

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF MARCH 22, 2018  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

\*\*\*\*\* **AGENDA** \*\*\*\*\*

(Items on the agenda may be taken out of order.)

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.stegesan.org](http://www.stegesan.org). 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 posed 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. Approval of Minutes**

- Motion: A. Approval of February 15, 2018 Special Board Meeting Minutes  
(The Board will review and consider approval of the minutes of the February 15, 2018 Special Board Meeting)
- Motion: B. Approval of February 15, 2018 Regular Board Meeting Minutes  
(The Board will review and consider approval of the minutes of the February 15, 2018 Regular Board Meeting)
- Motion: C. Approval of March 10, 2018 Long Range Planning Workshop Meeting Minutes  
(The Board will review and consider approval of the minutes of the March 10, 2018 Workshop)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF MARCH 22, 2018  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

Info/Motion: **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
  - b. California Association of Sanitation Agencies (CASA) Washington D.C. Conference - February 26-28, 2018

B. Written Communications

- a. 2018 Election for LAFCO Special District Seats

Info:

**VI. Reports of Staff and Officers**

A. Attorney's Report

B. Manager's Report

1. Monthly Maintenance Summary Report – February 2018
2. Monthly Report of Sewer Replacements and Repairs
3. Consent Decree Status Report
4. Draft Action Plan for 2018
5. Board Training Summary
6. Form 700 – Statement of Economic Interest/Conflict of Interest
7. California Association of Sanitation Agencies (CASA)
  - April 11, 2018 – CASA Water Reuse CA Public Policy Forum, Sacramento, CA
  - August 8-10 – 63<sup>rd</sup> Annual Conference, Monterey, CA

Info/Motion: **VII.**

**Business**

- A. California Employer's Retiree Benefit Trust (CERBT) Fund Disbursement  
(The Board will consider receiving a disbursement from the fund)
- B. Professional Auditing Service – Request for Proposals (RFP)  
(The Board will consider issuing an RFP)
- C. Deferred Compensation Matching Contribution Review  
(The Board will consider changes to the contribution amount)
- D. Cancellation of the April 12, 2018 Regular Board Meeting

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF MARCH 22, 2018  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

(The Board will consider cancellation of the upcoming Board Meeting)

- Info:           **VIII. Financial Statements – February 2018**  
                  A. Monthly Investment, Cash, Receivables Report  
                  B. Monthly Operating Statement

- Info/Motion: **IX. Approval of Checks**  
                  A. Checks for March 22, 2018 - Fund No. 3418 & 3423  
                  (The Board will be asked to approve the March 2018 checks)

- Info:           **X. Future Agenda Items**  
                  **April 12, 2018**  
                  Board Training Summary  
                  CASA Conference – Attendee Reports

- April 26, 2017**  
                  CLOSED SESSION – Quarterly Claims Report  
                  Quarterly Financial Statements  
                  Draft Budget  
                  Employee Benefits  
                  July 4<sup>th</sup> Fair Discussion

- XI. Adjournment**  
(The next meeting of the Stege Sanitary District Board of Directors is scheduled to be held on April 12, 2018 at 7:00 P.M., but, if cancelled as proposed, the next meeting will be held on April 26, 2018 at 7:00 P.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, CA.)

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
SPECIAL MEETING OF FEBRUARY 15, 2018, 5:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

**I. Call To Order:** President Dwight Merrill called the meeting to order at 5:00 P.M.

**II. Roll Call:** Present: Gilbert-Snyder, James, Miller, O'Keefe, Merrill  
Absent: None  
Others Present: Rex Delizo, District Manager  
Kristopher Kokotaylo, District Counsel

**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. Business**

A. AB1234 Ethics Compliance Training for Directors

Kokotaylo provided two hours of Ethics Compliance Training to the Directors to satisfy the requirements of AB1234.

**V. Adjournment**

The meeting was adjourned at 7:03 P.M. The next meeting of the District Board of Directors will be held on February 15, 2018 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

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF FEBRUARY 15 2018  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

**I. Call To Order:** President Dwight Merrill called the meeting to order at 7:08 P.M.

**II. Roll Call:** Present: Gilbert-Snyder, James, Miller, O’Keefe, Merrill  
Absent: None  
Others Present: Rex Delizo, District Manager  
Kristopher Kokotaylo, District Counsel

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

**PUBLIC HEARING – ORDINANCE NO. 2095-0218 AMENDING SCHEDULED SEWER SERVICE CHARGE RATES FOR FISCAL YEAR 2018-19**

President Merrill opened the public hearing at 7:09 P.M. The Manager announced the public hearing was noticed in the local newspaper two times on January 31, 2018 and February 7, 2018 in accordance with Government Code Section 6066. The Manager gave a summary of the proposed reduction of the scheduled annual sewer service charge rate for Fiscal Year 2018-19 which would be implemented by Ordinance No. 2095-0218. No members of the public were in attendance to ask questions or make statements. President Merrill closed the public hearing at 7:13 P.M. and the Board began consideration of Ordinance No. 2095-0218.

**MOTION:** By James, seconded by Gilbert-Snyder, to approve Ordinance No. 2095-0218 Amending Scheduled Sewer Service Charge rates for Fiscal Year 2018-19, as amended

**VOTE:** AYES: Gilbert-Snyder, James, Miller, O’Keefe, Merrill  
NOES: None  
ABSTAIN: None  
ABSENT: None

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
MEETING OF FEBRUARY 15 2018  
TIME OF MEETING: 7:00 P.M.  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

**CLOSED SESSION**

**Liability Claims**

Gov. Code § 54956.95

Claimant: Lungkhawa

Agency Claimed Against: Stege Sanitary District

The Board entered into the closed session at 7:30 P.M. and returned to open session at 7:36 P.M. President Merrill announced the Board had taken no reportable action.

**IV. Approval of Minutes**

A. Approval of January 18, 2018 Board Meeting Minutes

MOTION: By Gilbert-Snyder, seconded by O'Keefe, to approve the minutes of the January 18, 2018 Board Meeting, as amended

VOTE: AYES: Gilbert-Snyder, James, Miller, O'Keefe, Merrill

NOES: None

ABSTAIN: None

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

Miller gave reports on his attendance at the Contra Costa Special Districts Association Meeting held on January 16, 2018, El Cerrito City Council Meeting held on February 6, 2018, and El Cerrito Charter Committee Meeting held on February 12, 2018.

b. CASA Winter Conference, Palm Springs, CA

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
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In accordance with AB 1234, Director Merrill gave a report on his attendance at the CASA Conference.

B. Written Communications

There were no written communications to consider.

**VI. Reports of Staff and Officers**

A. Attorney's Report

Kokotaylo reported on the procedure for abandoned projects that have already paid connection and impact fees.

B. Manager's Report

1. Monthly Maintenance Summary Report – January 2018

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 payments for sewer replacements or repairs made in January.

3. Connection Charge Calculation

The Manager reported on the updated connection charge calculation. The Board requested staff prepare an ordinance increasing the connection charge to the calculated amount of \$2,277 per residential connection for approval at an upcoming Board meeting.

MOTION: By Miller, seconded by O'Keefe, to approve the preparation of an Ordinance increasing the connection charge to the calculated amount of \$2,277 per residential connection and to consider how the charge is assessed at a future Board meeting

VOTE: AYES: Gilbert-Snyder, James, Miller, O'Keefe, Merrill

NOES: None

ABSTAIN: None

ABSENT: None

4. Actuarial Analysis of Retiree Health Benefits Report

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
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The Manager reported on the Actuarial Study of Retiree Health Liabilities as of July 1, 2017 prepared by Total Compensation Systems, Inc.

5. Form 700 – Statement of Economic Interest/Conflict of Interest

The Manager reminded Directors the deadline date to file their Form 700 is April 2, 2018.

6. Board Training Summary

The Manager reported on the upcoming Board training deadlines.

7. Special District Leadership Foundation (SDLF) Recognition in Special District Governance

The Manager reported on the requirements to receive the recognition.

8. California Association of Sanitation Agencies (CASA)

The Manager reported on the upcoming conference dates for 2018.

Director Merrill requested and received Board approval to attend the CASA Public Policy Forum in Sacramento on April 11, 2018.

MOTION: By James, seconded by O’Keefe, to approve Director Merrill’s attendance at the CASA Public Policy Forum in Sacramento on April 11, 2018

VOTE: AYES: Gilbert-Snyder, James, Miller, O’Keefe, Merrill  
NOES: None  
ABSTAIN: None  
ABSENT: None

**VII. Business**

A. Board Governance Manual Approval

The Board reviewed and made amendments to the Board Governance Manual. The Board asked staff to consider the amendments and bring the revised manual back for consideration at a future Board meeting.

B. Long Range Planning Draft Agenda

The Board reviewed the draft agenda for the long range planning workshop scheduled for Saturday, March 10, 2018.



STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
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**VIII. Financial Statements – January 2018**

- A. Monthly Investment, Cash, Receivables Report, January 2018
- B. Monthly Operating Statement, January 2018

The financial items were reviewed by the Board.

**IX. Approval of Checks**

- A. Checks for February 15, 2018 - Fund No. 3418 & 3423

MOTION: By James, seconded by O’Keefe, to pay the bills, Check Nos 25363 through 25386 in the amount of \$17,397.63

VOTE: AYES: Gilbert-Snyder, James, Miller, O’Keefe, Merrill  
NOES: None  
ABSTAIN: None  
ABSENT: None

**X. Future Agenda Items**

**March 10, 2018**

Long Range Planning Workshop  
Strategic Plan Review  
San Pablo Avenue Specific Plan Progress Report

**March 22, 2018**

Auditor – RFP  
California Employer’s Retiree Benefit Trust (CERBT)  
Form 700  
Consent Decree Quarterly Report  
CASA Conference  
CASA Conference - Attendee Reports  
Board Training Summary

**XI. Adjournment**

STEGE SANITARY DISTRICT BOARD OF DIRECTORS

MEETING OF FEBRUARY 15 2018

TIME OF MEETING: 7:00 P.M.

DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

The meeting was adjourned at 9:43 P.M. in honor of Lawrence C. Rugaard who passed away on November 11, 2017. Larry was the Stege Sanitary District Manager/Engineer from February 1985 until he retired on April 30, 2000. His management and engineering talents enabled the District to provide high quality services to the District's customers while finding ways to make those services more efficient and cost effective, resulting in cost savings to the customers of the District estimated in the millions of dollars. He was uniformly acknowledged by persons and institutions in the wastewater collection and treatment industry as one of its most distinguished representatives and as an individual whose commitment to public service is extraordinary. Our thoughts and prayers are with his family and friends. He will be sorely missed.

The next meeting of the District Board of Directors will be held on Thursday, March 10, 2017 at 9:00 A.M. at the District Board Room, 7500 Schmidt Lane, El Cerrito, California

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Rex Delizo  
STEGE SANITARY DISTRICT  
Secretary

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
LONG RANGE PLANNING WORKSHOP  
SATURDAY, MARCH 10, 2018  
9:00AM - 4:00PM  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

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

**I. Call To Order:** President Dwight Merrill called the meeting to order at 9:01 A.M.

**II. Roll Call:** Present: Gilbert-Snyder, James, Miller, O’Keefe (left at 10:30am), Merrill  
Absent: None  
Others Present: Rex Delizo, District Manager  
Kristopher Kokotaylo, District Counsel (arrived at 12:00pm for the District Ordinance Code item only)

**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. Long Range Planning Workshop – 2018**

- **Past 5 Years Expenditures Review**

The Board reviewed and discussed trends from the District’s finances of the past 5 years and a trend line report for salary, benefits and other expenses. There were no significant issues. The Board requested the next review have past expenditures normalized to today’s dollars using CPI-U, have several of the minor line items grouped into the “other” expenses, and show the values of the markers on the line graphs.

- **Self-Assessment of Governance**

Each Board Member completed an individual board member self-evaluation questionnaire and discussed their findings. The Board requested staff bring a few selected items from the questionnaire back for further consideration at a future Board meeting.

Director O’Keefe excused herself at this time (10:30am) for personal reasons.

STEGE SANITARY DISTRICT BOARD OF DIRECTORS  
LONG RANGE PLANNING WORKSHOP  
SATURDAY, MARCH 10, 2018  
9:00AM - 4:00PM  
DISTRICT BOARD ROOM, 7500 SCHMIDT LANE, EL CERRITO, CA

- **Strategic Plan**

The Board reviewed and discussed the strategic plan. The Board asked staff to make the elements of the plan more visible within monthly and quarterly Board reports and for the next review to include a schedule of the deadlines within the work plan.

- **San Pablo Avenue Specific Plan Progress Report**

The Board reviewed and discussed the progress report prepared by staff. The Board asked staff to have future quarterly updates include the Staff's strategy for deciding the priority of the lines to be upgraded.

- **District Ordinance Code**

The Board reviewed and discussed proposed updates to the District Ordinance Code with District Counsel Kokotaylo. The Board requested the proposed amendments be brought back at a future Board meeting for consideration and for Kokotaylo to provide a summary presentation on Rosenberg's Rules of Order.

**V. Adjournment**

The meeting was adjourned at 2:55 P.M. The next meeting of the District Board of Directors will be held on Thursday, March 22, 2018 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



March 12, 2018

**TO:** Presiding Officer or Designated District Voting Delegate

**FROM:** Lou Ann Teixeira, LAFCO Executive Officer 

**SUBJECT: 2018 Election for LAFCO Special District Seats**

In January 2018, LAFCO staff announced two Special District vacancies on LAFCO in conjunction with the expiring terms of Commissioner Skaredoff (Regular Member) and Commissioner Caldwell (Alternate Member). At that time, LAFCO also called for nominations and the names of district voting delegates.

The deadline for submitting nominations was March 5, 2018. Both incumbents are seeking reappointment to LAFCO; and there is one additional candidate for the Alternate Member seat – Lee Mason with the Los Medanos Community Healthcare District.

The Independent Special District Selection Committee (ISDSC), consisting of the presiding officer (or his/her designee) of the legislative body of each independent special district, appoints the special district members of LAFCO. In lieu of a meeting to conduct the election, we are conducting the election by mail and email. Your district is receiving this message and ballot via email and U.S. Mail.

The LAFCO Executive Officer may conduct the election by mail if it is determined that a meeting of the ISDSC is not feasible. Given previous attempts to attain a quorum in prior elections, the LAFCO Executive Officer polled the districts in 2016 to ask if there was any objection to conducting the elections by mail – no objections were received. Thus, the 2018 election will be conducted by mail and email.

***Enclosed is the official ballot and list of presiding officers or voting delegates*** received to date. If your district has not yet provided the name of your presiding officer or voting delegate (must be a board member), please do so as soon as possible.

We ask that each district complete and return its signed ballot to Contra Costa LAFCO office either by email or U.S. Mail (see address above). In order to complete the 2018 election process, we must receive completed ballots from a majority of the districts (at least 23) no later than **April 16<sup>th</sup>**. If a majority of ballots is not received by April 16<sup>th</sup>, a further extension of this election may be required.

**This is a time sensitive matter and we ask that you forward this information including the attachments to your presiding officer or voting delegate at your earliest convenience.**

Please contact the LAFCO office if you have any questions or need additional information. Thank you for your attention to this matter.

**INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE 2018**

DISTRICT	NAME	TITLE	CONF.	ALTERNATE
ALAMO-LAFAYETTE CEMETERY DIST	Nancy J. Flood	Chair	x	Carolyn Thiessen, Trustee
AMBROSE REC & PARK DIST	Trina Hudson	Chair	x	Mae Torlakson, Bd Member
B-B-K-U CEMETERY DIST	Barbara Guise	Chair	x	
BETHEL ISLAND MID				
BYRON SANITARY DISTRICT				
CASTLE ROCK COUNTY WATER DISTRICT				
CENTRAL CONTRA COSTA SANITARY DIST	Mike McGill	Board Member	x	Dave Williams, Board Member
CONTRA COSTA MOSQUITO & VECTOR CONTROL	(after 3/12)			
CONTRA COSTA RESOURCE CON DIST	Igor Skaredoff	President	x	
CONTRA COSTA WATER DISTRICT	John Burgh	Director	x	
CROCKETT COMMUNITY SERVICES DISTRICT	Luigi Barassi	President	x	Kent Peterson, VP
DIABLO CSD				
DIABLO WATER DISTRICT	Edward Garcia	Presiding Officer	x	
TOWN OF DISCOVERY BAY CSD	Kevin Graves	President	x	Bill Mayer, Director
EAST CONTRA COSTA IRRIGATION DIST				
GREEN VALLEY REC & PARK DIST				
IRONHOUSE SANITARY DIST	Dawn Morrow	Board Member	x	
KENSINGTON FIRE PROTECTION DISTRICT	Janice Kosel	President	x	Laurence Nagel, VP
KENSINGTON POLICE PROT & CSD	Christopher Deppe	Board Member	x	
TOWN OF KNIGHTSEN CSD				
LOS MEDANOS COMMUNITY HEALTHCARE DIST				
MORAGA-ORINDA FIRE DIST	Steve Anderson	Board Member, LAFCO Liaison	x	Brad Barber, President
MT. VIEW SANITARY DIST	Brian Danley	President	x	
PLEASANT HILL REC & PARK DIST	Bobby Glover	Board Chair	x	
RECLAMATION DIST (RD) 799				
RD 800	Tom Judge	Trustee	x	
RD 830	Chad Davisson	Board Member	x	
RD 2024	Don Wagenet	President	x	John Jackson, Trustee
RD 2025	David Forkel	Chairman	x	
RD 2026	David Forkel	Chairman	x	
RD 2059				
RD 2065	Coleman Foley	President	x	Thomas E. Baldocchi Sr. Thomas E. Baldocchi Jr.
RD 2090				
RD 2117	Joyce Speckman	Trustee	x	Sandra Speckman Kiefer, Trustee
RD 2121				
RD 2122				
RD 2137				
RODEO-HERCULES FIRE PROTECTION DIST	(after 3/14)			
RODEO SANITARY DISTRICT				
ROLLINGWOOD-WILART PARK REC & PARK DIST				
SAN RAMON VALLEY FIRE PROTECTION DIST	Matt Stamey	President	x	
STEGE SANITARY DISTRICT	Dwight Merrill	President	x	
WEST CONTRA COSTA HEALTHCARE				
WEST COUNTY WASTEWATER DIST	Sherry Stanley	Board Member	x	David Alvarado, VP

INDEPENDENT SPECIAL DISTRICTS SELECTION COMMITTEE  
CONTRA COSTA COUNTY  
March 9, 2018

**OFFICIAL BALLOT**

Election of **REGULAR** Special District Member for a term of office on  
LAFCO to May 2022

Vote for one:

- Igor Skaredoff**  
*(Contra Costa Resource Conservation District)*

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Election of **ALTERNATE** Special District Member for a term of office on  
LAFCO to May 2022

Vote for one:

- Stan Caldwell**  
*(Mt. View Sanitary District)*
- Lee Mason**  
*(Los Medanos Community Healthcare District)*

Name of Voting District: \_\_\_\_\_

Name of Voting Member: \_\_\_\_\_  
(please print)

Signature of Voting Member: \_\_\_\_\_



# Lee Mason

Bay Point Resident

Secretary of the Los Medanos Community Healthcare District

Applicant for alternate LAFCO position

“ I feel my background as a special district employee, board member, and trainer make me uniquely qualified for the LAFCO board”

Lee Mason

## Public Service

Bay Point Redevelopment Project Area Committee 1997-2009  
Community Advisory Panel 2008-present  
Ambrose Recreation and Park District Board 2012-2016  
Contra Costa Special District Association 2012-2016  
Bay Point Code Enforcement Committee 2015-present  
Bay Point Community Foundation 2006-present

## Training

Special District Leadership Academy Certificate 2013  
Hazwoper Certified - November 2018  
Flagger Certified – April 2015

## Presentations

Teen Garden Corp – California Ag in the Classroom 2015  
The ABC’s of Edible Gardening – California Ag in the Classroom 2017  
Teen Garden Corp – Beyond School Hours 2018

I would like to become an alternate for the LAFCO board, I have attended several meetings recently and find their work to be very interesting and would like to learn more about the work they do. I live in Bay Point which is an unincorporated community and think I could bring that unique perspective to the board.

## Los Medanos Healthcare District

2311 Loveridge Road  
P.O.Box 8698  
Office 925 432-2200  
Fax 925 427-1669  
Home 925 458-3129  
leemason@lmchd.org



**STEGE SANITARY DISTRICT  
MONTHLY MAINTENANCE SUMMARY REPORT  
Feb-18**

**1. ROUTINE PREVENTIVE MAINTENANCE ACTIVITES**

	Days	Feet
There were 19 normal working days		
Unit #5 (hydro) operated:	0	0
Unit #10 (rodder) operated:	1	2,311
Unit #11 (rodder) operated:	0	0
Unit #15 (video) operated:	6	5,926
Unit #16 (combo) operated:	15	65,441

	Month (feet)		Quarter (feet)		
	Planned	Unplanned	Planned	Unplanned	Remaining
Total Cleaned	47,713	17,728	149,516	21,262	38,554
Total Video	3,551	2,375	11,159	3,650	3,320

**2. MONTHLY SERVICE CALLS**

After-hour service calls: 3 calls 2 out

**STEGE SANITARY DISTRICT - SERVICE CALLS, OVERFLOWS AND BACKUPS**

YEAR	MO	SERVICE CALLS		LATERAL PROBLEMS		STRUCTURAL MAINLINE FAILURES		MAINLINE OVERFLOWS INTO HOMES	
		CURRENT MONTH	12 MONTH AVERAGE	CURRENT MONTH	12 MONTH AVERAGE	CURRENT MONTH	TOTAL LAST 12-MOS	CURRENT MONTH	TOTAL LAST 12-MOS
2018	Feb	8	12.9	7	6.7	0	1	0	2
		CATEGORY 1 SSOs		OVERFLOWS CAUSED BY MAINLINE		OVERFLOWS RELATED TO WET WEATHER			
		CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS	CURRENT MONTH	TOTAL LAST 12-MONTHS		
		0	1	0	5	0	0		

**3. SAFETY AND TRAINING**

Safety and training meetings were conducted twice a month.

# MONTHLY SERVICE CALLS

# February-2018

DATE	MH UP/DN	ADDRESS	PRBLM IN	TYPE	LOC	CAUSE	END	COMMENTS
<b>2/1/2018</b> Thursday 1:17 PM	161806 161804	1505 ELM ST. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.
<b>2/2/2018</b> Friday 11:21 AM	171101 171006	6922 BLAKE ST. EL CERRITO, CA 94530 <i>Last Call: 1/27/2017</i>	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C, LC				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.
<b>2/3/2018</b> Saturday 10:25 AM	212304 212303	2624 CARLSON BLVD. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.
<b>2/14/2018</b> Wednesday 2:44 PM	231503 231502	267 ARLINGTON AVE. KENSINGTON, CA 94707 <i>Last Call: 5/29/2000</i>	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.
<b>2/15/2018</b> Thursday 2:30 PM	102104 102103	1528 SAN JOAQUIN ST. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input type="checkbox"/> Other <input checked="" type="checkbox"/>	O, SD				CITY OF RICHMOND STORM DRAIN.
<b>2/23/2018</b> Friday 5:07 PM	101128 101125	1535 SANTA CLARA AVE. RICHMOND, CA 94804	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER. PHONE ONLY
<b>2/25/2018</b> Sunday 4:46 PM	261414 261407	737 BALRA DR. EL CERRITO, CA 94530 <i>Last Call: 6/22/2001</i>	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C, OF				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.
<b>2/26/2018</b> Monday 4:06 PM	292307 292306	1306 NAVELLIER ST. EL CERRITO, CA 94530	Main <input type="checkbox"/> Lateral <input checked="" type="checkbox"/> Other <input type="checkbox"/>	C				WE FOUND THIS TO BE THE CUSTOMER'S PROBLEM. WE ADVISED THEM TO CALL A PLUMBER.

**PROBLEM TYPE:**

Water (A) Odor (O)  
 Broken Main (B) Overflow (OF)  
 S/S Congestion (C) PG+E (P)  
 Debris in Main (D) Roots (R)  
 EBMUD (E) Surcharge (S)  
 Soft Stoppage (F) Storm Drain (SD)  
 Grease (G) Unknown (U)  
 Lateral Cause (LC) Other (T)  
 Misc (M) Wipes/Rags (W)  
 MH Cover (MC)

**SPILL**

**LOCATION:**  
 Lamp/Manhole (MH)  
 Mainline (ML)  
 Lateral (L)  
 Cleanout (CO)  
 Building (BLDG)  
 Other (O)

**SPILL**

**CAUSE:**  
 Blockage (B)  
 Surcharge (S)  
 Line Break (ML)  
 Other (O)

**SPILL END**

**LOCATION:**  
 Building (BLDG)  
 Creek (C)  
 Strt/Pvmnt (ST)  
 Storm Drn (SD)  
 Yard (Y)  
 Other (O)

**MAINLINE: 0**

**LATERAL: 7**

**OTHER: 1**

**TOTAL SERVICE CALLS: 8**

**MAINLINE OVERFLOW: 0**

**MAINLINE SURCHARGE: 0**

**STEGE SANITARY DISTRICT**  
**MONTHLY REPLACEMENT AND REPAIR SUMMARY**  
**February 2018**

<b>I SEWER REPLACEMENT - FY 2017-18</b>			
A.	BUDGET ALLOCATION		\$2,365,000
B.	PRIOR BUDGET EXPENDED (WITH RETENTION)		\$779,637
C.	SEWER REPLACEMENTS PAID THIS MONTH		
SUBTOTAL FOR THIS MONTH			\$0
D.	TOTAL BUDGET EXPENDED (NO RETENTION)	31.32%	\$740,655
E.	TOTAL RETENTION HELD	5.00%	\$38,982
F.	BUDGET REMAINING	67.03%	\$1,585,363
G.	PERCENTAGE OF FISCAL YEAR REMAINING	33.33%	\$2,365,000
H.	TOTAL REPLACEMENT FOOTAGE PAID TO DATE	4,180 ( \$ 186.52 /LF)	
<b>II SEWER REPAIRS - FY 2017-18</b>			
A.	BUDGET ALLOCATION		\$61,000
B.	PRIOR BUDGET EXPENDED		\$31,452
C.	SEWER REPAIRS PAID THIS MONTH		
1.	1809 Key Blvd, El Cerrito		\$4,305
2.	1433 Monterey St, Richmond PG&E Reimbursement		-\$1,791
3.	1487 Monterey St, Richmond PG&E Reimbursement		-\$1,791
4.	1513 Monterey St, Richmond PG&E Reimbursement		-\$1,791
SUBTOTAL FOR THIS MONTH			-\$1,067
D.	TOTAL BUDGET EXPENDED	49.81%	\$30,385
E.	BUDGET REMAINING	50.19%	\$30,615
F.	PERCENTAGE OF FISCAL YEAR REMAINING	33.33%	
G.	TOTAL NUMBER OF REPAIRS PAID TO DATE	6 ( \$ 5,064.16 /REPAIR)	



# STEGER SANITARY DISTRICT

Report Date: 3/12/2018

% FY Remain: 33.33%

## BOARD OF DIRECTORS CONSENT DECREE PROGRESS REPORT

FY Start Date 7/1/2017

FY End Date 6/30/2018

CD Start Date 9/22/2014

FY "Effective" Date 7/1/2013

CIP PROJECT	17201	COMPLETED	GOAL	PERCENTAGE
REPLACED since FY start	4,191 /	10,667	LF Yearly Objective Rate	39%
REPLACED since FY "Effective" Date	44,349 /	44,707	LF Cumulative Requirement	99%
CLEANED since FY start	720,713 /	211,200	LF Minimum Requirement	341%
HOTSPOTS since FY start	172,746 /	100,000	LF Minimum Requirement	173%
CCTV since FY start	111,217 /	77,616	LF Yearly Objective Rate	143%
CCTV since CD start	756,498 /	349,272	LF Cumulative Requirement	217%
ROOT FOAMING this FY	42,062 /	31,240	LF Minimum Requirement	105%

### IMPORTANT CONSENT DECREE DATES:

July 15, annually	Provide any available Flow and Rainfall data to EBMUD
Nov 15, annually	Comments on Regional Technical Support Plan (RTSP) update by EBMUD
Sept 30, annually	Annual Report for prior Fiscal Year
May 1, 2020	Comments to EBMUD on Draft Performance Evaluation Plan (PEP)
June 30, 2021	Review of Regional Standards Report
May 1, 2022	Provide data to EBMUD for Flow Monitoring Calibration Plan
June 30, 2026	Review of Regional Standards Report
May 1, 2030	Provide data to EBMUD for Flow Monitoring Calibration Plan
June 30, 2031	Review of Regional Standards Report
June 30, 2036	Review of Regional Standards Report

# STEGE SANITARY DISTRICT ACTION PLAN FOR 2018

The following are the issues and action items discussed at the March 10, 2018 Long-Range Planning (LRP) Workshop:

1. Past 5 Years Expenditures-Review

The Board reviewed and discussed trends from the District's finances of the past 5 years and a trend line report for salary, benefits and other expenses. There were no significant issues. The Board requested the next review have past expenditures normalized to today's dollars using CPI-U, have several of the minor line items grouped into the "other" expenses, and show the values of the markers on the line graphs.

Action Item: For the next review in March 2019, have past expenditures normalized to today's dollars using CPI-U, have several of the minor line items grouped into the "other" expenses, and show the values of the markers on the line graphs.

2. Self-Assessment of Governance

Each Board Member completed an individual board member self-evaluation questionnaire and discussed their findings. The Board requested staff bring a few selected items from the questionnaire back for further consideration at a future Board meeting.

Action Item: Bring the selected items from the questionnaire back for further consideration at a future Board meeting by September 2018.

3. Strategic Plan

The Board reviewed and discussed the strategic plan. The Board asked staff to make the elements of the plan more visible within monthly and quarterly Board reports and for the next review to include a schedule of the deadlines within the work plan.

Action Item: Make the elements of the strategic plan more visible within monthly and quarterly Board reports. For the next review in March 2019, include a schedule of the deadlines within the work plan.

4. San Pablo Avenue Specific Plan Progress Report

The Board reviewed and discussed the progress report prepared by staff. The Board asked staff to have future quarterly updates include the Staff's strategy for deciding the priority of the lines to be upgraded.

Action Item: Have future quarterly updates include the Staff's strategy for deciding the priority of the lines to be upgraded.

5. District Ordinance Code

The Board reviewed and discussed proposed updates to the District Ordinance Code with District Counsel Kokotaylo. The Board requested the proposed amendments be brought back at a future Board meeting for consideration and for Kokotaylo to provide a summary presentation on Rosenberg's Rules of Order.

Action Item: Have the proposed amendments be brought back at a future Board meeting for consideration by October 2018 and for Kokotaylo to provide a summary presentation on Rosenberg's Rules of Order by September 2018.

**SUMMARY OF BOARD OF DIRECTORS  
TRAINING DUE DATES**

<b>DUE DATES</b>	<b>Governance Training (5yrs.)</b>	<b>Ethics Training (2yrs.)</b>	<b>Harassment Prevention Training (2yrs.)</b>
<b>Paul Gilbert-Snyder</b>	<b>1/2017</b>	2/2020	5/2019
<b>Jay James</b>	3/2020	2/2020	5/2019
<b>Dwight Merrill</b>	3/2019	2/2020	5/2019
<b>Al Miller</b>	1/2019	2/2020	5/2019
<b>Bea O'Keefe</b>	1/2019	2/2020	5/2019
<b>Next Available Training</b>	<b>SDLA Governance Foundations</b> 2/5 La Quinta, CA 3/20 Sacramento, CA 4/16 Monterey, CA 7/9 Napa, CA 9/24 Indian Wells, CA (add-on to Annual Conf.)	<b>CSDA Free Online Training</b> Jan 4 - Mar 16	<b>CSRMA Free Online Training</b> <a href="http://www.riskcontrolonline.com">www.riskcontrolonline.com</a>
		<b>FPPC Free Online Training</b> <a href="http://www.fppc.ca.gov">www.fppc.ca.gov</a>	

*\*Highlighted dates are due or will be due w/in 30 days*

## CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) DISBURSEMENT

### **ISSUE:**

The Board will consider receiving a disbursement from the California Employers' Retiree Benefit Trust (CERBT) for Fiscal Year 2017-18.

### **FISCAL IMPACT:**

From the Actuarial Analysis of Retiree Health Benefits as of June 30, 2017, the Annual Required Contribution (ARC) for Fiscal Year 2017-18 is \$18,406. The total amount of retiree medical payments for the existing 7 retirees for FY 2017-18 is projected to be \$23,520 (\$280/mo. x 12 mos. x 6 retirees). The fiscal impact would be the difference of \$5,114.

### **STRATEGIC PLAN:**

GOAL 3: Ensure Financial Stability and Efficiency

WORK PLAN ITEM "k": Fully fund retirement liabilities

### **BACKGROUND:**

At the Board Meeting of October 7, 2010, the Board decided to deposit \$115,950, one-half of the Unfunded Actuarial Accrued Liability (UAAL), into the CERBT fund. In 2012, instead of contributing the other half of the UAAL, the Board decided to pay retiree medical payments directly and contribute the excess ARC into the CERBT Fund. From 2013-15, retiree medical payments were paid directly and the excess ARC was contributed into the CERBT fund. In 2016 and 2017, retiree medical payments were higher than the ARC but the Board decided to pay the retiree medical payments without receiving a disbursement of the difference from the CERBT fund.

For the current FY 2017-18, retiree medical payments are again higher than the ARC. Therefore, instead of a contribution, there is the opportunity to receive a disbursement from the fund to pay the difference of \$5,114.

### **RECOMMENDATION:**

Pay retiree medical payments without receiving a disbursement from the CERBT fund.

### **ATTACHMENTS:**

- TABLE Premiums Paid vs. ARC per Actuarial Valuation of Retiree Health Benefits Summary as of June 30, 2017
- CERBT Quarterly Statement ending December 31, 2017





**Steger Sanitary District**  
**Actuarial Valuation of Retiree Health Benefits Summary**  
**as of June 30, 2017**

Fiscal Year	Number Retired	Premiums Paid by District on Cash Basis	District Contribution (ARC)	Premiums paid over/(under) ARC
2017-18	7	\$23,520	\$18,406	\$5,114
2018-19	7	\$23,520	\$18,241	\$5,279
2019-20	8	\$26,880	\$18,241	\$8,639
2020-21	8	\$26,880	\$18,275	\$8,605
2021-22	8	\$26,880	\$18,378	\$8,502
2022-23	8	\$26,880	\$18,491	\$8,389
2023-24	8	\$26,880	\$18,683	\$8,197
2024-25	9	\$30,240	\$19,021	\$11,219
2025-26	10	\$33,600	\$19,362	\$14,238
2026-27	11	\$36,960	\$19,596	\$17,364





Market Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$203,683.13	\$196,298.46
Contribution	0.00	0.00
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	8,885.98	16,313.63
Administrative Expenses	(25.72)	(50.49)
Investment Expense	(18.77)	(36.98)
Other	0.00	0.00
Ending Balance	\$212,524.62	\$212,524.62
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
Grand Total	\$212,524.62	\$212,524.62

Unit Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Units	13,343.167	13,343.167
Unit Purchases from Contributions	0.000	0.000
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
Ending Units	13,343.167	13,343.167
Period Beginning Unit Value	15.264997	14.711547
Period Ending Unit Value	15.927621	15.927621

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.

Statement of Transaction Detail for the Quarter Ending 12/31/2017  
Stege Sanitary District  
Entity #: SKB0-2595946637

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Client Contact:  
CERBT4U@CalPERS.ca.gov

PROFESSIONAL AUDITING SERVICES – REQUEST FOR PROPOSALS (RFP)

**ISSUE:**

The Board will consider issuing a request for proposals (RFP) for professional auditing services.

**FISCAL IMPACT:**

The fee for the latest audit by Vavrinek, Trine, Day, & Co. (VTD) was \$16,700. The fee for a new professional auditing service is anticipated to be up to \$20,000.

**STRATEGIC PLAN:**

GOAL 3: Ensure Financial Stability and Efficiency

WORK PLAN ITEM "c": Annually undertake an independent financial audit and change auditors at least every five (5) years

**BACKGROUND:**

The last 5 audits were conducted by Vavrinek, Trine, Day, & Co. (VTD). Standard practice is to use a different auditor every 3-5 years. An RFP based on the one used in 2013 with some minor revisions is ready for review and approval. The RFP was developed with the aid of a template designed by the Government Finance Officers Association (GFOA).

A decision should be made soon as the RFP process to select a firm can take 2-3 months.

**RECOMMENDATION:**

Authorize staff to issue the proposed RFP for professional auditing services.

**ATTACHMENTS:**

- Professional Auditing Services - Request For Proposals



## STEGE SANITARY DISTRICT

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*District Manager/Engineer:*  
Rex Delizo, P.E.

*District Counsel:*  
Kristopher Kokotaylo

*Board of Directors:*  
Paul Gilbert-Snyder  
Jay James  
Dwight Merrill  
Alan C. Miller  
Beatrice R. O'Keefe

DATE: March 22, 2018  
TO: Invited Parties  
FROM: Kary Richardson, Administrative Supervisor  
SUBJECT: Professional Auditing Services

The Stege Sanitary District (DISTRICT) is soliciting proposals from qualified firms of certified public accountants to audit the financial statements for the fiscal year ending June 30, 2018, with the option of auditing the DISTRICT's financial statements for the two subsequent fiscal years. Audit firms expressing interest will be provided with a copy of a request for proposal (RFP).

Please indicate your interest in receiving a copy of the RFP by making a request by email or in writing by April 18, 2018.

Stege Sanitary District  
RE: Professional Auditing Services  
7500 Schmidt Lane  
El Cerrito, CA 94530

[audit@stegesandistrict.org](mailto:audit@stegesandistrict.org)

All questions and correspondence should also be directed by email or in writing to the above or by calling (510) 524-4668.





STEGE SANITARY DISTRICT  
REQUEST FOR PROPOSALS  
FOR  
PROFESSIONAL AUDITING SERVICES  
MARCH 2018

7500 SCHMIDT LANE  
EL CERRITO, CA 94530  
(510) 524-4668



STEGE SANITARY DISTRICT  
REQUEST FOR PROPOSALS

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# STEGE SANITARY DISTRICT REQUEST FOR PROPOSALS

## I. INTRODUCTION

### A. General Information

The Stege Sanitary District (DISTRICT) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2018, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (1994), the provisions of the Federal Single Audit Act of 1984 (as amended in 1996), U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and as required by California SB 1452 .

There is no expressed or implied obligation for the DISTRICT to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, six (6) copies of a proposal must be received by the DISTRICT at 7500 Schmidt Lane, El Cerrito by 2:00 P.M. on April 20, 2018. The DISTRICT reserves the right to reject any or all proposals submitted.

Proposals submitted will be evaluated by the five (5) members of the Board of Directors.

During the evaluation process, the DISTRICT reserves the right, where it may serve the DISTRICT's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the DISTRICT, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The DISTRICT reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the DISTRICT and the firm selected.

It is anticipated the selection of a firm will be completed by April 26, 2018. Following the notification of the selected firm it is expected a contract will be executed between both parties by May 14, 2018.

B. Term of Engagement

A three (3) year contract is contemplated, subject to the annual review and recommendation of the Board of Directors, the satisfactory negotiation of terms (including a price acceptable to both the DISTRICT and the selected firm), the concurrence of the DISTRICT and the annual availability of funds.

II. NATURE OF SERVICES REQUIRED

A. General

The DISTRICT is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2018, with the option to audit the DISTRICT's financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. Scope of Work to be Performed

The DISTRICT desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

The auditor is not required to audit the individual fund financial statements and supporting schedules. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the report.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor is not required to audit the schedule of expenditures of federal awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

C. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*

(1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Audits of State and Local Governments.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements
3. A report on compliance and internal control over compliance applicable to each major federal program.

In the required report[s] on compliance and internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report[s] on compliance and internal controls.

The report on compliance and internal controls shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance and internal controls.

Irregularities and illegal acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the DISTRICT Board of Directors.

Reporting to the Board of Directors. Auditors shall assure themselves that the DISTRICT's Board of Directors is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies

3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

E. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the DISTRICT of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the DISTRICT or their designees.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Persons/Organizational Chart/Location of Offices

The auditor's principal contact with the DISTRICT will be Kary Richardson, Administrative Supervisor, or a designated representative, who will coordinate the assistance to be provided by the DISTRICT to the auditor.

An organizational chart (Appendix B) and a list of key personnel and their contact information (Appendix C) are attached.

B. Background Information

The DISTRICT serves an area of 5.5 square miles with a population of about 35,000. The DISTRICT's fiscal year begins on July 1 and ends on June 30. The DISTRICT has a total payroll of \$1.1M covering ten employees.

The DISTRICT is organized into three (3) departments. The accounting and financial reporting functions of the DISTRICT are centralized.

More detailed information on the government and its finances can be found in the current fiscal year budget, annual financial reports, and monthly financial reports by contacting:

Kary Richardson, Administrative Supervisor



Stege Sanitary District  
(510) 524-4668  
[kary@stegesandistrict.org](mailto:kary@stegesandistrict.org)

C. Fund Structure

The DISTRICT uses the following fund types and account groups in its financial reporting:

<u>Fund Type</u>	<u>Number of Individual Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	1	2
Capital projects fund	("fund" is part of one general, enterprise type fund)	

D. Budgetary Basis of Accounting

The DISTRICT prepares its budgets on a basis consistent with generally accepted accounting principles.

E. Pension Plans

The DISTRICT currently participates in the 2% at 55 Local Miscellaneous Members (CalPERS) pension plan.

Actuarial services for these plans are provided by the California Public Employees' Retirement System (CalPERS).

F. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact:

Kary Richardson, Administrative Supervisor  
Stege Sanitary District  
(510) 524-4668  
[kary@stegesandistrict.org](mailto:kary@stegesandistrict.org)

The DISTRICT will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued March 22, 2018

Due date for proposals April 20, 2018

B. Notification and Contract Dates

Selected firm notified April 30, 2018

Contract date May 14, 2018

C. Date Audit May Commence

The DISTRICT will have all records ready for audit and all management personnel available to meet with the firm's personnel as of August 20, 2018.

D. Schedule for the 2017-18 Fiscal Year Audit. (a similar time schedule will be developed for audits of future fiscal years if the DISTRICT exercises its option for additional audits.)

Each of the following should be completed by the auditor no later than the dates indicated.

1. Fieldwork

The auditor shall complete all fieldwork by September 17, 2018.

2. Draft Reports

The auditor shall have drafts of the audit report[s] and recommendations to management available for review by the Stege Staff and District Manager by October 15, 2018.

E. Entrance Conferences, Progress Reporting and Exit Conferences (a similar time schedule will be developed for audits of future fiscal years if the DISTRICT exercises its option for additional audits).

At a minimum, the following conferences should be held by the dates indicated on the schedule:

Week of August 20, 2018

*Entrance conference* -The purpose of this meeting will be to discuss prior audit problems and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the auditor.

Week of September 10, 2018

*Progress conference* - The purpose of this meeting will be to summarize the results of the preliminary review and to identify the key internal controls or other matters to be tested

Week of September 17, 2013

*Exit conference* - The purpose of this meeting will be to summarize the results of the field work and to review significant findings.

F. Date Final Report is Due

The District Manager shall receive draft financial statements, notes and all required supplementary schedules by October 29, 2018. The auditor shall provide all recommendations, revisions and suggestions for improvement to the District Manager in a draft report to be delivered to the DISTRICT by November 5, 2018

The DISTRICT will complete their review of the draft report as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed draft report shall be delivered to the DISTRICT within five (5) working days. It is anticipated that this process will be completed and the final draft report delivered by November 12, 2018.

The final draft report and eight (8) signed copies should be delivered to:

Kary Richardson, Administrative Supervisor  
Stege Sanitary District  
7500 Schmidt Lane  
El Cerrito, CA 94530

The auditor will present the findings of the final draft report at an oral presentation to the Board at a meeting scheduled for December 13, 2018 at 2:00 PM.

If and when the final draft report is accepted by the Board, the auditor will make any final corrections or amendments and deliver the final report electronically in PDF format by email to [audit@stegesano.org](mailto:audit@stegesano.org) within ten (10) working days.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the

auditor.

B. Work Area, Telephones, Photocopying and FAX Machines

The DISTRICT will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and FAX machines.

C. Report Preparation

Report preparation, editing and printing shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Stege Sanitary District  
Professional Auditing Services Inquiry  
7500 Schmidt Lane  
El Cerrito, CA 94530  
(510) 524-4668  
[audit@stegesane.org](mailto:audit@stegesane.org)

2. Submission of Proposals

The following material is required to be received by April 20, 2018 for a proposing firm to be considered:

a. A master copy (so marked) of a TECHNICAL PROPOSAL and 6 copies to include the following:

i. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly states the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and

- irrevocable offer for three (3) years.
  - iv. Detailed Proposal  
The detailed proposal should follow the order set forth in Section VI B of this request for proposals.
  - v. Executed copies of Proposer Guarantees and Proposer Warranties, attached to this request for proposal (Appendix D and Appendix E)
- b. The proposer shall submit original and five (5) copies of a DOLLAR COST BID in a separate sealed envelope marked as follows:

SEALED DOLLAR COST BID PROPOSAL FOR  
PROFESSIONAL AUDITING SERVICES FOR  
STEGE SANITARY DISTRICT  
APRIL 20, 2018

- c. Proposers should send the completed proposal consisting of the two separate envelopes to the following address:

Stege Sanitary District  
Professional Auditing Services Proposal  
7500 Schmidt Lane  
El Cerrito, CA 94530

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the DISTRICT in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for

proposals. While additional data may be presented, the following subjects, items Nos. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that is independent of the DISTRICT as defined by generally accepted auditing standards [the U.S. General Accounting Office's *Government Auditing Standards* (1994)].

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the DISTRICT for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the DISTRICT written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly registered to practice in California.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the DISTRICT. However, in either case, the DISTRICT retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the DISTRICT, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements With Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum five (5) performed in the last five years) that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section

II of this request for proposal. In developing the work plan, reference should be made to such sources of information as DISTRICT's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Where appropriate, proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. Sample size and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of EDP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of the DISTRICT's internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the DISTRICT.

9. Report Format

The proposal should include sample formats for required reports.

C. Sealed Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The DISTRICT will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.



The first page of the sealed dollar cost bid should include the following information:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the DISTRICT.
- c. A Total All-Inclusive Maximum Price for the June 30, 2018 engagement.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The second page of the sealed dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix F) that supports the total all-inclusive maximum price. The cost of special services described in Section I E of this request for proposal should be disclosed as separate components of the total all-inclusive maximum price.

3. Out-of-Pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by the DISTRICT for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the sealed dollar cost bid in the format provided in the attachment (Appendix F). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

In addition, a statement must be included in the sealed dollar cost bid stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing DISTRICT rates for its employees.

4. Rates for Additional Professional Services

If it should become necessary for DISTRICT to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between DISTRICT and the firm. Any such additional work agreed to between DISTRICT and the firm shall be performed at the same

rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

5. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

A. Evaluation Panel

Proposals submitted will be evaluated by the five (5) members of the Board of Directors.

B. Review of Proposals

The Board of Directors will use a point formula during the review process to score proposals. Each member of the Board of Directors will first score each technical proposal by each of the criteria described in Section VII C. below. The Board of Directors will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Appropriate fractional scores will be assigned to other proposers.

The DISTRICT reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

C. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in California
  - b. The firm has no conflict of interest with regard to any other work performed by the firm for the DISTRICT
  - c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal
  - d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
2. Technical Quality: (Maximum Points – 75)
- a. Expertise and Experience
    - (1) The firm's past experience and performance on comparable government engagements
    - (2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation
  - b. Audit Approach
    - (1) Adequacy of proposed staffing plan for various segments of the engagement
    - (2) Adequacy of sampling techniques
    - (3) Adequacy of analytical procedures
3. Price: (Maximum Points - 25)

D. Oral Presentations

During the evaluation process, the Board of Directors may, at its discretion, request any or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Board of Directors may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

It is anticipated that a firm will be selected by April 26, 2018. Following notification of the selected firm, it is expected a contract will be executed between both parties by May 14, 2018.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the DISTRICT and the firm selected.

The DISTRICT reserves the right without prejudice to reject any or all proposals.



## APPENDICES

- A. Findings from Recent External and Internal Audits
- B. Organizational Chart
- C. List of Key Officials, Office Locations and Telephone Numbers
- D. Proposer Guarantees
- E. Proposer Warranties
- F. Format for Schedule of Professional Fees and Expenses to Support the Total All-inclusive Maximum Price



APPENDIX A

FINDINGS FROM RECENT EXTERNAL AND INTERNAL AUDITS

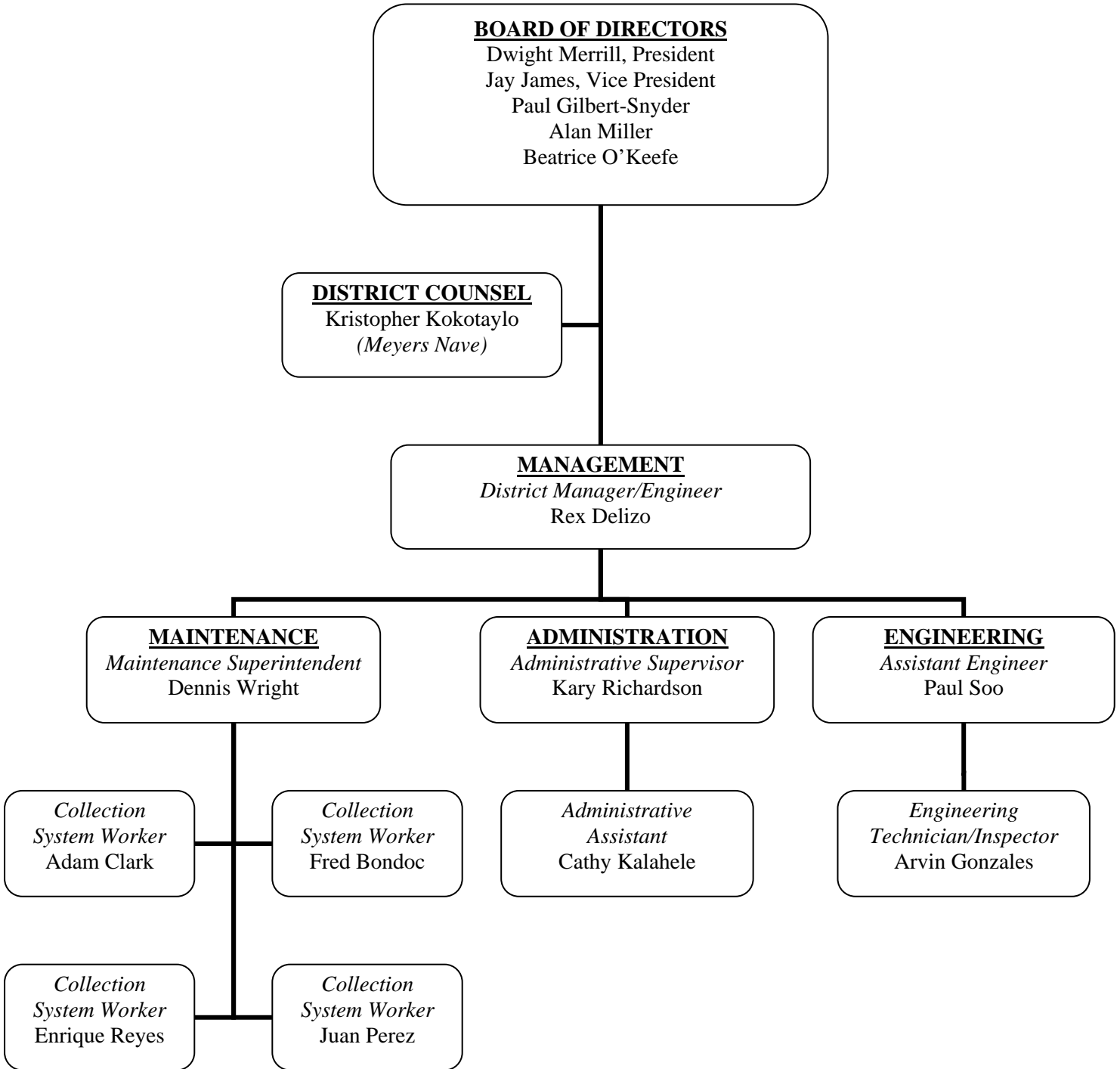
External Audits:

<u>Report</u>	<u>Finding</u>	<u>Resolved?</u>
June 30, 2017 Audit	None	n/a





APPENDIX B  
**STEGE SANITARY DISTRICT**  
**ORGANIZATION STRUCTURE**  
2018





APPENDIX C

LIST OF KEY OFFICIALS, OFFICE LOCATIONS AND TELEPHONE NUMBERS

Rex Delizo  
District Manager  
(510) 524-4668  
[rex@stegesano.org](mailto:rex@stegesano.org)

Kary Richardson  
Administrative Supervisor  
(510) 524-4668  
[kary@stegesano.org](mailto:kary@stegesano.org)

Stege Sanitary District  
7500 Schmidt Lane  
El Cerrito, CA 94530  
(510) 524-4668  
[audit@stegesano.org](mailto:audit@stegesano.org)



APPENDIX D

PROPOSER GUARANTEES

The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official:

Name (typed):

Title:

Firm:

Date:



APPENDIX E

PROPOSER WARRANTIES

- A. Proposer warrants that it is willing and able to comply with State of California laws with respect to foreign (non-state of California) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the DISTRICT.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official:

Name (typed):

Title:

Firm:

Date:





APPENDIX F  
Page 1

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE [YEAR] FINANCIAL STATEMENTS

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____

Total for services Described in Section II E of the RFP (Detail on subsequent pages)

Out-of-pocket expenses:

Other (specify): \_\_\_\_\_

Total all-inclusive maximum price for June 30, [YEAR] audit

Note: The rate quoted should NOT be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX F  
Page 2

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE [YEAR] FINANCIAL STATEMENTS:  
COMBINING SCHEDULE - ALL SERVICES  
DESCRIBED IN RFP SECTION II E

<u>Nature of Service To Be Provided</u>	<u>Schedule</u>	<u>Total Price</u>
---	-----------------	--------------------

**EACH SERVICE DESCRIBED IN RFP SECTION II E SHOULD BE SUPPORTED BY AN INDIVIDUAL SCHEDULE IN THE FORMAT PROVIDED ON PAGE 3 OF THIS APPENDIX.**

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE [YEAR] FINANCIAL STATEMENTS:

SUPPORTING SCHEDULE FOR [NAME OF SERVICE]

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____

Out-of-pocket expenses:

Other (specify): \_\_\_\_\_

Total price for [NAME OF SERVICE]

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price

**DEFERRED COMPENSATION MATCHING REVIEW**

**ISSUE:**

The Board shall review the deferred compensation matching contribution annually and consider any changes.

**FISCAL IMPACT:**

The fiscal impact is dependent upon the decision of the Board. For each \$10 change to the deferred compensation matching contribution rate, the impact would be up to \$1200 per year.

**STRATEGIC PLAN:**

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

WORK PLAN ITEM “b”: Annually review employee salary and benefits and conduct a survey vs. comparable agencies at least every five (5) years

**BACKGROUND:**

In September 2012, in conjunction with lowering the flexible benefit cash out limit, the Board approved a deferred compensation matching contribution benefit of \$240/month. The intent was to lower the cash-out limit to a level in line with cash-in-lieu amounts of other comparable agencies while compensating employees most of the difference with the deferred compensation matching contribution benefit.

As of January 1, 2013, the District matches voluntary employee contributions to a maximum of \$240/month, up to the total combined maximum contribution as allowed by law and all employees are currently contributing enough to take advantage of the maximum benefit. No changes have been made to the maximum amount since its inception while the CPI-U has increased as follows:

<b>YEAR</b>	<b>JUNE CPI-U SF</b>	<b>% DIFF</b>	<b>AMOUNT ADJUSTED BY CPI-U EACH YEAR</b>
2013	245.9	2.6%	\$240
2014	253.3	3.0%	\$247
2015	259.1	2.3%	\$253
2016	266.0	2.7%	\$260
2017	275.3	3.5%	\$269

**RECOMMENDATION:**

Consider increasing the deferred compensation matching contribution benefit up to \$250 (4.2%).

**ATTACHMENTS:**

Deferred Compensation Matching Amounts of Other Agencies

### Deferred Compensation Matching Amounts of Other Agencies

Agency	Staff	Management	Notes
* West Valley Sanitation	\$1,350	\$1,350	Any unused medical allotment up to \$1,350 can be applied to deferred compensation
* West Bay Sanitary District	\$660	\$660	1 to 0.75 ratio to a max of 2% of salary
Union Sanitary	\$254	+3% of Salary	Additional 3% for GM
<b>Stege Sanitary District</b>	<b>\$240</b>	<b>\$360</b>	
Dublin San Ramon Services District	\$208	\$208	\$2,500/yr
* Castro Valley Sanitary	\$200	\$833	Staff: 0-2yrs \$800, 3-4yrs \$1,600, 4+yrs \$2,400 GM: \$10,000/yr
City Of Livermore	\$200	\$200	
* Napa Sanitary	\$100	\$250	
Oro Loma Sanitary	\$63	\$63	\$750/yr (must contribute \$1,500 to get the \$750 District Matching)
* Central Marin Sanitation	NONE	4% of Salary	
* Novato Sanitary	NONE	2.5% of Salary	2.5% of salary for Management and Confidential employees only
* West County Wastewater	NONE	NONE	
* Ironhouse Sanitary	NONE	NONE	
* Mt. View Sanitary	NONE	NONE	
* Ross Valley Sanitary	NONE	NONE	
City Of Richmond	NONE	NONE	

\* Previously established comparable agencies

CANCELLATION OF THE APRIL 12, 2018 REGULAR BOARD MEETING

**ISSUE:**

The Board will consider cancellation of the upcoming regular Board meeting on April 12, 2018 since there are no pressing agenda items to discuss.

**FISCAL IMPACT:**

By cancelling the meeting, the District will save from paying the five Directors' meeting compensation fee total of \$1075.

**BACKGROUND:**

There are no pressing agenda items scheduled for the upcoming regular Board meeting on April 12, 2018. Unless new time sensitive issues come up that would necessitate a meeting, the meeting can be cancelled.

**RECOMMENDATION:**

Approve the cancellation of the April 12, 2018 regular Board Meeting and have staff post a Notice of Meeting Cancellation on the District website and bulletin board outside the District office.

**ATTACHMENTS:**

- Notice of Meeting Cancellation

STEGE SANITARY DISTRICT

**NOTICE OF MEETING  
CANCELLATION**

NOTICE IS HEREBY GIVEN as follows:

The regular board meeting of the Stege Sanitary District Board of Directors scheduled for April 12, 2018 has been cancelled.

The next meeting of the Stege Sanitary District Board of Directors will be held on April 26, 2018 at 7:00 P.M. at the District office, 7500 Schmidt Lane, El Cerrito, California.

Dated: March 22, 2018



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Rex Delizo  
STEGE SANITARY DISTRICT  
Secretary



**STEGE SANITARY DISTRICT**  
**Investment, Cash & Receivables Report**

As of February 28, 2018

1:05 PM  
 03/19/2018

	<u>February 28, 2018</u>	<u>January 31, 2018</u>	<u>\$ Change</u>	<u>Deposits</u>	<u>Checks</u>	<u>Transfers</u>
<b>ASSETS</b>						
<b>Current Assets</b>						
<b>Checking/Savings</b>						
<b>LAIF Investment Accts</b>						
11012 · Sewer Operations- 3418	5,609,118	5,689,118	-80,000	0	0	-80,000
11014 · System Rehab- 3423	950,169	950,169	0		0	0
<b>Total LAIF Investment Accts</b>	<u>6,559,287</u>	<u>6,639,287</u>	<u>-80,000</u>	<u>0</u>	<u>0</u>	<u>-80,000</u>
<b>Checking Accts</b>						
100 · Mechanics Bank	289,921	93,630	196,291	452,881	-336,590	80,000
100 · County Cash Acct #3418	-255,182	-335,182	80,000 *	0 *	0	0
<b>Total Checking Accts</b>	<u>34,739</u>	<u>-241,552</u>	<u>276,291</u>	<u>452,881</u>	<u>-336,590</u>	<u>80,000</u>
11021 · Petty Cash	250	250	0	0	0	0
<b>Total Checking/Savings</b>	<u>6,594,276</u>	<u>6,397,985</u>	<u>196,291</u>	<u>452,881</u>	<u>-336,590</u>	<u>0</u>
301 · Ca Employer's Retiree Benefit Trust	212,525	203,683	8,841	8,841	0	0
<b>Total CA Employer's Retiree Benefit Trust</b>	<u>212,525</u>	<u>203,683</u>	<u>8,841</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Accounts Receivable</b>						
11072 · Accounts Receivable	8,989	8,989	0			
<b>Total Accounts Receivable</b>	<u>8,989</u>	<u>8,989</u>	<u>0</u>			

Note: \* Reduction or Increase is based on property tax estimate.

I hereby certify that the invested funds of the Stege Sanitary District are in compliance with the investment policies of the Stege Sanitary District and provide sufficient liquidity to meet budgeted expenses for the next six month period.

\_\_\_\_\_  
 Rex Delizo, District Manager

\_\_\_\_\_  
 Date

STEGE SANITARY DISTRICT

Operating Statement

03/19/2018

February 2018

70.14% of Fiscal year Completed

	July- February 2018	Annual Budget	% of Annual Budget
<b>Income</b>			
<b>31 - OPERATING REVENUE</b>			
31010 - Sewer Service Charges	1,507,123	2,435,000	62%
31020 - Permit & Insp. Fees	6,470	15,000	43%
31030 - Connection Fees	81,916	150,000	55%
31040 - San Pablo Ave Impact Fee	35,407	-	0%
31080 - Contracted Services	-	30,000	0%
31010a - Capital Service Charges	1,385,628	2,242,000	62%
<b>Total 31 - OPERATING REVENUE</b>	<b>3,016,544</b>	<b>4,872,000</b>	<b>62%</b>
<b>32 - NON-OPERATING REVENUE</b>			
32050 - Interest - 3418	12,397	12,000	103%
32052 - Interest - 3423	3,123	5,000	62%
32080 - Property Taxes	304,873	369,000	83%
32085 - Insurance Dividend	-	-	0%
32090 - Miscellaneous	21,035	21,000	100%
<b>Total 32 - NON-OPERATING REVENUE</b>	<b>341,427</b>	<b>407,000</b>	<b>84%</b>
Transfer (to)/from Reserves	-	(139,010)	0%
<b>Total Income</b>	<b>3,357,972</b>	<b>5,139,990</b>	<b>65%</b>
<b>Expense</b>			
<b>OPERATING EXPENSES</b>			
<b>Administration/General</b>			
45-010 - Salaries & Wages	147,365	201,220	73%
45-020 - Employee Benefits	80,888	106,680	76%
45-029 - Retiree Health	4,521	6,800	66%
45-030 - Directors Expenses	14,090	38,000	37%
45-070 - Insurance	145,543	93,000	156%
Administration - Other	124,826	244,450	51%
<b>Total Administration</b>	<b>517,233</b>	<b>690,150</b>	<b>75%</b>
<b>Maintenance/Engineering</b>			
41-010 - Salaries & Wages	608,743	916,910	66%
41-020 - Employee Benefits	298,723	451,620	66%
41-029 - Retiree Health	8,477	13,700	62%
41-100 - Operating Supplies	9,096	40,000	23%
41-110 - Contractual Services	68,390	96,300	71%
41-207 - Contracted Repairs	30,385	61,000	50%
Maintenance- Other	95,438	201,450	47%
<b>Total Maintenance/Engineering</b>	<b>1,119,252</b>	<b>1,780,980</b>	<b>63%</b>
<b>Pump Stations</b>	<b>12,426</b>	<b>18,660</b>	<b>67%</b>
<b>Total OPERATING EXPENSES</b>	<b>1,648,911</b>	<b>2,489,790</b>	<b>66%</b>
<b>CAPITAL</b>			
41-650 - Debt Repayment (SRF Loans)	148,220	148,200	100%
Construction Projects	779,637	2,456,000	32%
Outlay(Maintenance/Engineering)	7,239	46,000	16%
<b>Total CAPITAL</b>	<b>935,096</b>	<b>2,650,200</b>	<b>35%</b>
<b>Total Expense</b>	<b>2,584,007</b>	<b>5,139,990</b>	<b>50%</b>
<b>Net</b>	<b>773,965</b>	<b>0</b>	

<b>11:17 AM</b>	<b>STEGE SANITARY DISTRICT</b>			
<b>02/26/2018</b>	<b>Check Report</b>			
<b>Accrual Basis</b>	<b>February 22, 2018</b>			
	<b>Name</b>	<b>Memo</b>	<b>Amount</b>	<b>Num</b>
<b>Feb 22, 18</b>				
	State Water Resource Control Board	St. Revolving Fund Loan Proj. 99201	-104,281.05	25396
<b>Feb 22, 18</b>			<b>-104,281.05</b>	

11:13 AM	STEGE SANITARY DISTRICT			
03/19/2018	Check Report			
Accrual Basis	March 22, 2018			
	Name	Memo	Amount	Num
Mar 22, 18				
	Aramark Uniform Services	Uniform Services	-1,480.36	25397
	Aries	Camera Repair	-126.70	25398
	AT&T (510 526-9489)	Canon Pump Station	-155.90	25399
	Bay Alarm Company	Burglar & Fire Alarm	-590.97	25400
	Bay Area News Group - East Bay	Rate Notice and Ordinance	-413.10	25401
	Center for Hearing Health, Inc	Annual Hearing Test	-555.00	25402
	Chevron and Texaco Card Services	Gas	-217.78	25403
	Clark Pest Control	Pest Control	-129.00	25404
	Clement Communications Inc.	Safety Poster	-176.93	25405
	Direct Line	Answering Service 2/01-28/18	-95.00	25406
	East Bay Sanitary Co., Inc.	Mar-Apr 2018	-746.12	25407
	EBMUD 12374900001	Office/Shop	-114.00	25408
	EBMUD 57132800001	Office/Shop	-495.24	25409
	EBMUD 92526846174	Hydrant Meter	-893.95	25410
	Exxonmobil	Gas	-581.05	25411
	Meyers Nave	Legal Services	-6,044.79	25412
	Mobile Fleetcare	Tank Replacement	-783.16	25413
	MR Copy	Copier Supplies	-164.12	25414
	Nakano Landscape	Landscaping Feb 2018	-280.00	25415
	Olivero Plumbing	Backflow Test	-120.00	25416
	Pastime Hardware	Maintenance Supplies	-83.86	25417
	PG&E- #0103467151-9	Burlingame Pump Station	-86.92	25418
	PG&E- #0607499583-5	Canon Pump Station	-51.90	25419
	PG&E- #6675831511-4	Office/Shop	-1,050.71	25420
	Plaza Auto Service, Inc	Vehicle Maintenance	-1,568.33	25421
	Pump Repair Service Co.	Canon Pumpstation Repairs	-927.00	25422
	S.P. Automotive	Maintenance Supplies	-168.42	25423

	<b>Name</b>	<b>Memo</b>	<b>Amount</b>	<b>Num</b>
	Softfile	Scanning	-4,749.58	25424
	Speed-Ox, Inc.	CO2 Rental & Drive Roll	-65.87	25425
	TelePacific Communications	Office Phones	-889.21	25426
	U.S. Bank	Meetings, Travel, Carpet Cleaning & Misc	-2,951.27	25427
	Vanguard Cleaning Systems	Janitorial Service Mar 2018	-295.00	25428
	Xerox Financial Services	Copier Lease Payment 03/08-4/07	-194.28	25429
<b>Mar 22, 18</b>			<b>-27,245.52</b>	

## STEGE SANITARY DISTRICT MARCH 2018

MARCH 2018	APRIL 2018	MAY 2018	JUNE 2018	JULY 2018	AUGUST 2018
AB 1234 Training (even years)	CASA Public Policy Forum April 11 Sacramento, CA	5/28 HOLIDAY  AB 1661 Training (odd years)	6/13 Safety and Recognition Awards Luncheon	7/4 HOLIDAY 4 <sup>th</sup> of July Fair Booth	CASA Annual Conf. August 8-10 Monterey, CA
3/10/2018 – <b>9:00 A.M.</b>	4/12/2018 – 7:00 P.M.	5/10/2018 – 7:00 P.M.	6/14/2018 – 7:00 P.M.	7/12/2018 – 7:00 P.M.	8/16/2018 – 7:00 P.M.
<b>Board of Directors Meeting</b>  <u>9AM Meeting Time</u> ○ Long Range Planning Workshop ○ Strategic Plan	<b>Board of Directors Meeting</b>  ○ Service Rate Discussion/Approval (& 30-day Notice) ○ Board Training Summary ○ CASA Conf. – Attendee Reports	<b>Board of Directors Meeting</b>  ○ Board Training Summary	<b>Board of Directors Meeting</b>  ○ Draft Budget ◆ Review Director Meeting Compensation ○ July 4 <sup>th</sup> Fair Discussion ◆ Approve Project Plans and Specs (+CEQA) ◆ Approve Salary Ranges for District Positions ◆ Long Range Planning Action Plan	<b>Board of Directors Meeting</b>  ○ July 4 <sup>th</sup> Fair Debrief ○ District Investment Policy ○ CASA Conference ◆ Resolution Est. Salary of District Manager ◆ Form 470	<b>Board of Directors Meeting</b>  ○ CASA Conference ○ CSDA Conference ○ Select Actuary for Analysis of Retiree Health Benefits (odd years) ○ Quarterly (FY End) Financial Statements ○ Conn. Charge Report per Gov. Code 66013
3/22/2018 – 7:00 P.M.	4/26/2018 – 7:00 P.M.	5/24/2018 – 7:00 P.M.	6/28/2018 – 7:00 P.M.	7/26/2018 – 7:00 P.M.	
<b>Board of Directors Meeting</b>  ◆ Auditor – RFP ◆ California Employer’s Retiree Benefit Trust (CERBT) ○ Form 700 ○ Consent Decree Quarterly Report ○ CASA Conference ○ CASA Conf. – Attendee Reports ○ Service Rate Discussion ○ Board Training Summary	<b>Board of Directors Meeting</b>  ○ CLOSED SESSION – Quarterly Claims Rpt ○ Quarterly Financial Statements ○ Draft Budget ◆ Employee Benefits ○ Service Rate Discussion/Approval (& 30-day Notice) ○ July 4 <sup>th</sup> Fair Discussion	<b>Board of Directors Meeting</b>  ○ CLOSED SESSION – District Counsel Performance Evaluation ○ Draft Budget ○ July 4 <sup>th</sup> Fair Discussion ○ Service Rate Discussion/Approval (& 30-day Notice)	<b>Board of Directors Meeting</b>  ○ CLOSED SESSION – Manager Perf. Eval. ◆ Approve and Adopt Final Budget ◆ Ordinance – Director Meeting Compensation ◆ Review and Approve Incentive Award ◆ Adopt Incentive Award Goals & Objectives ○ District Reserve Policy ○ July 4 <sup>th</sup> Fair Discussion ○ Consent Decree Quarterly Report	<b>Board of Directors Meeting</b>  ○ CLOSED SESSION – Quarterly Claims Rpt ○ CASA Conference ○ Reimb. Report per Gov. Code 53065.5 ○ Quarterly Financial Statements ○ Candidate filing period (even years) ◆ Establish and Collect Sewer Service Charges ◆ Notice of Completion/Award of Contract	

○ INFORMATIONAL ITEMS

◆ ACTION ITEMS

*CHANGES IN ITALICS*

# STEGE SANITARY DISTRICT

## MARCH 2018

SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019
9/3 HOLIDAY  CSDA Annual Conf. Sept 24-27 Monterey, CA		11/22 HOLIDAY	12/13 Christmas Luncheon 12/25 HOLIDAY	1/1 & 1/14 HOLIDAY  CASA Winter Conf.	2/18 HOLIDAY  CASA Policy Forum Washington, DC
9/8/2018 – 7:00 P.M.	10/11/2018 – 7:00 P.M.	11/8/2018 – 7:00 P.M.	12/13/2018 – <b>2:00 P.M.</b>	1/10/2019 – 7:00 P.M.	2//2019 – 7:00 P.M.
<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>○ CSDA Conference</li> <li>○ CASA Conf. – Attendee Reports</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>○ Proposed Meeting Calendar</li> <li>○ Board Officer Succession Plan</li> <li>○ CASA Conference</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <p><u>2PM Meeting Time</u></p> <ul style="list-style-type: none"> <li>◆ Nomination &amp; Election of Officers</li> <li>◆ Fiscal Year Financial Audit</li> <li>◆ Connection Charge Calculation Report</li> <li>○ CASA Conference</li> <li>○ Meeting Calendar</li> <li>○ Consent Decree Quarterly Report</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>◆ Board Governance Review</li> <li>◆ Connection Charge Ord.</li> <li>○ Service Rate Discussion</li> <li>○ District of Distinction (even years)</li> <li>○ CASA Conference</li> <li>○ Director’s Contact Info</li> <li>○ Board Training Summary</li> <li>○ Long Range Planning Discussion of Topics</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>◆ Board Governance Approval</li> <li>○ Actuarial Analysis of Retiree Health Benefits Report (even years)</li> <li>○ Service Rate Discussion</li> <li>○ CASA Conference</li> <li>○ Board Training Summary</li> <li>○ Form 700</li> <li>○ Long Range Planning Discussion of Topics</li> </ul>
9/22/2018 – 7:00 P.M.	10/25/2018 – 7:00 P.M.	11/22/2018 – 7:00 P.M.		1/24/2019 – 7:00 P.M.	
<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>◆ Flexible Benefits Plan Contribution Review</li> <li>◆ Deferred Compensation Matching Contribution Review</li> <li>○ CSDA Conference – Attendee Reports</li> <li>○ Consent Decree Quarterly Report</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>○ CLOSED SESSION – Quarterly Claims Rpt</li> <li>○ Quarterly Financial Statements</li> <li>○ Regional Private Sewer Lateral Program Update</li> </ul>	<p style="text-align: center;"><b>Board of Directors Meeting</b></p>		<p style="text-align: center;"><b>Board of Directors Meeting</b></p> <ul style="list-style-type: none"> <li>○ CLOSED SESSION – Quarterly Claims Rpt – Manager Perf. Eval.</li> <li>◆ Resolution for Disposal of Surplus Property</li> <li>○ Quarterly Financial Statements</li> <li>○ CASA Conf. – Attendee Reports</li> <li>○ Service Rate Discussion</li> <li>○ Long Range Planning Discussion of Topics</li> </ul>	

○ INFORMATIONAL ITEMS

◆ ACTION ITEMS

*CHANGES IN ITALICS*