

**EAST PALO ALTO SANITARY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
May 14, 2009**

1. Call to Order

2. A Regular Board Meeting of the East Palo Alto Sanitary District was called to order by Director Savage on Thursday, May 14, 2009, at 7:00 p.m. The meeting was held at the East Palo Alto Sanitary District Office located at the East Palo Alto Sanitary District Office located at 901 Weeks Street, East Palo Alto, California.

Directors Present

Joan Sykes-Miessi
Edrick Haggans
Glenda Savage
Goro Mitchell
Betsy Yanez

Staff Present

Lee Hawkins, General Manager
Peter J. Choi, Legal Counsel

3. Communications from the Public

There were none.

4. Agenda Amendments

Director Haggans asked to have an item added to the agenda regarding potential Rescinding of Board Compensation.

Peter J. Choi, Legal Counsel, explained that the Board could add an item with a two-thirds vote in favor of adding an item that requires immediate action which came to the attention of the District after the agenda was posted.

Motion: Director Haggans moved, seconded by Director Mitchell, to add item 8A, Potential Rescinding of Board Compensation.

Roll Call Vote:

Ayes: Mitchell, Yanez, Sykes-Miessi, Haggans, Savage

Noes: None.

5. Consideration/Approval of April 2, 2009, Rescheduled Regular Board Meeting Minutes

Motion: Director Haggans moved, seconded by Director Yanez, to approve the minutes of April 2, 2009. Motion unanimously approved.

6. Consideration/Approval of Resolution No. 968 Approving Withdrawal Orders and Authorizing Payment of Certain Bills

Motion: Director Haggans moved, seconded by Director Yanez, to approve Resolution No. 968, A Resolution Approving Withdrawal Orders and Authorizing Payment of Certain Bills. Motion carried unanimously.

7. Consideration/Approval of a Resolution Authorizing Various Year End Fund Transfers

General Manager Lee Hawkins reported that this is the annual Budget Resolution needed to balance any accounts which were over the original appropriations limit.

Motion: Director Haggans moved, seconded by Director Yanez, to approve Resolution No. 969, A Resolution Ordering the Transfer of Funds. Motion carried unanimously.

8. Consideration/Approval of Human Resources Management & Organization Committee Recommendation Regarding an Annual COLA for District Employees

General Manager Lee Hawkins summarized the information in the staff report regarding the Cost of Living Adjustment Survey. The Human Resources Committee recommended the January CPI which was 0.9 percent. The Board packet included a chart showing the impact of salary increase on the new budget for fiscal year 2009-2010.

Director Mitchell explained the Committee's reasoning for the 0.9 percent which had to do with the previous year's Consumer Price Index (CPI).

Director Sykes-Miessi suggested setting a policy where the Board would consider the cost of living every year based on the previous year's total cumulative percent or an average.

Mr. Hawkins explained that the Board has a policy where it will look at the cost of living each year.

Director Savage wants to see a cost of living increase that looks like a cost of living increase and added that 0.9 percent does not feel like a cost of living increase.

Motion: Director Sykes-Miessi moved, seconded by Director Haggans, that the District will look at the cost of living increase every year and base the amount of the increase on the previous 12 months cumulative percentage to apply to the COLA for the upcoming year, and the increase this year will be 0.9 percent.

Roll Call Vote:

Ayes: Mitchell, Yanez, Sykes-Miessi, Haggans

Noes: Savage

- 8A. Consideration/Approval of Potential Rescinding of Board Compensation

Director Mitchell distributed a document that he gave to the Human Resources Committee based on compensation for 12 comparable districts. Based on a Bell Curve, the result showed that 94.33 percent of all distribution should fall within one standard deviation from the mean. The test showed that the District was statistically different than the other 12 districts. The Human Resources Committee is recommending that the District get in line with the other districts and take a small cut in compensation. The Committee's recommendation was to lower the Board's compensation to \$253 per regular meeting; the mean of the other districts was \$189.

Director Sykes-Miessi commented that her recollection was that Board had considered not applying the 5% each year but considering it in December.

Mr. Hawkins pointed out that there was never a formal vote of the Board.

Director Mitchell pointed out that many of the districts in the survey were larger with more employees and yet had lower compensation.

Motion: Director Mitchell moved, seconded by Director Yanez, to accept the Human Resources Committee's recommendation to lower the Board's regular meeting compensation rate to \$253 per meeting, effective at the next meeting; and the Board will review this again in December.

Roll Call Vote:

Ayes: Mitchell, Yanez, Haggans

Noes: Savage, Sykes-Miessi

9. Consideration/Approval of Date for District Manager Annual Evaluation

General Manager Lee Hawkins reported that Dr. Cecil Reeves will be available on Saturday, June 13, 2009, to facilitate the Manager's Annual Evaluation.

Director Haggans announced that he would be unable to attend a meeting on June 13 and would prefer an evening meeting.

Director Savage suggested contacting Dr. Reeves about his availability for a weekday evening meeting.

Mr. Hawkins will bring information back to the Board after he contacts Dr. Reeves.

10. Consideration/Approval of Staff Soliciting Bids for Painting Exterior of District Building

General Manager Lee Hawkins reported that the downstairs project is complete and is waiting for clearance from the City. Staff informally solicited bids to paint the office exterior and would like the Board to approve the authorization for staff to solicit bids to paint the exterior office facility.

Motion: Director Haggans moved, seconded by Director Yanez, to authorize staff to solicit bids to paint the exterior office facility. Motion carried unanimously.

11. Manager's Report

- Emergency Repair Projects
- Maintenance Worker Hired
- Surplus Property Sold
- Vacation Leave Scheduled
- General Operations

General Manager Lee Hawkins reported that all staff members receiving training in CPR and were certified. He plans to take vacation the week of June 15. He noted that Director Yanez was appointed to the Redevelopment Agency Task Force. The District submitted an application for stimulus funds which was acknowledged but no further status at this time. Employees have been going to the Palo Alto plant for training including Emergency Response. The District currently has cooperative agreements with West Bay Sanitary District and the City of Palo Alto to assist with emergency situations. Will have a policy on surplus property at the next meeting. Also suggested setting a policy where the Manager reviews the agendas prior to meetings with the Board President.

12. Committee Reports

a) Engineering

Director Haggans reported that the Engineering Committee met and discussed televising projects, repairs on Weeks and Woodland Streets and Bay Road, and paving scheduled in May.

b) Finance

Director Sykes-Miessi reported that the Finance Committee paid bills and discussed the copier contract.

c) Human Resources

Director Yanez reported that the Human Resources Committee talked about employee cost of living and Board compensation.

d) Intergovernmental

Director Mitchell reported that a meeting has been set up with Council Member Romero tomorrow at 11:30 a.m.

e) Facilities

Director Savage reported that the Facilities Committee met and discussed painting the outside of the building.

13. Oral & Written Communication

Director Haggans gave an update on a San Mateo County meeting where the LAFCo budget was discussed.

14. Future Agenda

Continued discussion of COLA will be on a future agenda.

15. Adjournment

The meeting adjourned at 8:00 p.m.

APPROVED:

_____/s/Glenda Savage_____
Board President

_____/s/Joan Sykes-Miessi_____
Board Secretary