

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**

**BOARD OF DIRECTORS MEETING
SEPTEMBER 10, 2008**

The Board of Directors of West Valley Sanitation District of Santa Clara County, California, convenes this day in regular session at 6:00 p.m. at the district office, 100 East Sunnyoaks Avenue, Campbell, California, with the following members present: David Baxter, Donald R. Burr, Aileen Kao (Alternate for Chuck Page), Ken Yeager, and Diane McNutt, Chairperson. Staff present are Robert R. Reid, District Manager and Engineer; Charles T. Kilian, District Counsel; Edward H. Oyama, Director of Engineering and Operations; and Joanna Fuller, Secretary.

The minutes of the previous meeting are approved as presented. Directors Baxter and McNutt abstain, as they were not at the meeting.

Oral communications: This portion of the meeting is set aside for persons wishing to address the Board on any matter not on the agenda. There is no public comment at this time.

Written communications: A letter has been received from former District Manager Stephen H. Goodman thanking the Board for their continuation of the retiree healthcare benefit.

Reports: The following reports are submitted for action in one motion:

San Jose/Santa Clara Water Pollution Control Plant: Minutes of the August 14, 2008, meeting of the Treatment Plant Advisory Committee.

Recognition of District employees Jess Torres, Tony Cuevas, and Chad Pozas for achieving certifications from the California Water Environment Association. The Board extends its congratulations to the staff for their achievement.

Report on the California Association of Sanitation Agencies conference in Monterey, August 20-23, 2008.

Report on sale of surplus vehicles: 1994 Jeep Cherokee was sold for \$1,700.00; and the 1997 Dodge Intrepid was sold for \$1,524.01.

The reports are accepted.

There is no unfinished business to come before the Board.

Consent Calendar: The following items are presented for action in one motion:

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**

**BOARD OF DIRECTORS MEETING
SEPTEMBER 10, 2008 (Continued)**

Approval of payment of bills and ratification of payroll summaries of July 27 and August 10, 2008.

Authorization to purchase a 2008 Vactor 2100 Series Combination Sewer Cleaning Truck from Ricker Machinery at a cost of \$313,096.29 (sole source purchase).

The consent calendar is approved unanimously.

Under new business, the manager summarizes the status of the request for the sphere of influence amendment and annexation of a group of residential parcels in the Overlook Road area. The request was made by the residents to facilitate conversion from septic systems to sewer. The manager reports that following the Board's motion in support of the boundary change at the July 9 meeting, staff coordinated the preparation of all required application documents and exhibits, as well as the preparation of an initial study and mitigated negative declaration. The manager reports that all the application materials have been completed, and the mitigated negative declaration has been filed in accordance with CEQA guidelines, with the comment period set to end on October 8. At this time the Board is asked to adopt a resolution in support of the annexation and sphere of influence amendment, which will be included in the application packet for submittal to the Santa Clara Local Agency Formation Commission (LAFCO). Upon staff's recommendation, "RESOLUTION NO. 08.09.10, RESOLUTION SUPPORTING THE ANNEXATION AND SPHERE OF INFLUENCE AMENDMENT DESIGNATED SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION 2008-02, OVERLOOK ROAD" is adopted unanimously. The residents who are in attendance thank the Board and staff for their support.

The second item of new business is a report on the actuarial valuation of the district's retiree healthcare benefit obligation pursuant to the requirements of the Government Accounting Standards Board Statement 45, accounting and financial reporting for post-employment benefits other than pensions. Staff reports that the district is among the agencies required to comply with GASB 45 in fiscal year 2008-09. This will require the district to account for its retirement healthcare obligation as the benefits are earned rather than as they are paid. As a preliminary step in the development of the district's approach to the GASB 45 reporting requirement, staff engaged the services of the actuarial firm of Bartel Associates to perform an actuarial valuation and assess the district's plan status. Mr. John Bartel has come to the meeting to present his findings and answer the Board's questions. The GASB statement does not require that the obligation be prefunded, only that it is reported on the financial statements. The policy matter before the Board will be to decide whether to continue to finance the benefit on a pay-as-

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**

**BOARD OF DIRECTORS MEETING
SEPTEMBER 10, 2008 (Continued)**

you-go basis, or whether to prefund the obligation. If prefunding is decided upon, a decision would be needed as to the amount of annual contribution and the length of the amortization period, among other details. At the conclusion of the discussion, staff is directed to come back with a complete analysis and recommendations for the Board's consideration at a future meeting.

There are no directors' items.

There being no further items of business to come before the Board, the meeting is adjourned at 6:50 p.m.

DIANE MCNUTT, CHAIRPERSON

Attest:

Secretary