

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
 MEETING OF DECEMBER 8, 2022  
 TIME OF MEETING: 2:00 P.M.  
 DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

**I. Call to Order:** President Merrill called the meeting to order at 2:04 P.M.

**II. Roll Call:** Present: Beach\*, Christian-Smith\*, Gilbert-Snyder\*,  
 O’Keefe\*, Merrill  
 Absent: None  
 Others Present: Rex Delizo, District Manager  
 Kristopher Kokotaylo\*, District Counsel  
 Sheldon Chavan\*, Chavan and Associates  
 (for Item VII.A)  
 Kary Richardson, Administrative Supervisor  
 (for Items VII.A, VI.A, VIII and IX)  
 Dennis Wright, Maintenance Superintendent  
 (for Item VII.B)

*\*via video-conference*

**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.

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

**VII. Business**

**A. Fiscal Year 2021-2022 Financial Audit/Financial Reporting**

Auditor, Paul Pham of Chavan and Associates, gave an overview of the financial audit of the District’s finances for Fiscal Year 2021-22, gave it a clean “unmodified” opinion, and answered several questions from the Board.

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MOTION: By Gilbert-Snyder, seconded by O’Keefe, to accept the Fiscal Year 2021-22 Financial Audit Report with minor corrections

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O’Keefe,  
 Merrill  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

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

**VI. Reports of Staff and Officers**

A. Administrative Supervisor’s Report

1. District Investment Policy – Options

Administrative Supervisor, Kary Richardson, reviewed options for investing a percentage of District reserve funds to achieve higher returns. The Board asked staff to bring back a proposal of “laddering” CDs and/or T-bonds for the Board’s consideration at a future Board meeting.

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

**VIII. Financial Statements – November 2022**

A. Monthly Investment, Cash, Receivables Report

B. Monthly Operating Statement

C. Pension and Other Post-Employment Benefits (OPEB) Unfunded Actuarial Liability (UAL) Report

The Manager and Administrative Supervisor reviewed the financial statements with the Board.

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

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**IX. Approval of Checks**

A. Checks for December 8, 2022 - Fund No. 3418 & 3423

MOTION: By Christian-Smith, seconded by O'Keefe, to pay the bills,  
 Check Nos. 27933 through 27874 in the amount of \$341,180.21

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O'Keefe,  
 Merrill  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

The Board resumed the order of the agenda at this time in the meeting.

**IV. Approval of Minutes**

A. Approval of November 10, 2022 Board Meeting Minutes

MOTION: By Gilbert-Snyder, seconded by O'Keefe, to approve the  
 minutes of the November 10, 2022 Board Meeting

VOTE: AYES: Christian-Smith, Gilbert-Snyder, O'Keefe, Merrill  
 NOES: None  
 ABSTAIN: Beach  
 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

There were no reports.

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B. Written Communications

1. KIDS for the BAY – 2021-2022 School Year Annual Report

The Board received the report.

**VII. Reports of Staff and Officers**

A. Administrative Supervisor's Report

1. District Investment Policy – Options

This item was taken out of order earlier in the meeting (see above).

B. Maintenance Superintendent's Report

1. Emergency Response Review – Board Training

Maintenance Superintendent, Dennis Wright, provided emergency response training to the Board.

C. Attorney's Report:

Kokotaylo reported on AB 2356 which requires a local agency, prior to levying a new fee or capacity charge or approving an increase in an existing fee or capacity charge, to evaluate the amount of the fee or capacity charge including evidence to support that the fee or capacity charge does not exceed the estimated reasonable cost of providing service and requires all information constituting the evaluation to be made publicly available at least 14 days prior to the Board's consideration.

D. Manager's Report:

1. Monthly Maintenance Summary Report

The Manager reported no significant issues with last month's maintenance activities.

2. Monthly Report of Sewer Replacements and Repairs

The Manager reported there were no invoices to pay in November.

3. Consent Decree Quarterly Report

The Manager reported the District continues to be on track to achieve the Consent Decree annual minimum requirements.

4. Emergency Contact Update

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The Manager requested Directors' update their emergency contact information.

5. AB 361 – Special Meeting, December 22, 2022

The Manager reported that in order to continue to meet remotely in January 2023, a Special Board Meeting to extend the provisions of AB 361 will be scheduled for December 22, 2022.

6. 2023 California Association of Sanitation Agencies (CASA) Conference

The Manager reported on the upcoming CASA conferences.

MOTION: By Christian-Smith, seconded by Beach, to authorize attendance at the upcoming CASA Conferences and/or Washington DC Forum for those Directors that choose to attend

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O'Keefe,  
 Merrill  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

7. 2023 California Special Districts Association (CSDA) Conference

The Manager reported on the upcoming CSDA annual conference.

MOTION: By Christian-Smith, seconded by Beach, to authorize attendance at the upcoming CSDA Annual Conference for those Directors that choose to attend

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O'Keefe,  
 Merrill  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

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**VII. Business**

A. Fiscal Year 2021-22 Financial Audit Report

This item was taken out of order earlier in the meeting (see above).

B. Connection Charge Calculation Report

The Board reviewed and discussed the staff report that indicated a +4.8% increase of the Engineering News Record's Construction Cost Index (ENR-CCI) since November 2021.

MOTION: By O'Keefe, seconded by Christian-Smith, to prepare an Ordinance updating the connection charge based on a +4.8% increase of the Engineering News Record's Construction Cost Index (ENR-CCI) since November 2021

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O'Keefe,  
Merrill

NOES: None

ABSTAIN: None

ABSENT: None

C. 2023 Board Meeting Calendar

The Board reviewed and adopted the Board Meeting Calendar for 2023.

MOTION: By Gilbert-Snyder, seconded by O'Keefe, to adopt the Board Meeting Schedule for Calendar Year 2023

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O'Keefe,  
Merrill

NOES: None

ABSTAIN: None

ABSENT: None

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- D. Resolution No. 2218-1222 Finding that there is a Proclaimed State of Emergency; Finding that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Stege Sanitary District for the 30 Day Period Beginning December 8 Pursuant to AB 361

The Board approved the resolution to make necessary findings to continue to meet remotely pursuant to Assembly Bill 361.

MOTION: By O’Keefe, seconded by Christian-Smith, to approve Resolution No. 2218-1222 Finding that there is a Proclaimed State of Emergency; Finding that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Stege Sanitary District for the 30 Day Period Beginning December 8 Pursuant to AB 361

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O’Keefe,  
 NOES: Merrill  
 ABSTAIN: None  
 ABSENT: None

- E. Resolution No. 2219-1222 Approving a Contract with Elk Grove Auto/ Winner Chevrolet for a 2023 Ram 1500 Classic (DS6L41) Tradesman 4x4 Quad Cab Truck in the Amount Not to Exceed \$45,897.51

The Board approved the resolution to procure a new truck to replace an existing truck considered by the insurance company as a “total loss” due to a recent accident.

MOTION: By Gilbert-Snyder, seconded by Beach, to approve Resolution No. 2219-1222 Approving a Contract with Elk Grove Auto/Winner

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Chevrolet for a 2023 Ram 1500 Classic (DS6L41) Tradesman 4x4 Quad  
 Cab Truck in the Amount Not to Exceed \$45,897.51

VOTE: AYES: Beach, Christian-Smith, Gilbert-Snyder, O’Keefe,  
 Merrill  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

**VIII. Monthly Financial Statements**

This item was taken out of order earlier in the meeting (see above).

**IX. Approval of Checks**

This item was taken out of order earlier in the meeting (see above).

**X. Future Agenda Items**

**January 19, 2023**

CLOSED SESSION – Quarterly Claims Reports

CLOSED SESSION – Manager Performance Evaluation

Board Governance Manual Review

Service Rate Discussion

Long Range Planning Workshop Agenda

Director’s Contact Info

Board Training Summary

CASA Conference

Quarterly Financial Statements

Form 700

*+AB 361 – 30 Day Virtual Meeting Extension*

**February 2, 2023**

Performance Report



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Service Rate Discussion  
Long Range Planning Workshop Agenda  
Board Training Summary  
CASA Conference  
CASA Conference – Attendee reports

**NOMINATION AND ELECTION OF OFFICERS**

Nomination and Election of Officers - 2023

MOTION: By Beach, seconded by O’Keefe, to nominate and elect  
Director Christian-Smith for President and Director Gilbert-Snyder for  
Vice President of the Stege Sanitary District Board of Directors for 2023

VOTE: AYES: Beach, Gilbert-Snyder, O’Keefe, Merrill  
NOES: None  
ABSTAIN: Christian-Smith  
ABSENT: None

**XI. Adjournment**

The meeting was adjourned at 4:00 P.M. The next regular meeting of the District Board of Directors will be held on Thursday, January 19, 2023 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California

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Rex Delizo  
STEGE SANITARY DISTRICT  
Secretary