

**EAST PALO ALTO SANITARY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
June 4, 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, June 4, 2009, at 7:05 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
Karen Maxey, Administrative Services Director
Micheline Wegem, Accountant
Malathy Subramanian, Legal Counsel

3. Communications from the Public

There were none.

4. Agenda Amendments

Director Sykes-Miessi questioned whether item 8 involves financial impact and suggested it go through the Finance Committee prior to the Board taking action.

Director Savage agreed, noting she has questions on the issue.

Director Mitchell pointed out that the item went through the Human Resources Committee and he questioned whether there was a violation of the Brown Act if it goes to another committee where a total of four Board Members review it.

Legal Counsel Malathy Subramanian responded that there was no problem.

General Manager Lee Hawkins explained that after the agenda went out, the District received a notice from the County that they plan to raise their fees. He recommended tabling item 10. Consideration/Approval to Authorize Staff to Purchase New Vector.

Director Mitchell asked that item 10 remain on the agenda for discussion and add the County Fee Increases as a new item.

Director Sykes-Miessi moved, seconded by Director Yanez, to add item 10.a. Agreement of Compensation for San Mateo County Collection of Special Assessment Charges. Motion passed unanimously.

5. Consideration/Approval of May 14, 2009, Rescheduled Regular Board Meeting Minutes

Director Haggans moved, seconded by Director Yanez, to approve the May 14, 2009, Rescheduled Regular Board Meeting Minutes. Motion passed unanimously.

6. Consideration/Approval of Resolution No. 970 Approving Withdrawal Orders and Authorizing Payment of Certain Bills

Director Haggans moved, seconded by Director Savage, to approve Resolution 970, Approving Withdrawal Orders and Authorizing Payment of Certain Bills. Motion passed unanimously.

7. Consideration/Approval of Resolution Adopting the Proposed FY 2009/10 Annual Budget Document and Authorizing the Collection of Sewer Service Charges on the Tax Roll
 - a) Open Public Hearing
 - b) Close Public Hearing

The public hearing was opened; there were no comments from the public, and the public hearing was closed.

Mr. Hawkins reported that the item was noticed but no responses or requests for information were received.

Director Haggans moved, seconded by Director Yanez, to Adopt Resolution 971, A Resolution Authorizing Adoption of the Proposed FY 2009/10 Annual Budget Document and Authorizing the Collection of Sewer Service Charges on the Tax Roll.

Motion carried by roll call vote:

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

NOES: None

8. Consideration/Approval of Human Resources Management & Organization Committee Recommendation Regarding On-Call Pay for District Employees

Mr. Hawkins reported that the Human Resources Management & Organization Committee is recommending adjustments for on-call pay for maintenance employees.

Director Mitchell explained that a Maintenance Worker brought to the attention of the Committee that there had not been a change in the on-call pay for many years. The Committee supported the recommendation of \$40 per day for weekdays and \$50 per day for weekends for the Primary Worker and \$26.42 for the Secondary Worker.

Director Sykes-Miessi asked for figures that would represent the impact for the whole year.

Director Mitchell agreed that the Finance Committee should review this item to look at all the costs involved.

No action taken. Item will go to the Finance Committee.

9. Consideration/Approval for Staff to Dispose of Surplus Items Remaining After Action

Mr. Hawkins reported that Legal Counsel has recommended that Staff place estimated values on the District surplus property that was not sold during the auction and allow the general public an opportunity to purchase or the items can be given away to a nonprofit agency.

Director Savage suggested raising the listed dollar amounts.

Mr. Hawkins commented that the items could be advertised for sale in the newspaper or on the website. The items would be donated to a nonprofit if not sold.

Legal Counsel Malathy Subramanian recommended that a specific date for the sale be set so that everyone has the same opportunity to purchase items. Her suggestion was that the Board set a policy for the future when items are left after an auction, they can be given to a nonprofit.

Director Haggans moved, seconded by Director Sykes-Miessi, to authorize staff to proceed with disposing of the remaining surplus property.

Motion carried by roll call vote:

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

NOES: None

10. Consideration/Approval to Authorize Staff to Purchase New Vactor Truck

Director Mitchell noted that the latest comparison does not tell the Board which truck is better and questioned whether staff looked at retrofitting the old truck.

Mr. Hawkins pointed out that the most used part of the truck is the motor which runs the vactor; the repair has become a cost factor. He noted that generally the whole truck is replaced after the old one has depreciated out. Staff could look into the advantages and disadvantages of doing a rehab on the current truck.

Director Savage suggested having a staff member, such as Herman, talk to the Board about the trucks.

Mr. Hawkins pointed out that the recommended new truck would be Bio-Diesel, with a five-year warranty and all the equipment the District needs. He will bring additional information to the next meeting.

10.a. Discussion: of Agreement for Compensation for San Mateo County Collection of Special Assessment Charges

Director Mitchell questioned whether staff knew what the fees were before the recommended increase and asked whether discussion or arbitration was allowed on the charges.

Legal Counsel Subramanian did not agree with the Hold Harmless section because it was completed un-cited.

Director Yanez suggested that Legal Counsel provide advice and proceed from there.

Ms. Subramanian recommended the Board approve the item subject

Director Mitchell moved, seconded by Director Yanez, to approve the Agreement for Compensation for County of San Mateo for Collection of Special Assessment Charges, dated June 23, 2009, with the caveat that Section 4A gets clarification on what the 5% or more total charges are; 4.b. – the District negotiation that it not pay if they make a mistake on billing the \$25 transaction cost,; and 5. - add equity language to the section.

Motion carried by roll call vote:

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

NOES: None

11. Consideration/Approval of Policy for November 2009 General Election

Director Sykes-Miessi pointed out that the Board is required to approve a policy establishing the numbers of words allowed in the candidate's statement and who pays for the statement.

Consensus of the Board is that the statement should be 200 words, and the candidate pays for the statement.

Carried by roll call vote:

AYES: Haggans, Yanez, Savage

NOT VOTING: Mitchell, Sykes-Miessi

12. Manager's Report

- Committee assignments/meeting schedule changes may be appropriate
- Manhole overflow at O'Connor & Pulgas
- CASA request for funding for legal appeal of ruling in Vacaville case
- Employee Traffic Control & Confined Space Entry Training
- New date for Manager's Evaluation
- Policy on-use of Annual CPI to establish COLA for employees
- Board Member decorum

Mr. Hawkins distributed the new calendars and asked Directors to notify him of any changes. The District had a major overflow at O'Connor & Pulgas – crew televised the line and found out there was a sag in the line that caused collection of debris. Districts are fined by the State if the overflows are not reported. A letter from the California Association of Sanitation Agencies (CASA) was included in the packet. The District is a member of CASA, and CASA is requesting financial assistance from its members to appeal the Contra Costa County Superior Court's decision to uphold the precedential State Water Resources Control Board Order regarding the permit issued to the City of Vacaville.

Legal Counsel Subramanian indicated that there was no legal requirement that the District provide financial assistance.

Mr. Hawkins asked Directors to let him know if they are interested in supporting CASA, and he would put an item on the next agenda.

Director Sykes-Miessi asked for cleaner language as to the reason for the lawsuit.

Mr. Hawkins reported that Traffic Control Training was provided to staff. A new date needs to be set for the Manager's Evaluation. He asked that the Directors email him with possible dates in July, and he will check the availability of Cecil Reeves. He pointed out that he had the wrong information at the last meeting on the Annual CPI which means the Board will need to revisit the item.

Director Mitchell noted that the Human Resources Committee will review the CPI information and get a report back to the Board.

Mr. Hawkins distributed a newsletter from West Bay Sanitary District. He commented that there has been some confusion as to how items get on the agenda; generally, the items are created for the Board through the Committees.

Director Savage commented that the Board wants to maintain its highs and eliminate the lows.

Director Sykes-Miessi expressed concern about the way the Board compensation was handled. The Board made a decision but did not vote on it, and then the matter came back to the Board.

Director Mitchell commented that the Policy says that a Board Member can bring any item to the Board, so he brought the matter back to the Board because he felt the Board's compensation was out of sync with the other Special Districts.

Director Sykes-Miessi felt that the action was personal; the Board had discussed the matter and decided to bring it back at another time.

Director Mitchell felt the action taken was the right thing to do for the ratepayers.

Director Savage talked about consensus and highs versus lows; it is important to respect the decisions made by the Board. Some of the Board Members felt blindsided by Director Mitchell's actions.

Director Mitchell responded that his action was not an attack or personal vendetta but something he felt needed to be discussed. The majority of the Board felt the change needed to be made.

Director Sykes-Miessi suggested that the staff should have done the analysis on compensation. The Board should have further discussion about Board compensation.

Mr. Hawkins pointed out that the practice is that the Manager normally meets with the Board President on the finalization of the agenda. He asked Ms. Subramanian to look at the policy for putting items on the agenda. It was noted that items suggested during meetings are usually added to the end of the agenda, under "Future Agenda."

Consensus of the Board was to have Legal Counsel return with an item on a future agenda regarding placement of items on agendas.

Carried by roll call vote:

AYES: Haggans, Sykes-Miessi, Yanez, Savage

NOES : Mitchell

Mr. Hawkins reported that Director Yanez asked to work on another committee and wondered if anyone was interested in switching. This will be agendized for the next meeting.

13. Committee Reports

a) Engineering

Director Sykes-Miessi recalled that the Engineer mentioned three new projects that have been identified.

b) Finance

Director Savage reported that the Finance Committee met and paid the bills.

c) Human Resources

Director Yanez reported that the Human Resources Committee met and made the recommendation for the on-call pay.

d) Intergovernmental

Director Mitchell reported that the Intergovernmental Committee met with Council Member Romero; staff will meet with the Council and City Manager and then with the Board regarding the MOU.

e) Facilities

Director Savage reported that the Committee met and discussed the 70th Anniversary celebration. More information will be coming. The event is August 29.

14. Oral & Written Communication

There were no oral or written communications.

15. Future Agenda

Items include continued discussion of on-call pay, purchase of vector truck, Manager's evaluation, and placement of items on agenda.

16. Adjournment

The meeting adjourned at _____ p.m.

APPROVED:

_____/s/Glenda Savage
Board President

_____/s/Joan Sykes-Miessi
Board Secretary