

CUPERTINO SANITARY DISTRICT

SANTA CLARA COUNTY

SPECIAL SANITARY BOARD MEETING

WEDNESDAY JUNE 25, 2008

(Adjourned from June 18, 2008)

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. in the Stevens Creek Office Center, Suite 104, 20833 Stevens Creek Boulevard, Cupertino, California.

President Gatto called the meeting to order and the following proceedings were had to wit: Roll call was taken, with the following members in attendance:

Directors: John M. Gatto, William A. Bosworth, Wendell H. Kerr, Jr., Curtis B. Harrison, and Christopher C. Lee.

Staff present: Manager Engineer Richard K. Tanaka, and Staff Member Steven J. Machida.

President Gatto suggested to the Board that review and discuss the proposed budget line item by line item.

For the CUSD Capital Outlay item, President Gatto suggested that the amount of \$1,966,000 be a place holder and this number may go up or down depending on the Capital Improvement Project priority that the Board sets.

President Gatto requested that the Capital Improvement Program (CIP) be updated and brought back to the Board for further discussion and to set priorities. Manager Tanaka stated that the updated CIP will be brought back to the board in two months.

Director Lee requested Staff to review the water recycling costs charged to the District versus the benefits that the District receives.

President Gatto noted that budget for the line item CUSD Repairs and Maintenance stays at the same level as the previous year's expenditure. Manager Tanaka stated that Staff intends to reduce the routine maintenance where it is not needed based on the current maintenance experience level. Staff will also separately track routine maintenance versus emergency maintenance.

Manager Tanaka updated the Board on the Plan Checking and Inspection item for the current year. Of the \$166,595 spent to date, approximately \$80,000 has been spent on the Via Regina Pump Station. The \$80K has not yet been collected from the Developer. The Board directed staff to include the \$80K in the Plan Checking and Inspection line item. President Gatto also directed Staff to move the Revenue Total line item before the Miscellaneous Income line item.

Director Lee requested Staff to evaluate the Insurance cost charged to the District to determine if there are any cost benefits to change carriers.

President Gatto requested Staff to review the Ordinance related to Director's fees and how it is to be paid if the Board elects for a deferral.

President Gatto requested Staff to provide monthly Cash on Hand updates as part of the Warrant payments.

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Manager Tanaka presented to the Board Resolution No. 1186, entitled: "A RESOLUTION FIXING AND APPROVING PRELIMINARY BUDGET FOR THE FISCAL YEAR 2008-2009". After discussion, on motion of Director Harrison, seconded by Director Bosworth, it was ordered that the Preliminary Budget for Fiscal Year 2008-2009 be approved, which Resolution is hereby referred to and made a part of these minutes. Director Lee voted no.

Staff reported back to the Board that the District's web site had over 26,000 hits during the last year.

On motion properly made and seconded, at 8:59 p.m. it was unanimously ordered that the meeting be adjourned.



President of the Sanitary Board



Secretary of the Said Board