

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF FEBRUARY 09, 2012  
TIME OF MEETING: 7:00 P.M.

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

- I. **Call To Order:** President Miller called the meeting to order at 7:01 P.M.
- II. **Roll Call:** Present: Gilbert-Snyder, O'Keefe, Miller  
Absent: Brand, Merrill (both provided prior notice of absence)  
Others Present: Rex Delizo, District Manager  
Doug Humphrey, Humphrey Consulting, LLC  
Steven Itelson, Consulting Actuary

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

- III. **Public Comment:** There was no public comment.

IV. **Approval of Minutes**

A. Approval of Minutes of January 26, 2012 Board Meeting

MOTION: By Gilbert-Snyder, seconded by O'Keefe, to approve the minutes of the January 26, 2012 Board Meeting, as corrected.

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

V. **Communications**

A. Oral Communications:

1. Brief reports from Directors on matters related to the District, including attendance at city or community meetings

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Miller gave a report on his attendance at the City of El Cerrito City Council Meeting on February 6, 2012 which included residential animal slaughter regulations, Ohlone Greenway Natural Area and Rain Garden Project, Housing Element Adoption and the East Bay Regional Communication System.

**B. Written Communications:**

1. FORM 700 -Statement of Economic Interest/Conflict of Interest

The Board was provided the forms to fill out, sign and return.

2. Kids for the Bay – Watershed Action Program Progress Report

The Board was provided a written progress report prepared by the Kids for the Bay. Miller asked to correct part of the report regarding proper disposal of prescription medicines. He asked that the teachers and students be informed that medicines should be dropped off at one of several pharmaceutical disposal sites and not in the trash.

**VI. Reports of Staff and Officers**

**A. Manager's Report:**

1. Miscellaneous Items

a. East Bay Municipal Utility District (EBMUD) Stipulated Order (SO)

b. Stege Sanitary District Stipulated Order (SO)

Humphrey provided the Board a handout summarizing the status of the Stipulated Orders and informed the Board about a workshop between East Bay Collection System Advisory Committee (EBCSAC) and East Bay Municipal Utility District (EBMUD) to discuss future negotiations of a Consent Decree. He said the effort was very successful and should serve as a good foundation for future activities. Upcoming deadlines include Asset Management Implementation Plan (AMIP) by July 15, 2012, Sub-Basin Flow Monitoring/I&I Assessment Plan by December 1, 2012 and implementation of the Inflow Identification and Reduction Program by March 31, 2012.

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- c. Long-Range Planning (LRP) Workshop Date – April 21, 2012  
Staff contacted the Long Range Planning facilitator, Nancy Hetrick of Management Partners, and proposed the most suitable date for the workshop to be April 21, 2012. The board members in attendance were open to having the workshop on the proposed date but asked staff to verify with the absent Board members before confirming the date.
- d. 2012 Board of Directors' Meetings Calendar  
The Board was provided the final meeting schedule for 2012.
- e. California Air Resources Board (ARB) - Diesel Emissions Requirement  
The Board was informed that the diesel trucks are having particulate filters installed as required by the California Air Resources Board to reduce diesel particulate matter (PM) emissions from fleets operated by public agencies and utilities (PAU), per Title 13, California Code of Regulations (CCR), Sections 2020, 2022, and 2022.

**VII. Business**

- A. Actuarial Analysis of Retiree Health Benefits  
The California Employers' Retiree Benefit Trust (CERBT) requires an actuarial valuation biennially and all members must be "aligned" beginning 6/30/11. "Alignment" means that all the members' valuations are done at the same time and using the same actuarial assumptions. The Actuarial Analysis of Retiree Health Benefits as of July 1, 2011 was completed and presented to the Board by Steve Itelson. Itelson explained the process he undertakes to complete an actuarial valuation and some of the underlying assumptions. He summarized the results and answered several questions from Directors.
- B. California Employer's Retiree Benefit Trust (CERBT) Contributions  
The Board briefly discussed investing the remaining amount of the UAAL and/or the Annual Required Contribution (ARC) into the CERBT Fund but asked staff to bring the item back on a future Board meeting agenda when the absent Board members are in attendance.

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C Professional Auditing Services - Request for Proposals (RFP)

The Board discussed continuing to use Cropper Accountancy for one more year of professional auditing services or issue a request for proposals (RFP) for a new auditor. Using the same firm for another year would help provide stability since there is a new District Manager and Administrative Supervisor on staff that are familiarizing themselves with the auditing process. After a brief discussion, the Board decided to continue with Cropper Accountancy for one more year

MOTION: By O'Keefe, seconded by Gilbert-Snyder, to continue to use Cropper Accountancy for one more year of professional auditing services

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

**VIII. Approval of Checks**

1. Checks for February 2012 - Fund No. 3418 & 3423.

MOTION: By O'Keefe, seconded by Gilbert-Snyder, to approve payment of the bills, Check Nos. 21598 through 21634, in the amount of \$200,428.48

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

**IX. Future Agenda Items**

**March 01, 2012**

Backflow Prevention Devices (BPDs)

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Smart Covers Report

Burlingame Pump Station

Stege Sanitary District Stipulated Order/

East Bay Municipal Utility District Stipulated Order

(Prior Notice of Absence: Merrill)

**March 15, 2012**

Long Range Planning Workshop Discussion

CSRMA SHELL Award

CASA Conference

The District's Teleconference Policy was requested to be added to the agenda for the Long Range Planning Workshop.

**X. Adjournment**

The meeting was adjourned at 9:38 P.M. The next meeting of the Stege Sanitary District Board of Directors will be held on Thursday, March 01, 2012 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California

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Rex Delizo  
STEGE SANITARY DISTRICT  
Secretary