other appropriate response as determined by the District.

- A. Prohibited Harassment. Harassment in employment may take many different forms including:
1. Verbal conduct such as epithets, derogatory comments, threats, slurs or unwanted jokes or comments. This can include making explicit or implied threats, and promises in return for submission to physical acts.
 2. Visual conduct such as derogatory and/or sexually oriented posters, cartoons, drawings, photographs, or gestures.
 3. Physical conduct such as assault, offensive touching, impeding or blocking movement, restraint, or physical interference with normal work or movement. This can include, but is not limited to, pinching, grabbing, patting, propositioning, leering or making explicit or implied threats or promises in return for submission to physical acts.
 4. Retaliation for having in good faith reported, or having threatened to report, or having assisted another employee in good faith to report prohibited harassment.
 5. Discriminatory adverse employment actions carried out on account of race, sex, religion, national origin, ancestry, disability, medical condition, marital status, age, or sexual orientation.

Harassment on the basis of race, religion, gender or any characteristic specified in the EEO Policy is prohibited. Conduct based on these protected characteristics constitutes harassment when it: (a) has the purpose or effect of creating an intimidating, hostile or offensive working environment; (b) has the purpose or effect of unreasonably interfering with an individual's work performance; or (c) otherwise adversely affects an individual's employment opportunities.

- B. Sexual Harassment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

1. Submission to such conduct is made either explicitly or implicitly as a term or a condition of an individual's employment; or
 2. Submission to or rejection of such conduct is used as the basis for employment decisions affecting the individual; or
 3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
- C. Annual Training. All District employees are required to participate annually in training on sexual and other prohibited harassment. The District will make this training available to employees during regular working hours at no cost to the employee. Records of these training activities will be maintained in District files.
- D. Employee Response. Any employee who believes he or she has been unlawfully harassed or discriminated against should promptly report it orally or in writing to the employee's supervisor or the District Manager. An employee is not required to complain first to a supervisor if that person is the individual who is harassing and/or engaging in discriminatory action against the employee. Instead, the employee may report the harassment/discrimination to the District Manager. If the District Manager is the harassing and/or discriminating actor, the employee may report the harassment/discrimination to the Board of Directors.
- E. Remedial Action EEO and Non-Harassment Polices:
1. If harassment or discrimination is found to have occurred in violation of District policy, the District shall take action to ensure or confirm that the harassment or discrimination is stopped. The District shall take whatever measures are reasonably necessary to ensure its workplaces remain free from unlawful discrimination or harassment.
 2. The District shall maintain a complaint procedure (Admin. Proc. A115-0701) to provide an avenue for complaints, investigations and appropriate remediation. Employees are encouraged to utilize the complaint process if they experience unlawful discrimination or harassment. The complaint process shall be available and disseminated to all District employees.
 3. Employees found to have engaged in discrimination or harassment covered by this policy may be subject to disciplinary action up to and including termination of employment.
 4. Employees found to have been dishonest or uncooperative during an investigation into allegations of discrimination or harassment may be subject to disciplinary action up to and including termination of employment.
 5. This policy shall not be construed to create a private or independent right of action against the District, or any of its employees or officials. The District reserves the right to interpret and apply this policy to provide greater protection than what is afforded under existing federal and state law.

- F. No Retaliation. Employees should feel free to report valid claims of unlawful harassment without fear of retaliation of any kind. The District will not retaliate against or tolerate retaliation against employees for making any complaint of unlawful harassment in good faith, or against any employee for cooperating in an investigation.
- G. Obligation of Employees. Employees are responsible for knowing the District's policy on nondiscrimination; refraining from discriminatory behavior, including harassment; reporting incidents of discrimination in a timely fashion; cooperating with any investigation concerning allegations of discrimination; and maintaining confidentiality concerning any such investigation.

(Resolution No. 2044-0515 – Amended Personnel Policy)

SECTION 19

DISTRICT ELECTIONS POLICY

The Stege Sanitary District Board of Directors is comprised of five (5) Directors elected at large and serving staggered four (4) year terms with elections being held on even-numbered years.

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

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

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

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

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

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

Following the adoption of the Resolution certifying the election results, the Secretary of the Stege Sanitary District shall administer to each Director elected the Oath of Office prescribed in the Constitution of the State of California. All Directors so elected shall then be inducted into the respective office after taking the Oath of Office.

SECTION 20

CHECK APPROVAL POLICY

All Stege payments shall be reviewed and approved by the Board. Time critical payments, where there is not time for Board review and approval, shall be reviewed and approved by the Board President (or his/her designee).

SECTION 21

POLICY PROHIBITING DISCUSSION WITH BIDDERS

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

SECTION 22

BOARD HANDBOOK

(Under Separate Cover)

SECTION 23

DISTRICT ORDINANCE CODE

(Under Separate Cover)

STEGE SANITARY DISTRICT JANUARY 2017

JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017
1/2 & 1/16 HOLIDAY CASA Conference January 18-20, 2017 Palm Springs, CA	2/20 HOLIDAY CASA Conference Feb 27-Mar 1, 2017 Washington, DC		CASA Public Policy Forum April 19, 2017 Sacramento, CA	5/29 HOLIDAY	6/14 Safety and Recognition Awards Luncheon
1/12/2017 – 7:00 P.M.	2/16/2017 – 7:00 P.M.	3/9/2017 – 7:00 P.M.	4/13/2017 – 7:00 P.M.	5/13/2017 – 9:00 A.M	6/8/2017 – 7:00 P.M.
Board of Directors Meeting ◆ Board Governance Review ◆ Connection Charge Ord. ○ Service Rate Discussion ○ District of Distinction (even years) ○ CASA Conference ○ Director’s Contact Info ○ Board Training Summary	Board of Directors Meeting ◆ Board Governance Approval ○ Actuarial Analysis of Retiree Health Benefits Report (even years) ○ Service Rate Discussion ○ CASA Conference ○ Board Training Summary ○ San Pablo Ave. Future Capacity Update	Board of Directors Meeting ○ Long Range Planning Discussion of Topics ○ CASA Conf. – Attendee Reports ○ CASA Conference ○ Service Rate Discussion ○ Board Training Summary ○ Form 700 ○ Auditor – RFP (2018)	Board of Directors Meeting ○ Service Rate Discussion/Approval (& 30-day Notice) ○ Long Range Planning Discussion of Topics ○ Board Training Summary ○ CASA Conference	Board of Directors Meeting <i>9AM Meeting Time</i> ○ Long Range Planning Workshop	Board of Directors Meeting ○ Draft Budget ◆ Review Director Meeting Compensation ○ July 4 th Fair Discussion ◆ Approve Project Plans and Specs (+CEQA) ◆ Approve Salary Ranges for District Positions ◆ Long Range Planning Draft Action Plan
1/26/2017 – 7:00 P.M.		3/23/2017 – 7:00 P.M.	4/27/2017 – 7:00 P.M.	5/25/2017 – 7:00 P.M.	6/22/2017 – 7:00 P.M.
Board of Directors Meeting ○ CLOSED SESSION – Quarterly Claims Rpt – Manager Perf. Eval. ◆ Resolution for Disposal of Surplus Property ○ Quarterly Financial Statements ○ CASA Conf. – Attendee Reports ○ Service Rate Discussion		Board of Directors Meeting ◆ Auditor – RFP (2018) ○ Long Range Planning Discussion of Topics ○ California Employer’s Retiree Benefit Trust (CERBT) Contributions ○ Form 700 ○ Consent Decree Min. Req. Quarterly Report ○ CASA Conference	Board of Directors Meeting ○ CLOSED SESSION – Quarterly Claims Rpt ○ Quarterly Financial Statements ○ Long Range Planning Discussion of Topics ○ Draft Budget ◆ Employee Benefits Req. ○ Service Rate Discussion/Approval (& 30-day Notice) ○ July 4 th Fair Discussion ○ CASA Conf. – Attendee Reports	Board of Directors Meeting ○ CLOSED SESSION – District Counsel Performance Evaluation ○ Draft Budget ○ July 4 th Fair Discussion ○ Service Rate Discussion/Approval (& 30-day Notice) ○ Board Training Summary	Board of Directors Meeting ○ CLOSED SESSION – Manager Perf. Eval. ◆ Approve and Adopt Final Budget ◆ Ordinance – Director Meeting Compensation ◆ Review and Approve Incentive Award ◆ Adopt Incentive Award Goals & Objectives ○ District Reserve Policy ○ July 4 th Fair Discussion ○ Consent Decree Min. Req. Quarterly Report

○ INFORMATIONAL ITEMS

◆ ACTION ITEMS

CHANGES IN ITALICS

STEGE SANITARY DISTRICT JANUARY 2017

JULY 2017	AUGUST 2017	SEPTEMBER 2017	OCTOBER 2017	NOVEMBER 2017	DECEMBER 2017
7/4 HOLIDAY 4 th of July Fair Booth	CASA Conference August 22-24, 2017 San Diego, CA	9/4 HOLIDAY CSDA Annual Conf. September 25-28, 2017 Monterey, CA		11/23-24 HOLIDAY	12/14 Christmas Luncheon 12/25 HOLIDAY
7/13/2017 – 7:00 P.M.	8/17/2017 – 7:00 P.M.	9/14/2017 – 7:00 P.M.	10/12/2017 – 7:00 P.M.	11/9/2017 – 7:00 P.M.	12/14/2017 – 2:00 P.M.
Board of Directors Meeting <ul style="list-style-type: none"> ○ July 4th Fair Debrief ○ District Investment Policy ○ CASA Conference ◆ Resolution Est. Salary of District Manager ◆ Form 470 	Board of Directors Meeting <ul style="list-style-type: none"> ○ CASA Conference ○ CSDA Conference ○ Select Actuary for Analysis of Retiree Health Benefits (odd years) ○ Quarterly (FY End) Financial Statements ○ San Pablo Ave. Future Capacity Update ○ Connection Charge Report per Gov. Code 66013 	Board of Directors Meeting <ul style="list-style-type: none"> ○ CSDA Conference ○ CASA Conf. – Attendee Reports 	Board of Directors Meeting <ul style="list-style-type: none"> ○ Proposed Meeting Calendar ○ Board Officer Succession Plan ○ CASA Conference 	Board of Directors Meeting <ul style="list-style-type: none"> <u>2PM Meeting Time</u> ◆ Nomination & Election of Officers ◆ Fiscal Year Financial Audit ◆ Connection Charge Calculation Report ○ CASA Conference ○ Meeting Calendar ○ Consent Decree Min. Req. Quarterly Report 	
7/27/2017 – 7:00 P.M.		9/28/2017 – 7:00 P.M.	10/26/2017 – 7:00 P.M.		
Board of Directors Meeting <ul style="list-style-type: none"> ○ CLOSED SESSION – Quarterly Claims Rpt ○ CASA Conference ○ Reimb. Report per Gov. Code 53065.5 ○ Quarterly Financial Statements ○ Candidate filing period (even years) ◆ Establish and Collect Sewer Service Charges ◆ Notice of Completion/ Award of Contract 		Board of Directors Meeting <ul style="list-style-type: none"> ◆ Flexible Benefits Plan Contribution Review ◆ Deferred Compensation Matching Contribution Review ○ CSDA Conference – Attendee Reports ○ Consent Decree Min. Req. Quarterly Report 	Board of Directors Meeting <ul style="list-style-type: none"> ○ CLOSED SESSION – Quarterly Claims Rpt ○ Quarterly Financial Statements 		

○ INFORMATIONAL ITEMS

◆ ACTION ITEMS

CHANGES IN ITALICS