

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
LONG RANGE PLANNING WORKSHOP
SATURDAY, MAY 13, 2017
9:00AM - 4:00PM
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.stegesd.dst.ca.us. 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 posted 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. Long Range Planning Workshop – 2017

(The Board will discuss the following items as listed below at the approximate times.)

REVIEW OF AGENDA AND LAST ACTION PLAN 9:00 – 9:15 A.M.

- **Past 5 Years Budget Review** 9:15 – 10:15

(The Board will review and discuss trends from the District's budget and actual expenditures for the past 5 years)

- **Strategic Plan** 10:15 – 11:00

(The Board will review and discuss the plan)

BREAK 11:00 – 11:15

STEGE SANITARY DISTRICT BOARD OF DIRECTORS
LONG RANGE PLANNING WORKSHOP
SATURDAY, MAY 13, 2017
9:00AM - 4:00PM
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

- **Strategic Planning** 11:15 – 12:00
(The Board will wrap up discussion of the plan)

- **Self Assessment of Governance – Questionnaire** 12:00 – 12:15

- LUNCH** 12:15– 12:45 P.M.

- **Tour/Overview of New Video Inspection Van** 12:45 – 1:00

- **Self Assessment of Governance – Review & Discussion** 1:00 – 1:45

- BREAK** 1:45 – 2:00

- **DRAFT Sewer Master Plan/San Pablo Avenue Sewer Capacity** 2:00 – 3:30
(The Board will review information regarding the District’s master plan and future capacity along San Pablo)

- WRAP-UP, REVIEW, ACTION ITEMS** 3:30 – 4:00

V. Adjournment

(The next regular meeting of the Stege Sanitary District Board of Directors will be held on Thursday, May 25 2017 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California)

Stege Sanitary District
 Long Range Planning Workshop Agenda
 Saturday, May 13, 2017
 9:00am - 4:00pm

TIME	TOPIC
9:00 AM	<i>Review of Agenda & Last Action Plan</i>
9:15 AM	Past 5 Years Budget and Expenditures Review [1.0 hrs.] The Board will review and discuss trends from the District's budget and actual expenditures for the past 5 years
9:30 AM	
9:45 AM	
10:00 AM	
10:15 AM	Strategic Plan [0.75 hr.] The Board will review and discuss the plan
10:30 AM	
10:45 AM	
11:00 AM	<i>Break</i>
11:15 AM	Strategic Plan [0.75 hr.] The Board will wrap up discussion of the plan
11:30 AM	
11:45 AM	
12:00 PM	Self Assessment Of Governance - Questionnaire [0.25 hr.]
12:15 PM	<i>Lunch</i>
12:30 PM	
12:45 PM	Tour/Overview of New Video Inspection Van [0.25 hr.] (Wright)
1:00 PM	Self Assessment Of Governance - Review & Discussion [0.75 hr.]
1:15 PM	
1:30 PM	
1:45 PM	<i>Break</i>
2:00 PM	DRAFT Sewer Master Plan/San Pablo Avenue Sewer Capacity [1.5 hr.] The Board will review information regarding the District's master plan and future capacity along San Pablo
2:15 PM	
2:30 PM	
2:45 PM	
3:00 PM	
3:15 PM	<i>Wrap Up, Review, Action Items</i>
3:30 PM	
3:45 PM	

STEGE SANITARY DISTRICT ACTION PLAN FOR 2016

The following is the status of the items discussed at the May 14, 2016 Long-Range Planning (LRP) Workshop:

1. Past 5 Years Budget Review

The Board reviewed and discussed trends from the District's finances of the past 5 years and also a report indicating the major variances between budget and actual expenditures for FY 2014-15. There were no significant issues. The Board requested the next review include a trend line report for salary, benefits and other expenses and to have a future agenda item on a policy establishing a threshold on expenditures exceeding budget amounts for which the Manager would bring to the attention of the Board.

Action Item: Include a trend line report for salary, benefits and other expenses in the next review. Have a future agenda item on a policy establishing a threshold on expenditures exceeding budget amounts for which the Manager would bring to the attention of the Board by January 2017.

STATUS: COMPLETE

The trend line report for salary, benefits and other expenses is on the agenda for the Long Range Planning Workshop on May 15, 2017. The "threshold on expenditures" topic was on the agenda of the Board meeting held on December 8, 2016.

2. Total Compensation Comparison

The Board reviewed and discussed the salary and benefits comparison to 10 comparable agencies. The Manager will incorporate the salary survey information into an upcoming resolution establishing salary ranges for each position. The Board also asked to bring back several items from the benefits comparison for further consideration at a future board meeting.

Action Item: Incorporate the salary survey information into a resolution establishing salary ranges for each position by June 2016. Have a future agenda item on the matters noted in the benefits comparison for further consideration at a future board meeting by June 2016. The Board requested a future agenda item revisiting the comparable agencies and private industry salaries at an upcoming Board Meeting by January 2017.

STATUS: COMPLETE

The salary survey information was incorporated into a resolution establishing salary ranges for each position which was approved at the Board meeting held on June 9,

2016. The employee benefits topic was on the agenda of the Board meetings held on May 26, June 9, and June 23, 2016. The comparable agencies topic was on the agenda of the Board meeting held on October 13, 2016.

3. Strategic Planning

The Board reviewed and discussed the SWOT analyses and goals matrix and only made a minor change to the goals as stated. The Board then proposed objectives covering 3 of the 7 goals but tabled the discussion due to the lack of time. The Board asked to bring the item back for further consideration at a future board meeting.

Action Item: Have a future agenda item to determine proposed objectives for the 4 remaining goals at future board meetings in September, October and November 2016.

STATUS: COMPLETE

The strategic planning topic was on the agenda of the Board meetings held on September 8 and October 13, 2016 at which time the Board portion of the strategic plan was considered complete. Staff developed a corresponding work plan for the Board's review that is on the agenda for the Long Range Planning Workshop on May 15, 2017.

4. Northern San Pablo Avenue Sewer Capacity

The Board reviewed and discussed the San Pablo Avenue Specific Plan and the sewer capacity along this corridor with both Melanie Mintz, City of El Cerrito Community Development Director and Yvetteh Ortiz, City of El Cerrito Public Works Director. The City hired BKF Engineers to evaluate existing capacity and potential required capacity based on future development as proposed in the San Pablo Avenue Specific Plan. Staff will continue to work with the City and their consultant and also look into funding mechanisms that would not impact current sewer rates.

Action Item: Working with the City of El Cerrito and their consultant, determine the required capacity based on future development as proposed in the San Pablo Avenue Specific Plan. Propose funding mechanisms that would not impact current sewer rates. Include a progress report at future board meetings on a quarterly basis.

STATUS: CONTINUING

The San Pablo Avenue Future Capacity Update topic was on the agenda of the Board meetings held on August 18, 2016, November 10, 2016, February 16, 2017, and the Long Range Planning Workshop on May 15, 2017. Progress reports will continue at future board meetings on a quarterly basis until completed.

STEGE SANITARY DISTRICT

BUDGET - COMPOSITE 5 YEAR REVIEW

ITEM	FINAL BUDGET 2012-2013	FINAL BUDGET 2013-2014	FINAL BUDGET 2014-2015	FINAL BUDGET 2015-2016	FINAL BUDGET 2016-2017	5yr Avg BUDGET	% Inc/(Dec) 11/12 to 12/13 BUDGET	% Inc/(Dec) 12/13 to 13/14 BUDGET	% Inc/(Dec) 13/14 to 14/15 BUDGET	% Inc/(Dec) 14/15 to 15/16 BUDGET	% Inc/(Dec) 15/16 to 16/17 BUDGET	5yr Avg % Inc/(Dec) BUDGET
OPERATING EXPENSES:												
010 Salaries & Wages	\$ 949,687	\$ 981,249	\$ 1,000,320	\$ 1,002,990	\$ 1,065,310	\$ 980,089	8%	3%	2%	0%	6%	2%
020 Employee Benefits	\$ 428,082	\$ 484,499	\$ 504,900	\$ 524,880	\$ 561,920	\$ 486,728	3%	13%	4%	4%	7%	6%
030 Directors' Expenses	\$ 43,500	\$ 40,000	\$ 40,000	\$ 36,500	\$ 36,500	\$ 39,087	14%	-8%	0%	-9%	0%	2%
040 Election Expense	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ 15,000	0%	-100%	0%	-100%	0%	-50%
060 Gasoline, Oil, Fuel	\$ 19,000	\$ 19,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 20,333	6%	0%	16%	0%	0%	10%
070 Insurance	\$ 102,500	\$ 102,500	\$ 102,500	\$ 102,500	\$ 102,500	\$ 102,500	0%	0%	0%	0%	0%	6%
080 Memberships	\$ 13,100	\$ 14,100	\$ 21,100	\$ 18,100	\$ 18,100	\$ 16,967	-24%	8%	50%	-14%	0%	16%
090 Office Expense	\$ 8,100	\$ 8,100	\$ 8,100	\$ 8,100	\$ 8,100	\$ 7,933	14%	0%	0%	0%	0%	2%
100 Operating Supplies	\$ 33,200	\$ 33,200	\$ 38,200	\$ 40,000	\$ 40,000	\$ 36,300	0%	0%	15%	5%	0%	8%
110 Contractual Services	\$ 138,260	\$ 151,000	\$ 151,500	\$ 95,880	\$ 96,000	\$ 127,292	5%	9%	0%	-37%	0%	7%
120 Professional Services	\$ 235,600	\$ 228,100	\$ 199,600	\$ 115,100	\$ 105,100	\$ 185,267	3%	-3%	-12%	-42%	-9%	-14%
130 Printing & Publications	\$ 36,800	\$ 21,800	\$ 24,800	\$ 29,000	\$ 29,000	\$ 26,417	115%	-41%	14%	17%	0%	22%
140 Rents & Leases	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	0%	0%	0%	0%	0%	0%
150 Repairs & Maintenance	\$ 74,960	\$ 91,960	\$ 89,400	\$ 85,200	\$ 91,300	\$ 82,355	22%	23%	-3%	-5%	7%	11%
160 Revenue Collection Expenses	\$ 12,000	\$ 12,000	\$ 12,000	\$ 14,000	\$ 14,000	\$ 12,750	-4%	0%	0%	17%	0%	-1%
170 Travel & Meetings	\$ 15,350	\$ 15,350	\$ 15,350	\$ 15,350	\$ 15,350	\$ 15,242	4%	0%	0%	0%	0%	2%
190 Utilities	\$ 26,000	\$ 27,000	\$ 27,000	\$ 30,200	\$ 31,700	\$ 27,607	10%	4%	0%	12%	5%	10%
200 Other Expenses	\$ 35,700	\$ 73,700	\$ 163,700	\$ 59,600	\$ 60,600	\$ 68,333	114%	106%	122%	-64%	2%	111%
203 First Aid Supplies	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	0%	0%	0%	0%	0%	0%
204 Safety Equipment and Gloves	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	0%	0%	0%	0%	0%	20%
205 Uniforms and Boots	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	0%	0%	0%	0%	0%	-1%
206 Safety Incentive Program	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,208	25%	0%	0%	0%	0%	6%
410 Pump Stations	\$ 9,170	\$ 15,924	\$ 15,740	\$ 15,060	\$ 18,660	\$ 13,489	44%	74%	-1%	-4%	24%	29%
207 Contracted Repairs	\$ 54,000	\$ 56,000	\$ 57,000	\$ 58,000	\$ 59,000	\$ 53,167	54%	4%	2%	2%	2%	7%
TOTAL OPERATING EXPENSES	\$ 2,285,059	\$ 2,395,531	\$ 2,543,260	\$ 2,292,510	\$ 2,425,190	\$ 2,336,863	10%	5%	6%	-10%	6%	4%
CAPITAL EXPENSES:												
650 DEBT REPAYMENT	\$ 308,577	\$ 223,045	\$ 148,200	\$ 148,200	\$ 148,200	\$ 214,141	0%	-28%	-34%	0%	0%	-15%
300 CAPITAL EQUIPMENT	\$ 360,000	\$ 25,000	\$ 20,000	\$ 70,000	\$ 365,000	\$ 166,167	129%	-93%	-20%	250%	421%	36%
400 CONSTRUCTION	\$ 1,475,000	\$ 1,727,000	\$ 1,780,000	\$ 2,156,000	\$ 2,311,000	\$ 1,777,333	21%	17%	3%	21%	7%	15%
TOTAL CAPITAL EXPENSES	\$ 2,143,577	\$ 1,975,045	\$ 1,948,200	\$ 2,374,200	\$ 2,824,200	\$ 2,157,641	28%	-8%	-1%	22%	19%	9%
TOTAL BUDGET	\$ 4,428,636	\$ 4,370,577	\$ 4,491,460	\$ 4,666,710	\$ 5,249,390	\$ 4,494,503	18%	-1%	3%	4%	12%	-4%

STEGE SANITARY DISTRICT

ACTUAL - COMPOSITE 5 YEAR REVIEW

ITEM	FINAL EXPENSE 2011-2012	FINAL EXPENSE 2012-2013	FINAL EXPENSE 2013-2014	FINAL EXPENSE 2014-2015	FINAL EXPENSE 2015-2016	as of 5/01/17 EXPENSE 2016-2017	5yr Avg EXPENSE	% Inc/(Dec) 11/12 to 12/13 EXPENSE	% Inc/(Dec) 12/13 to 13/14 EXPENSE	% Inc/(Dec) 13/14 to 14/15 EXPENSE	% Inc/(Dec) 14/15 to 15/16 EXPENSE	5yr Avg % Inc/(Dec) EXPENSE
OPERATING EXPENSES:												
010 Salaries & Wages	\$ 888,667	\$ 929,658	\$ 965,148	\$ 999,622	\$ 990,148	\$ 786,036	\$ 954,648	5%	4%	4%	-1%	2%
020 Employee Benefits	\$ 375,075	\$ 411,245	\$ 452,771	\$ 444,648	\$ 389,749	\$ 422,653	\$ 414,697	10%	10%	-2%	-12%	8%
030 Directors' Expenses	\$ 30,861	\$ 32,463	\$ 27,714	\$ 25,300	\$ 26,915	\$ 23,813	\$ 28,651	5%	-15%	-9%	6%	-2%
040 Election Expense	\$ -	\$ 384	\$ -	\$ 22,082	\$ -	\$ 300	\$ 4,493	0%	-100%	0%	-100%	-60%
060 Gasoline, Oil, Fuel	\$ 22,202	\$ 19,616	\$ 23,755	\$ 22,507	\$ 18,332	\$ 8,268	\$ 21,282	-12%	21%	-5%	-19%	1%
070 Insurance	\$ 67,352	\$ 78,051	\$ 100,807	\$ 52,283	\$ 128,090	\$ 124,812	\$ 85,317	16%	29%	-48%	145%	17%
080 Memberships	\$ 12,180	\$ 11,943	\$ 12,848	\$ 15,069	\$ 11,448	\$ 11,696	\$ 12,698	-2%	8%	17%	-24%	-6%
090 Office Expense	\$ 5,536	\$ 4,492	\$ 6,851	\$ 5,414	\$ 6,329	\$ 7,196	\$ 5,724	-19%	53%	-21%	17%	3%
100 Operating Supplies	\$ 32,050	\$ 28,122	\$ 28,009	\$ 35,222	\$ 28,182	\$ 5,488	\$ 30,317	-12%	0%	26%	-20%	1%
110 Contractual Services	\$ 115,718	\$ 131,791	\$ 147,031	\$ 75,181	\$ 86,201	\$ 97,456	\$ 111,184	14%	12%	-49%	15%	1%
120 Professional Services	\$ 204,922	\$ 217,115	\$ 211,827	\$ 97,389	\$ 74,118	\$ 80,625	\$ 161,074	6%	-2%	-54%	-24%	-23%
130 Printing & Publications	\$ 1,688	\$ 17,117	\$ 12,681	\$ 22,822	\$ 23,402	\$ 15,128	\$ 15,542	914%	-26%	80%	3%	224%
140 Rents & Leases	\$ 612	\$ 654	\$ 604	\$ 610	\$ 723	\$ 465.15	\$ 641	7%	-8%	1%	19%	3%
150 Repairs & Maintenance	\$ 82,400	\$ 43,435	\$ 36,151	\$ 86,625	\$ 75,697	\$ 55,633	\$ 64,862	-47%	-17%	140%	-13%	19%
160 Revenue Collection Expenses	\$ 10,861	\$ 10,852	\$ 17,248	\$ 14,434	\$ 11,191	\$ 10,676	\$ 12,917	0%	59%	-16%	-22%	-1%
170 Travel & Meetings	\$ 13,293	\$ 10,829	\$ 5,745	\$ 7,436	\$ 5,145	\$ 4,321	\$ 8,490	-19%	-47%	29%	-31%	-17%
190 Utilities	\$ 11,960	\$ 22,005	\$ 26,151	\$ 27,387	\$ 33,826	\$ 24,440	\$ 24,266	84%	19%	5%	24%	17%
200 Other Expenses	\$ 19,264	\$ 39,892	\$ 19,308	\$ 86,622	\$ 23,387	\$ 19,289	\$ 37,695	107%	-52%	349%	-73%	71%
203 First Aid Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
204 Safety Equipment and Gloves	\$ 1,868	\$ 1,505	\$ 1,509	\$ 3,108	\$ 1,440	\$ 898	\$ 1,886	-19%	0%	106%	-54%	-6%
205 Uniforms and Boots	\$ 10,977	\$ 12,146	\$ 10,503	\$ 11,209	\$ 9,875	\$ 9,746	\$ 10,942	11%	-14%	7%	-12%	-1%
206 Safety Incentive Program	\$ -	\$ 792	\$ 862	\$ 853	\$ -	\$ -	\$ 501	0%	9%	-1%	-100%	-38%
410 Pump Stations	\$ 6,274	\$ 14,107	\$ 31,140	\$ 5,925	\$ 25,606	\$ 21,451	\$ 16,610	125%	121%	-81%	332%	86%
207 Contracted Repairs	\$ 38,677	\$ 34,242	\$ 55,972	\$ 48,278	\$ 47,213	\$ 58,071	\$ 44,876	-11%	63%	-14%	-2%	2%
TOTAL OPERATING EXPENSES	\$ 1,952,435	\$ 2,072,455	\$ 2,194,634	\$ 2,110,026	\$ 2,017,018	\$ 1,788,459	\$ 2,069,314	6%	6%	-4%	-4%	-1%
CAPITAL EXPENSES:												
650 DEBT REPAYMENT	\$ 308,623	\$ 309,148	\$ 223,001	\$ 148,220	\$ 148,220	\$ 148,220	\$ 227,442	0%	-28%	-34%	0%	-12%
300 CAPITAL EQUIPMENT	\$ 93,508	\$ 338,330	\$ 4,726	\$ 27,889	\$ 41,760	\$ 241,937	\$ 101,243	262%	-99%	490%	50%	129%
400 CONSTRUCTION	\$ 886,013	\$ 1,237,409	\$ 1,419,193	\$ 1,735,026	\$ 2,078,499	\$ 1,506,261	\$ 1,471,228	40%	15%	22%	20%	18%
TOTAL CAPITAL EXPENSES	\$ 1,288,144	\$ 1,884,888	\$ 1,646,920	\$ 1,911,135	\$ 2,268,479	\$ 1,896,418	\$ 1,799,913	46%	-13%	16%	19%	11%
TOTAL EXPENSE	\$ 3,240,579	\$ 3,957,342	\$ 3,841,554	\$ 4,021,161	\$ 4,285,497	\$ 3,684,877	\$ 3,869,227	22%	-3%	5%	7%	4%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 41 - OPERATIONS

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
010 SALARIES AND WAGES					
011 Engineering Salaries	\$ 309,340	-25%	\$ 411,500	\$ 423,800	3%
011.6 Cell Phone (3)	1,620	-25%	2,160	2,160	0%
012 Collection System Salaries	285,352	-27%	391,400	403,100	3%
012.6 Cell Phone (5)	2,700	-25%	3,600	3,600	0%
013 Overtime - Service Calls	17,413	13%	15,400	15,400	0%
014 Overtime - Engineering/Inspection	435	-13%	500	500	0%
015 Standby	30,140	-25%	40,150	40,150	0%
017 Performance Incentive	-	-100%	12,000	12,000	0%
TOTAL SALARIES AND WAGES	\$ 647,001	-26%	\$ 876,710	\$ 900,710	3%
020 EMPLOYEE BENEFITS					
021 Retirement	\$ 144,546	-29%	\$ 202,330	\$ 208,380	3%
021a Deferred Comp Match (\$240 Max Per Mo.) Cafeteria Plan	20,520	-11%	23,040	24,480	6%
'022 Health Care Admin Fees	7,104	1380%	480	480	0%
'027 Cash, Dependent Care & Medical	114,500	-27%	156,000	156,000	0%
023 Life Insurance/Dental/LTD	12,493	-34%	18,800	18,800	0%
024 Workers' Compensation Insurance	9,134	-39%	15,000	15,800	5%
025 Unemployment Insurance	2,301	-49%	4,500	4,700	4%
026 Medicare	10,484	-40%	17,400	17,900	3%
Retiree Medical & ARC					
'028 Retiree Medical (AnnReq'dContrib ARC)		0%	-	-	0%
'029 Retiree Health Care Premium	12,445	-9%	13,700	13,700	0%
030 Social Security (On Call Maintenance)	720	-28%	1,000	1,000	0%
TOTAL EMPLOYEE BENEFITS	\$ 334,246	-26%	\$ 452,250	\$ 461,240	2%
MAINTENANCE					
060 GAS, OIL AND FUEL	\$ 8,268	-62%	\$ 22,000	\$ 22,000	0%
070 CLAIMS	12,970	-14%	15,000	15,000	0%
080 MEMBERSHIPS	1,330	-56%	3,000	3,000	0%
100 OPERATING SUPPLIES					
101 Rods and Augers	425	-98%	25,000	18,000	-28%
102 Chemicals	-	-100%	1,000	1,000	0%
104 Hose and Nozzles	4,748	-5%	5,000	12,000	140%
105 Emergency Readiness	-	-100%	500	500	0%
107 Engineering and Inspection Supplies	-	-100%	2,000	2,000	0%
108 Computer/Supplies	314	-95%	6,500	6,500	0%
Forward totals to next page	28,056	-65%	80,000	80,000	0%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 41 - OPERATIONS

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
Totals from previous page	\$ 28,056	-65%	\$ 80,000	\$ 80,000	0%
110 CONTRACTUAL SERVICES					
111 Phone Service (Answering Service)	\$ 1,161	-23%	\$ 1,500	\$ 1,500	0%
112 Manhole Level Monitors	1,645	-34%	2,500	2,500	0%
115 Sewer Root Foaming	76,378	2%	75,000	75,000	0%
116 Radio and Test Equipment Maintenance	2,530	406%	500	500	0%
117 Utility Marking Service	901	50%	600	900	50%
118 DOT Regulatory Compliance	681	-24%	900	900	0%
119 Collection System JPA	14,161	-6%	15,000	15,000	0%
120 PROFESSIONAL SERVICES					
121 Technical/Legal Support	\$ 10,780	-28%	\$ 15,000	\$ 15,000	0%
122 Safety Consultant	-	-100%	1,000	1,000	0%
123 Flow Monitoring Modeling	-	-100%	15,000	15,000	0%
124 Enforcement	-	-100%	6,000	6,000	0%
140 RENTS AND LEASES	\$ -	-100%	1,000	1,000	0%
150 REPAIRS AND MAINTENANCE					
151 Vehicle Maintenance	\$ 21,234	-29%	\$ 30,000	\$ 30,000	0%
152 Equipment and Shop Maintenance	4,817	-46%	9,000	9,000	0%
153 Sewer Materials					
a. Pipe and Fittings	1,679	-58%	4,000	4,000	0%
b. Manholes	259	-94%	4,500	4,500	0%
c. Castings	-	-100%	1,000	1,000	0%
154 Emergency Sewer Replacement	-	-100%	12,500	12,500	0%
155 Engineering Equipment			-	-	
156 Building Maintenance	1,153	-36%	1,800	1,800	0%
157 Janitorial Services	2,950	-34%	4,500	4,500	0%
158 Yard Maintenance	1,800	-25%	2,400	2,400	0%
159 Refuse Service	3,486	-13%	4,000	4,000	0%
159a Refuse Service-Vactor	460	-85%	3,000	3,000	0%
160 Video Inspection Equipment Repair	7,637	-24%	10,000	10,000	0%
170 TRAVEL AND MEETINGS					
171 Training and Testing	\$ 1,370	-54%	\$ 3,000	\$ 3,000	0%
173 Travel Reimbursement	521	-91%	6,000	6,000	0%
174 Meetings and Conference	1,513	-62%	4,000	4,000	0%
Forward totals to next page	\$ 185,169	-41%	\$ 313,700	\$ 314,000	0%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 41 - OPERATIONS

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
Totals from previous page	\$ 185,169	-41%	\$ 313,700	\$ 314,000	0%
193 WATER - HYDRO FLUSHER	\$ 4,060	-10%	\$ 4,500	\$ 5,500	22%
203 FIRST AID SUPPLIES	-	-100%	500	500	0%
204 SAFETY EQUIPMENT AND GLOVES	898	-80%	4,500	4,500	0%
205 UNIFORMS AND BOOTS	9,746	-19%	12,000	12,000	0%
206 SAFETY INCENTIVE PROGRAM	-	-100%	1,250	1,250	0%
TOTAL MAINTENANCE/ENGINEERING	\$ 199,873	-41%	\$ 336,450	\$ 337,750	0%
41.2 BURLINGAME PUMP STATION					
150 Repairs (Contracted)	\$ 495	-87%	\$ 3,800	\$ 3,800	0%
150a Annual Inspection	1,430	-59%	3,500	3,500	0%
151 Electricity	962	7%	900	900	0%
152 Telephone/Telemetry	1,100	22%	900	900	0%
153 Maintenance and Landscaping	720	-25%	960	960	0%
41.4 CANON PUMP STATION					
150 Repairs (Contracted)	14,577	239%	4,300	4,300	0%
150a Annual Inspection	339	-86%	2,500	2,500	0%
151 Electricity	798	-11%	900	900	0%
152 Telephone/Telemetry	1,029	14%	900	900	0%
TOTAL PUMP STATIONS	\$ 21,451	15%	\$ 18,660	\$ 18,660	0%
207 CONTRACTED REPAIRS	\$ 58,071	-2%	59,000	61,000	3%
TOTAL - MAINT/ENG EMPLOYEE SALARIES	\$ 647,001	-26%	\$ 876,710	\$ 900,710	3%
TOTAL - MAINT/ENG EMPLOYEE BENEFITS	334,246	-26%	452,250	461,240	2%
TOTAL OTHER MAINTENANCE/ENGINEERING	199,873	-41%	336,450	337,750	0%
TOTAL - PUMP STATIONS	21,451	15%	18,660	18,660	0%
TOTAL CONTRACTED REPAIRS	58,071	-2%	59,000	61,000	3%
TOTAL OPERATIONS	\$ 1,260,642	-28%	\$ 1,743,070	\$ 1,779,360	2%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
010 SALARIES AND WAGES					
011 Administration Salaries	\$ 128,025	-25%	\$ 170,700	\$ 179,200	5%
011.7 Scanning Support Salaries	11,010	-24%	14,400	15,120	5%
017 Performance Incentive	-	-100%	3,500	3,500	0%
TOTAL - SALARIES & WAGES	\$ 139,035	-26%	\$ 188,600	\$ 197,820	5%
020 EMPLOYEE BENEFITS					
021 Retirement	\$ 33,076	-23%	\$ 43,020	\$ 45,160	5%
021a Deferred Comp Match (\$240 Max Per Mo.) Cafeteria Plan	4,800	-17%	5,760	5,760	0%
'022 Health Care Admin Fees	6,230	1631%	360	360	0%
'027 Cash, Dependent Care & Medical	29,250	-25%	39,000	39,000	0%
023 Life Insurance/Dental/LTD	2,603	-40%	4,350	4,350	0%
024 Workers' Compensation Insurance	2,283	-29%	3,200	3,400	6%
025 Unemployment Insurance	-	-100%	450	500	11%
026 Medicare Retiree Medical	2,308	-47%	4,330	4,890	13%
'028 Retiree Medical (AnnReq'dContrib(ARC))	-	0%	-	-	0%
'029 Retiree Health Care Premiums	6,223	-8%	6,800	6,800	0%
029a Social Security	1,635	-32%	2,400	2,400	0%
TOTAL - EMPLOYEE BENEFITS	\$ 88,407	-19%	\$ 109,670	\$ 112,620	3%
GENERAL EXPENSES					
030 DIRECTORS' EXPENSES					
031 Board Meeting Compensation	\$ 12,095	-41%	\$ 20,500	\$ 20,500	0%
032 Travel Reimbursement	5,891	-41%	10,000	10,000	0%
033 Meetings & Conference	5,827	17%	5,000	6,500	30%
034 Training	-	-100%	1,000	1,000	0%
TOTAL - DIRECTORS' EXPENSES	\$ 23,813	-35%	\$ 36,500	\$ 38,000	4%
040 ELECTION EXPENSES	\$ 300	-99%	\$ 30,000	\$ -	-100%
070 INSURANCE					
071 Liability and Property Insurance	\$ 111,842	2%	\$ 110,000	\$ 115,500	5%
072 Dividends (CREDIT)	-	-100%	(22,500)	(22,500)	0%
080 MEMBERSHIPS					
081 Memberships	\$ 10,366	-31%	\$ 15,000	\$ 15,000	0%
082 Memberships - Board	-	-100%	100	100	0%
Forward totals to next page	146,321	-13%	169,100	146,100	-14%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
Totals from previous page	\$ 146,321	-13%	\$ 169,100	\$ 146,100	-14%
090 OFFICE EXPENSES					
091 Stationery, Postage, Supplies	\$ 1,959	-51%	\$ 4,000	\$ 4,000	0%
092 Subscriptions	4,883	63%	3,000	5,000	67%
094 Public Notice Postage	-	-100%	400	400	0%
096 Bank Charges	354	-49%	700	700	0%
120 PROFESSIONAL SERVICES					
121 Legal Services	\$ 49,472	50%	\$ 33,000	\$ 33,000	0%
123 Audit and Special Reports	16,000	7%	15,000	18,200	21%
124 Resources Consultant	-	-100%	5,000	5,000	0%
125 Administrative Support	-	-100%	4,000	4,000	0%
126 Labor Relations/HR Training	-	-100%	100	100	0%
127 Litigation Expenses	-	-100%	5,000	5,000	0%
129 ADP Payroll Expenses	4,373	-27%	6,000	6,000	0%
130 PRINTING AND PUBLICATIONS					
131 Meetings and Hearings Notices	\$ 5,749	-23%	\$ 7,500	\$ 7,500	0%
132 Newsletters	8,322	-58%	20,000	20,000	0%
133 Publications (Ordinances & Notices)	1,058	6%	1,000	1,000	0%
134 Job Advertising	-	-100%	500	500	0%
140 RENTS AND LEASES	\$ 465	-42%	\$ 800	\$ 800	0%
150 BUILDING REPAIRS AND MAINTENANCE					
151 Administration Offices	\$ 7,206	621%	\$ 1,000	\$ 6,000	500%
155 Office Equipment	2,954	-18%	3,600	3,600	0%
Forward totals to next page	249,115	-11%	279,700	266,900	-5%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
Totals from previous page	\$ 249,115	-11%	\$ 279,700	\$ 266,900	-5%
160 REVENUE COLLECTION EXPENSES					
161 EBMUD	\$ 364	0%	\$ -	\$ 600	0%
162 CCC Assessment Collection Fees	10,312	-26%	14,000	14,000	0%
170 TRAVEL AND MEETINGS					
173 Travel Reimbursement	\$ 804	15%	\$ 700	\$ 1,500	114%
174 Meetings and Conferences	113	-93%	1,650	1,650	0%
190 UTILITIES					0%
191 Gas and Electricity	\$ 8,706	-13%	\$ 10,000	\$ 10,000	0%
192 Telephone & Computer Internet	7,144	-35%	11,000	11,000	0%
193 Water	2,762	-34%	4,200	4,200	0%
194 Security System	1,767	-12%	2,000	2,000	0%
200 OTHER EXPENSES					
201 Miscellaneous	\$ 4,467	-11%	\$ 5,000	\$ 5,000	0%
202 Property Taxes	64	-36%	100	100	0%
203 LAFCO Net Cost Apportionment	2,460	-2%	2,500	2,500	0%
204 Public Outreach	12,298	-32%	18,000	18,000	0%
205 Penalties & Fines	-	-100%	35,000	35,000	0%
TOTAL - GENERAL EXPENSES	\$ 300,375	-22%	\$ 383,850	\$ 372,450	-3%
TOTAL - ADMIN. EMPLOYEE SALARIES	\$ 139,035	-26%	\$ 188,600	\$ 197,820	5%
TOTAL - ADMIN. EMPLOYEE BENEFITS	\$ 88,407	-19%	\$ 109,670	\$ 112,620	3%
TOTAL - ADMINISTRATION & GENERAL	\$ 527,817	-23%	\$ 682,120	\$ 682,890	0%
TOTAL OPERATIONS & ADMIN. (3418)	\$ 1,788,459	-26%	\$ 2,425,190	\$ 2,462,250	2%

DRAFT BUDGET

DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 41 - CAPITAL EQUIPMENT EXPENSES

FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
CAPITAL EQUIPMENT EXPENSES					
300 CAPITAL OPERATIONS (3421)					
315 Flow Meters	-	-100%	\$ 25,000	\$ 25,000	0.0%
319 Manhole Level Monitors	-	-100%	10,000	10,000	0.0%
324 Vehicle Replacement	241,937	-27%	330,000	-	-100.0%
327 Downhole Winch	-		-	11,000	100%
Sub-Total Capital Operations	\$ 241,937	-34%	\$ 365,000	\$ 46,000	-87%
TOTAL - CAPITAL EQUIPMENT EXPENSES (3421)	\$ 241,937	-34%	\$ 365,000	\$ 46,000	-87%

DRAFT BUDGET

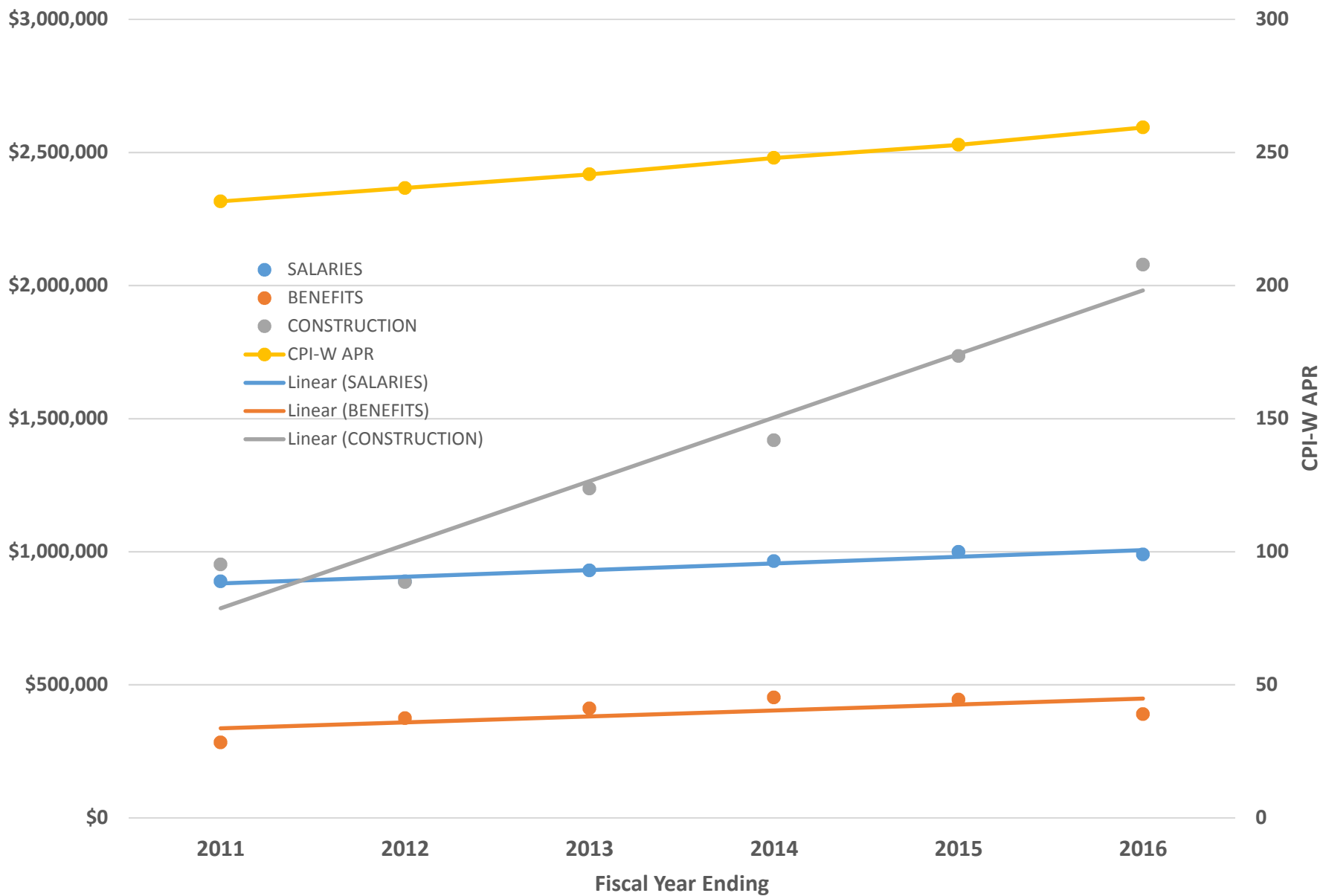
DETAIL SHEET

STEGE SANITARY DISTRICT
ACCOUNT NO. 41 - CAPITAL EXPENSES

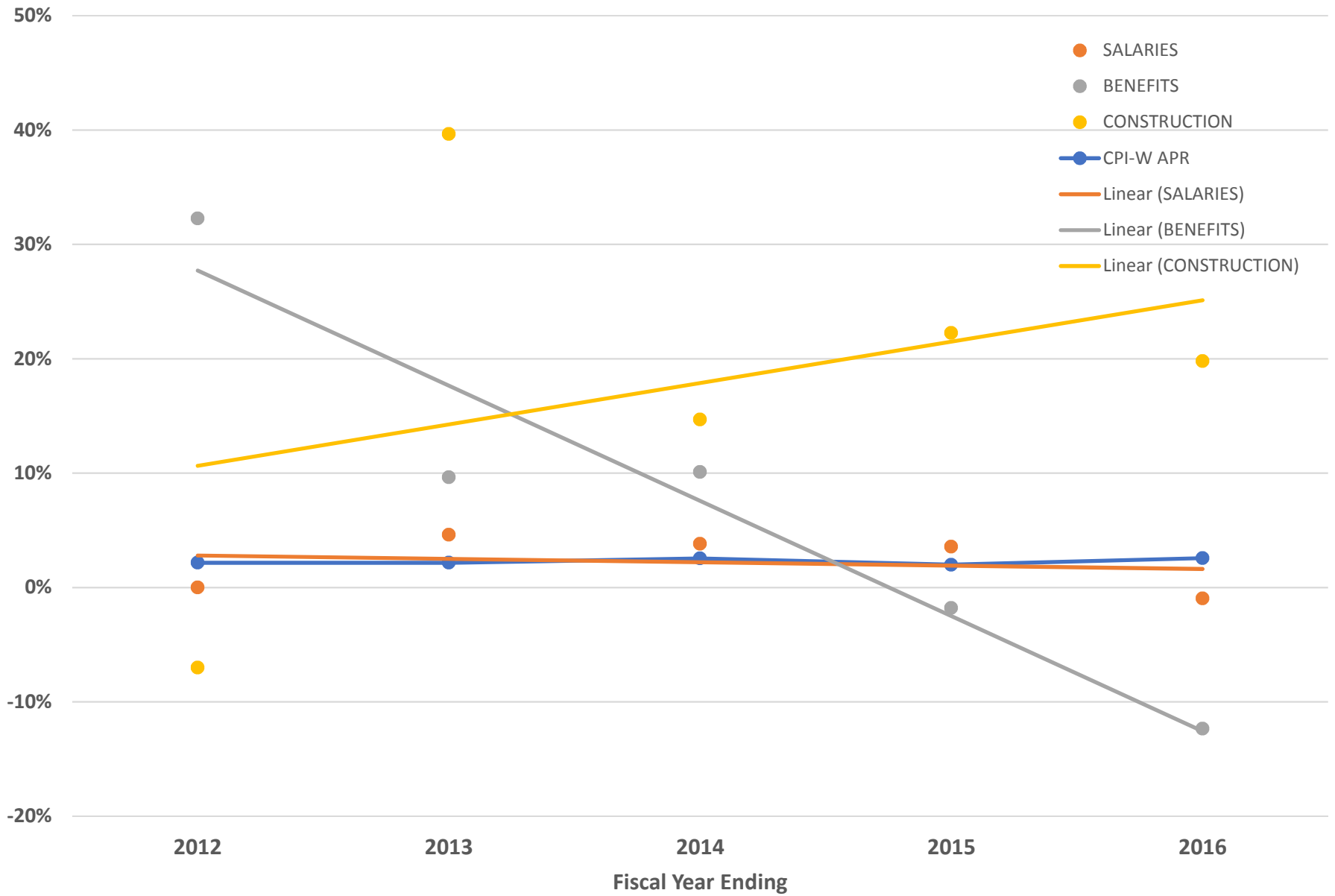
FISCAL YEAR 2017-2018

ITEM	As of 5/01/17 EXPENDITURES 2016-2017	REMAINING BUDGET 2016-2017	Fiscal Year 2016-2017 Budget	Fiscal Year 2017-2018 Budget	% Change
411 MANHOLES					
Manhole Adjustments	\$ 2,250	-91%	\$ 25,000	\$ 25,000	0%
428 RENEWAL & REPLACEMENT					
a. Interceptor Cleaning	\$ 14,750	-71%	\$ 50,000	\$ 50,000	0%
b. Pump Station Rehab	-	-100%	16,000	16,000	0%
SUB TOTAL (428)	\$ 14,750	-78%	\$ 66,000	\$ 66,000	0%
434 STANDARD SEWER REHABILITATION (3423)					
a. Construction Costs	\$ 1,489,261	-33%	\$ 2,220,000	\$ 2,365,000	7%
b. Engineering Costs	-	#DIV/0!	-	-	0%
SUB-TOTAL (434)	\$ 1,489,261	-33%	\$ 2,220,000	\$ 2,365,000	7%
TOTAL CONSTRUCTION COSTS (400s)	\$ 1,506,261	-35%	\$ 2,311,000	\$ 2,456,000	6%
650 DEBT REPAYMENT (SRF LOANS)					
a. Repayment Project 99201	104,281	0%	104,300	104,300	0%
b. Repayment Project 02203	43,939	0%	43,900	43,900	0%
TOTAL DEBT REPAYMENT (650)	\$ 148,220	0%	\$ 148,200	\$ 148,200	0%
TOTAL CAPITAL EXPENSES (400-650)	\$ 1,654,481	-41%	\$ 2,824,200	\$ 2,650,200	-6%

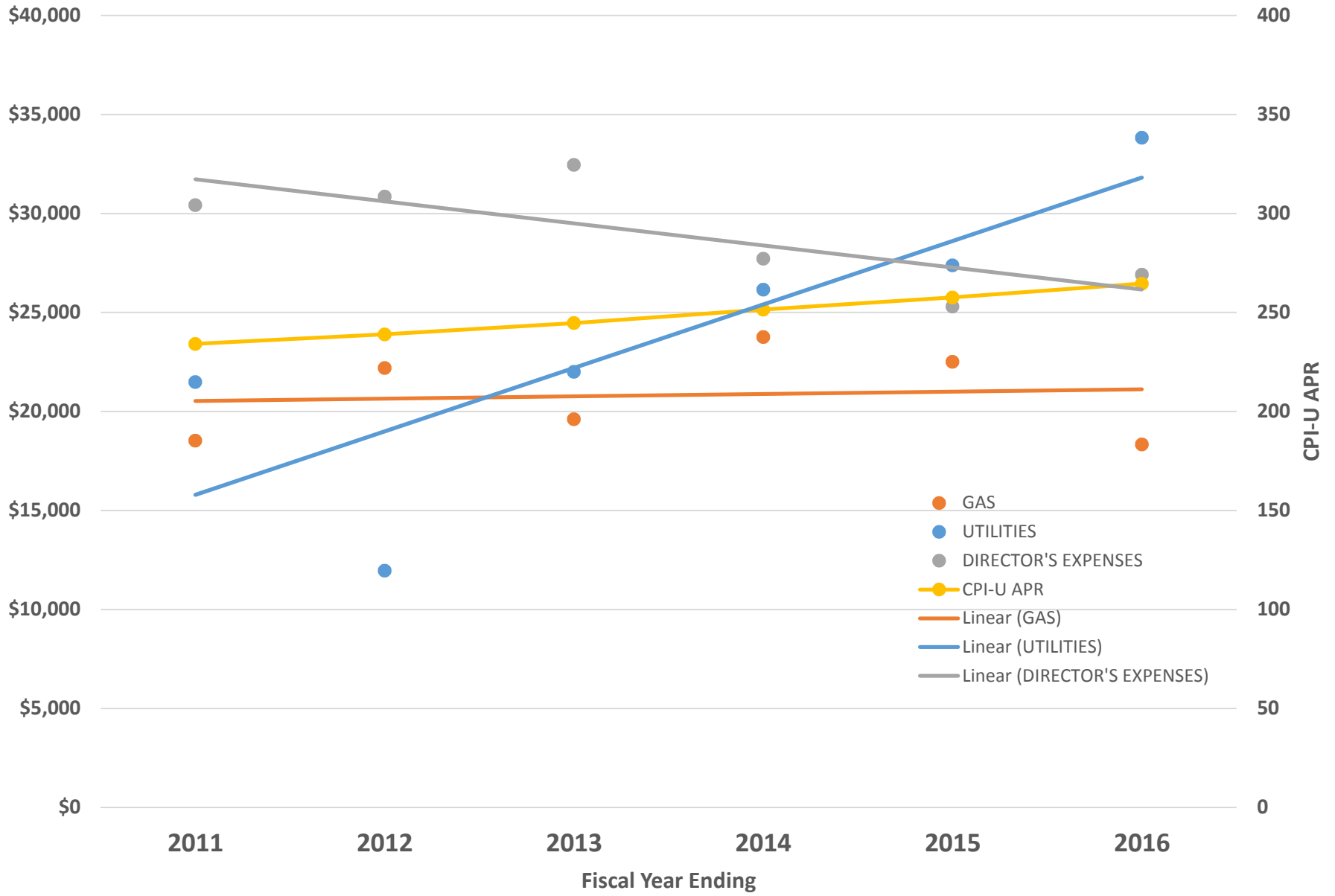
Salaries, Benefits and Construction Costs vs CPI-W



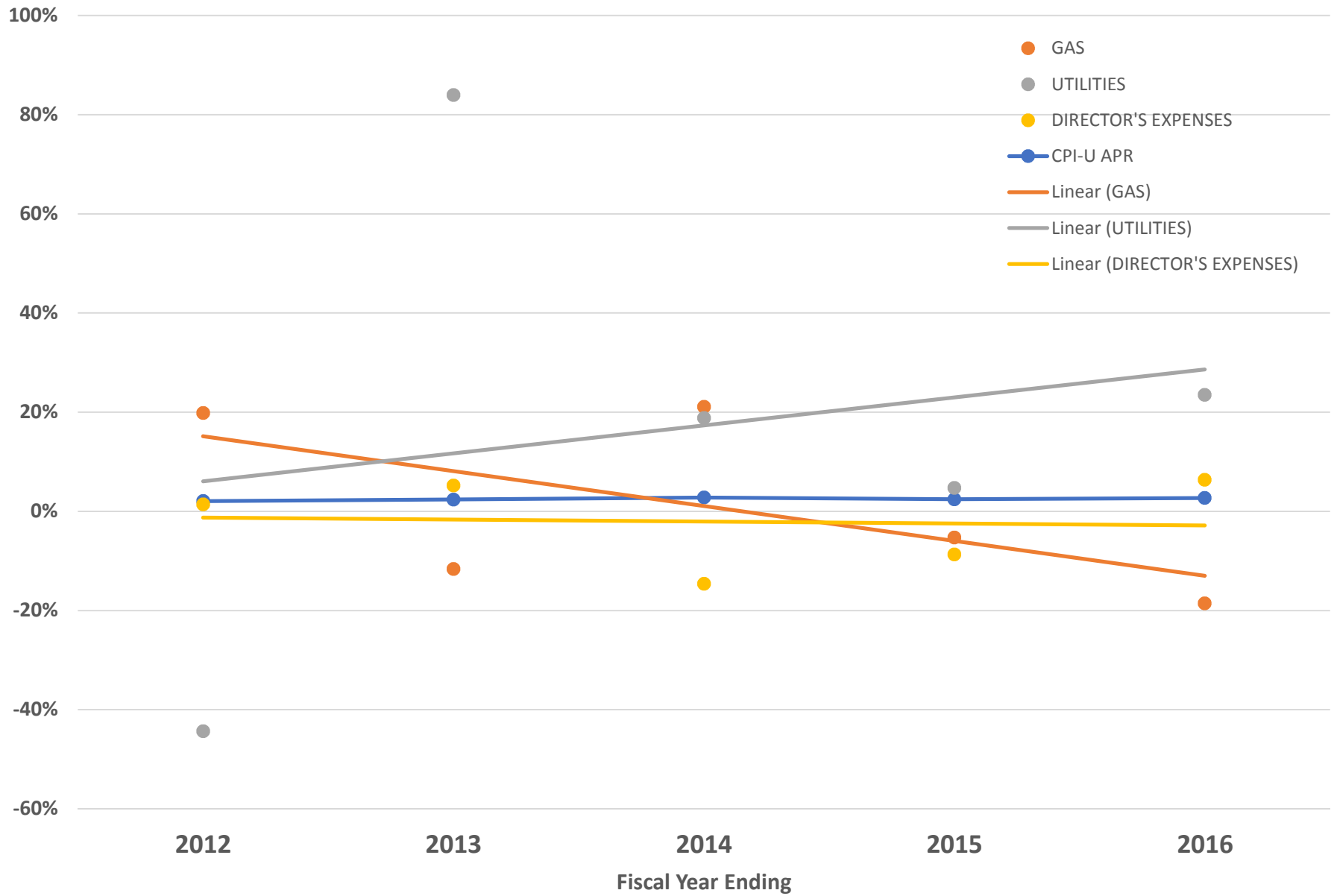
Salaries, Benefits and Construction Costs vs CPI-W (% Inc/(Dec))



Gas, Utilities and Directors' Expenses vs CPI-U



Gas, Utilities and Director's Expenses vs CPI-U (% Inc/(Dec))



STEGE SANITARY DISTRICT

DRAFT Strategic Plan

MISSION

“...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. “

VISION

The District will continue to:

- Protect public health and our environment
- Meet all legal and regulatory requirements
- Work in a safe and efficient manner
- Provide excellent customer service
- Employ our proactive asset management methods to provide a sustainably reliable collection system and reduce sewer system overflows (SSOs)
- Utilize a Pay-as-you-go (PayGo) financial policy including prudent, justifiable reserves
- Manage resources to accomplish our mission while maintaining a rate structure among the lowest in the San Francisco Bay Area
- Provide a safe, enjoyable, and rewarding work environment that recognizes the value and worth of our employees
- Use governance and transparency practices that qualify for the Special District Leadership Foundation District of Distinction Accreditation and the District Transparency Certificate of Excellence
- Anticipate and plan for future changes
- Keep customers informed through newsletters, public appearances, website and other appropriate outreach

VALUES

The District will adhere to the following set of core values in all aspects of operations:

- Safety
- Fiscal Responsibility
- Fairness
- Ethical and Transparent Governance
- Professional Excellence
- Education and Training
- Appropriate, Safe and Secure Up-To-Date Technology and Equipment
- Continued Improvement
- Sustainable Environmental Practices (Reduce, Reuse, Recycle)

GOALS/OBJECTIVES & WORK PLAN

1. Comply with State and Federal Regulations

- Meet United States Environmental Protection Agency Consent Decree requirements including submittal of an Annual Report by September 30th of each year
- Meet State of California Wastewater Discharge Requirements (WDR) requirements including electronic reporting of Sanitary Sewer Overflows (SSOs)
- Meet Regional Water Quality Control Board (Region 2) Sewer System Master Plan (SSMP) requirements including a documented self-audit every 2 years
- Complete a comprehensive legal review and update of the District's Ordinance Code
- Maintain a safety sensitive commercial driver program which includes a substance abuse policy for all employees who are required to possess a class B license
- Work with professional associations such as CWEA, CASA, CSDA and BACWA that monitor and advocate on behalf of wastewater agencies before state and federal regulators on pending and proposed legislation or regulations

2. Maintain and Improve Infrastructure

- Perform proactive maintenance and assessment of the sewer system through cleaning, CCTV inspection and chemical root control to eliminate "preventable" SSOs
- Update and implement sewer system master plan to prioritize sewer replacement, funding, and maintain a sewer system life cycle of 60+ years
- Update and maintain the District's Asset Management and Data Collections Program which includes the Geographic Information System (GIS) and Computerized Maintenance Management System (CMMS)
- Work with the Regional Private Sewer Lateral (PSL) and Regional Technical Support Program (RTSP) to facilitate property owner replacement of leaky laterals and elimination of cross connections
- Conduct risk assessments for pump stations, force mains, and siphon
- Transition from pump station landline communication to a telemetry system
- Work with local agencies to develop growth strategies that ensure necessary sewer collection infrastructure is prudently funded and installed

3. Ensure Financial Stability and Efficiency

- Annually review the Sewer Service Charge and conduct a Financial Plan and Rate Study at least every five (5) years
- Annually develop and implement a financial budget
- Annually undertake an independent financial audit and change auditors at least every five (5) years
- Annually review the District's Connection Charge
- Annually review the District's Long Term Financial Plan
- Annually review the District's Reserve Policy
- Annually review the District's Investment Policy
- Every 2 years conduct a retiree medical actuarial evaluation
- Annually compare service rates with East Bay agencies

- Monthly Board review of financial statements
- Fully fund retirement liabilities

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

- Annually review employee salary and benefits and conduct a survey vs. comparable agencies at least every five (5) years
- Encourage employee participation in professional organizations and provide effective training, professional development and quality educational opportunities at District expense to promote professional development and certification
- Provide a flexible work schedule as a benefit for employees to support employee morale, retention and recruitment
- Provide an incentive program and safety awards to recognize employee achievements
- Develop a succession plan that will identify and train back-up staff to mitigate the loss or retirement of key employees and maintain institutional and technical knowledge
- Provide employees with the proper tools, resources and technology necessary to perform their duties effectively and efficiently
- Provide a safety and wellness program that promotes a safe work environment and good health

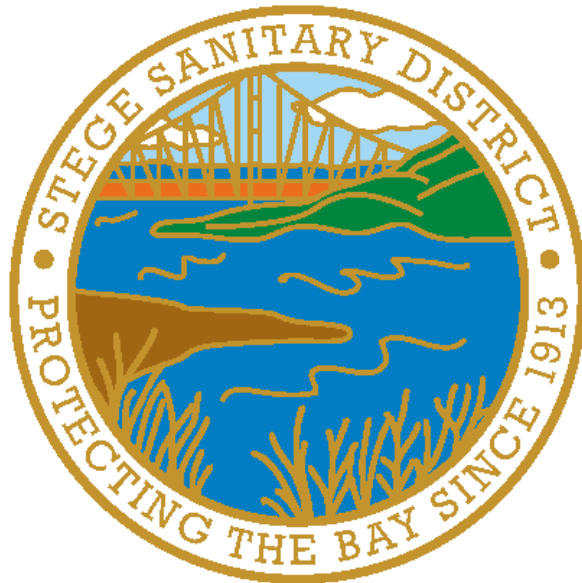
5. Maintain and Improve Community Outreach and Communication

- Update the District website with information that maintains a high level of transparency for the public
- Publish the Endeavor Newsletter twice a year, mail to every District resident and provide copies to service area libraries, community centers, senior centers, cafés, coffee shops, donut shops, & waiting rooms
- Maintain a 24 hour “live” person contact phone number
- Send a customer service satisfaction survey after each service call to track fulfillment of expectations
- Participate in community events such as the 4th of July Fair
- Provide educational pamphlets, door hangers and notices, such as Proposition 218 notices, to inform the public of rate changes, proper disposal of “flushable” wipes & other non-flushables, Fats, Oils & Grease (FOG) disposal, Underground Service Alert (USA) damage prevention services, backflow prevention device (BPD) installation and maintenance, and actions that can help prevent SSOs
- Work cooperatively with other agencies within and around our service area
- Maintain a presence on social media and online communities such as Facebook, Nextdoor and Yelp

DRAFT

STEGE SANITARY DISTRICT

SANITARY SEWER MASTER PLAN



May 2017

**STEGE SANITARY DISTRICT
2017 SANITARY SEWER MASTER PLAN**

TABLE OF CONTENTS

1.0	Repair, Rehabilitation and Replacement	1
2.0	Inspection and Assessment Protocols	4
3.0	Condition-Based Repair and Replacement Plan	4
4.0	Budget and Footage Goals	5
5.0	Construction Methods and Standards	6
6.0	City of El Cerrito Specific Plan, San Pablo Avenue Sanitary Sewer Capacity Improvement Impact Fee Program	6

DRAFT

LIST OF FIGURES

Figure 1.1	10 Year Financial Plan	2
Figure 1.2	District sub-basins with “R” Values of 10 or more	3
Figure 1.3	CIP Footage Goals	6

DRAFT

1. REPAIR, REHABILITATION AND REPLACEMENT

Stipulated Order of Preliminary Relief requirement, subparagraph 82.B.3:

“This plan shall include elimination of known improper flow connections, according to a schedule informed by the inspection results, and address both short-term (repairs of Acute Defects to occur within one year of completion of inspection and assessment) and long term repair, rehabilitation and replacement of sewer pipes.

a. A schedule and 10 year financial plan for repair, rehabilitation, and replacement of sewer pipes. This schedule shall identify pipe reaches presently planned as priorities for rehabilitation or replacement over the next three years, with the understanding that the identified priorities are likely to be further developed and revised through the inspection and assessment process, and as a result of changed conditions. The District shall develop its schedule for repair, rehabilitation and replacement of sewer pipes using standardized responses developed by the District to observed defects, taking into account available peak flow rate data;”

TEN YEAR FINANCIAL PLAN

The District works with public financial advisors periodically to assess budget sustainability and to assist with appropriate rate setting. The most recent effort with these financial consultants occurred in 2014 and a ten year plan was developed, as well as a projection of service rates needed to fund ongoing Capital, Operating and Maintenance (O&M) costs. Service rates were subsequently approved for the following five fiscal years, through fiscal year 2018-19. A copy of the ten year financial plan for the Capital Improvements Project (CIP) and Contracted Repairs is included in Figure 1.1.

Figure 1.1 – 10 Year Financial Plan

FISCAL YEAR	CAPITAL IMPROVEMENTS PROJECT (CIP) BUDGET	CONTRACTED REPAIRS BUDGET
2014-15	\$1,725,000	\$57,000
2015-16	\$2,081,000	\$58,000
2016-17	\$2,220,000	\$59,000
2017-18	\$2,365,000	\$60,000
2018-19	\$2,523,000	\$61,000
2019-20	\$2,689,000	\$62,000
2020-21	\$2,867,000	\$63,000
2021-22	\$3,057,000	\$64,000
2022-23	\$3,259,000	\$65,000
2023-24	\$3,473,000	\$66,000

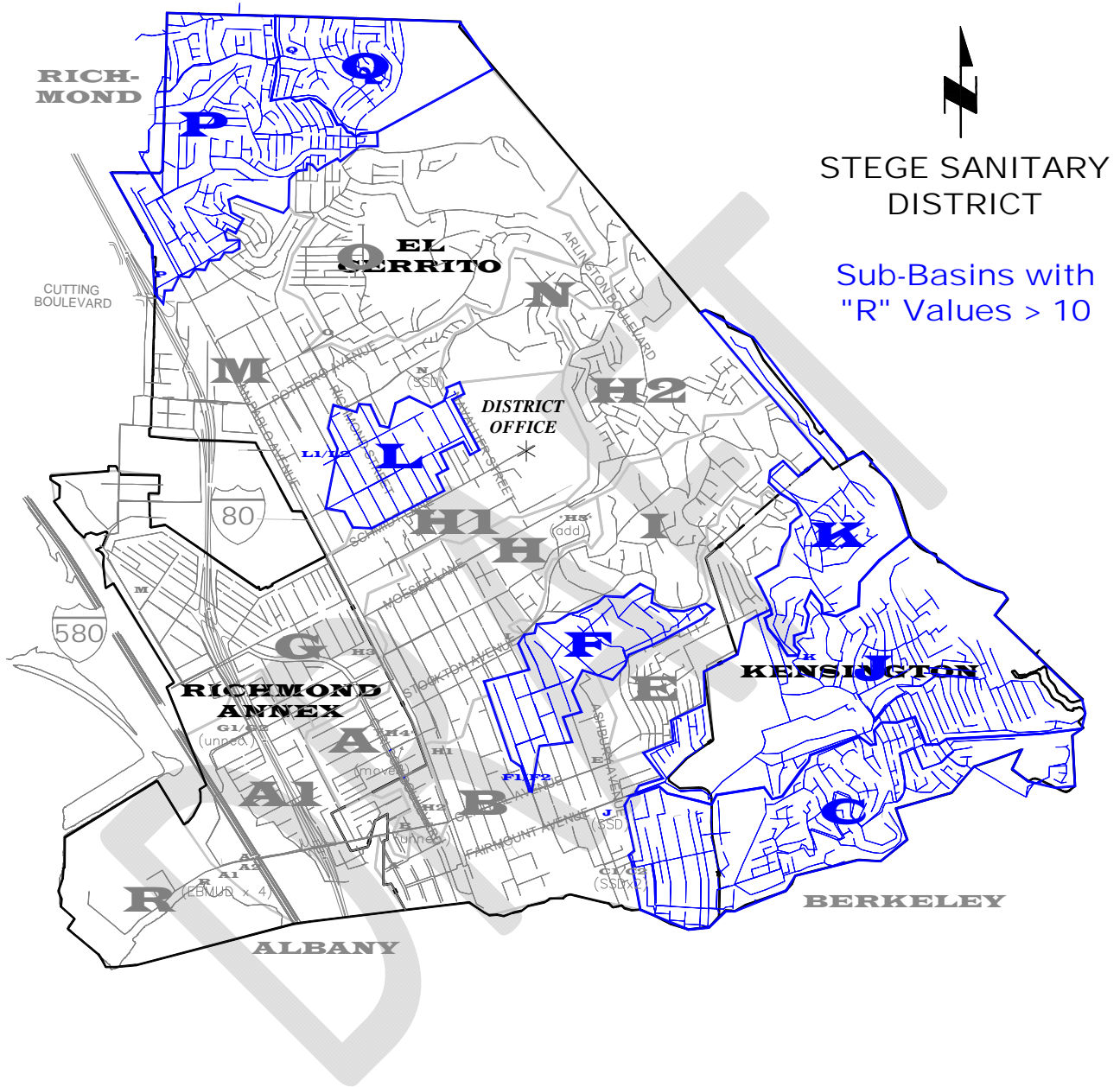
SHORT TERM

The project priority list is regularly updated as staff continually performs CCTV assessments and ratings as part of its routine maintenance work. Any “acute” defects, defined as “a failing in a sewer pipe in need of an urgent response to address an imminent risk of an SSO”, will be included on the project list as a high priority for rehabilitation as soon as they are assessed. These segments will be repaired or rehabilitated no later than one year after the assessment is completed.

LONG TERM (USING PEAK FLOW RATE DATA)

The District is currently prioritizing line segments to utilize information gathered from its Sub Basin Flow Monitoring Plan. Projects target line segments with the highest Damage Severity Index (DSI) ratings that are located in District sub-basins that have high I/I contribution rates (“R” values), in order to maximize and accelerate I/I reduction. This is the “worst lines in the worst areas” priority. Historically, the priority list of lines generally focused on those that had the highest DSI ratings (worst structural condition and/or require more maintenance), as determined by CCTV assessment. All lines with significant structural issues that may cause an SSO will still be included for repair/rehabilitation but this adjustment will shift more focus on rehabilitation of the “worst lines in the worst areas”. A map indicating isolated sub-basins that have an I/I contribution rate “R” value of 10 or more is shown in Figure 1.2.

Figure 1.2 – District sub-basins with “R” Values of 10 or more



2. INSPECTION AND ASSESSMENT PROTOCOLS

The District continues to maintain an ongoing program to inspect its sanitary sewer mains using Closed Circuit Television (CCTV). The goal is to CCTV inspect every line in the District on no more than a five year revolving schedule which is the current standard frequency for all lines. A repeat inspection of a line segment initiated before the five year scheduled inspection is done if determined necessary by Engineering staff.

EVALUATION OF INSPECTION FINDINGS

A review of the CCTV assessment ratings is made by the Engineering staff every quarter to ensure that ratings are properly assessed and to evaluate the findings for scheduling required repairs or rehabilitation in Capital Improvement Projects or, if needed, cleaning and/or a repeat CCTV inspection. Engineering staff reviews all CCTV assessments with a DSI rating greater than 10 or a total rating greater than 1000. Engineering staff meets periodically with maintenance staff to go over these findings and make adjustments if and when necessary.

Engineering further ranks the CCTV assessments with a DSI rating greater than 10 or a total rating greater than 1000, into ratings of "PRIORITY, MEDIUM-HIGH, MEDIUM & LOW" using visual observation, historical maintenance crew feedback and sound Engineering judgment.

3. CONDITION-BASED REPAIR AND REPLACEMENT PLAN

The CCTV assessments are further ranked as follows:

Priority 1:

- Structural defects that have previously caused or contributed to a Sanitary Sewer Overflow (SSO), or defects Engineering determines will most likely cause or contribute to an SSO in the near future.
- Structural defects classified as "Acute Defects".
- Defects ranked as PRIORITY in a high I/I location.

Priority 2:

- Defects ranked as PRIORITY, but not in a high I/I location.

Priority 3:

- Defects ranked as MEDIUM-HIGH, in a high I/I location.

Priority 4:

- All other defects.

The sanitary sewer lines to be repaired, rehabilitated and replaced are given to the District Contractor in batches based on available budget and schedule.

4. CAPITAL IMPROVEMENT PLAN (CIP)

The District’s Capital Improvement Plan includes over \$27.8 million in expenditures over the course of fiscal year 2015 to fiscal year 2024. The plan is organized into funding groups: System Rehabilitation, Capital Equipment, and other capital.

The System Rehabilitation funding group was developed to comply with the EPA Consent Decree and is comprised of the annual pipe-bursting project.

The latest financial plan estimated costs to be \$200 per linear foot with increases at 3.5% per year. Over the next 10 years, approximately 21 miles of pipeline are projected be replaced at a total cost of \$26.3 million. The pipe-bursting project represents 94% of projected capital improvement projects over the next 10 years.

The Capital Equipment funding group includes smaller value capital items including flow meters, diesel engine retrofits, sewer inspection cameras, vehicle replacement, manhole “smart” covers, and other miscellaneous items. The other capital funding group includes manhole adjustments and pump station rehabilitation.

Figure 1.3 below shows the required footage (linear feet) of sanitary sewer main that must be rehabilitated each year in order to comply with the EPA Consent Decree.

Figure 1.3 – CIP Footage Goals

FISCAL YEAR	REHABILITATION FOOTAGE REQ.	CAPITAL IMPROVEMENTS PROJECT (CIP) BUDGET
2014-15	8,627	\$1,725,000
2015-16	10,053	\$2,081,000
2016-17	10,360	\$2,220,000
2017-18	10,667	\$2,365,000
2018-19	10,993	\$2,523,000
2019-20	11,320	\$2,689,000
2020-21	11,660	\$2,867,000
2021-22	12,013	\$3,057,000
2022-23	12,373	\$3,259,000
2023-24	12,740	\$3,473,000

5. CONSTRUCTION METHODS AND STANDARDS

The Stege Sanitary District is responsible for the rehabilitation and replacement of the sanitary sewer main line and the property owner is responsible for the entire sanitary sewer lateral up to and including the connection to the sanitary sewer main (SSD Standard Specifications and Details Section 2, page 2-4). As a courtesy to the property owner, the District replaces all sewer connections during its capital improvement program when the main is replaced. All other times, the property owner is responsible for the maintenance of the sanitary sewer main connection.

The District predominantly specifies pipe-bursting with SDR17 HDPE pipe as its preferred method of pipe replacement. However, the District may use a combination of open trenching or cured-in-place pipe in lieu of pipe bursting in very limited circumstances during challenging alignments or where heavy conflicts exist that preclude the safe and effective use of pipe-bursting.

6. CITY OF EL CERRITO SPECIFIC PLAN, SAN PABLO AVENUE SANITARY SEWER CAPACITY IMPROVEMENT IMPACT FEE PROGRAM.

According to District Standards, the property owner is responsible for performing any capacity upgrades to the sanitary sewer main system as a result of the impacts caused by new development.

In partnership with the City of El Cerrito, the District will soon impose an impact fee that will be charged to future development along San Pablo Avenue. Funds collected from this impact fee will be used to increase the sewer capacity of the sanitary sewer mains along San Pablo Avenue in order to support the proposed development as outlined in the City of El Cerrito Specific Plan.

Under this program, future construction sewer capacity upgrade work shall be performed by the Stege Sanitary District and solely funded by this impact fee. The details of the impact fee breakdown and enforcement is still under determination by the City's forthcoming study.

Until the program is launched, new developments shall submit a sewer capacity study and fund any and all sewer capacity improvements where shortfalls exist.

NOTE: The *Draft San Pablo Avenue Sanitary Sewer Capacity Improvement Nexus Study* is not yet complete but is expected shortly. If the study is ready in the next few days, a digital copy will be sent by email and a hardcopy printed for use at the workshop.