

CUPERTINO SANITARY DISTRICT

SANTA CLARA COUNTY

SANITARY BOARD MEETING THURSDAY JANUARY 15, 2009 SPECIAL MEETING

The Sanitary Board of the Cupertino Sanitary District convened this date at 8:00 p.m. in the Stevens Creek Office Center, Suite 104, 20833 Stevens Creek Boulevard, Cupertino, California.

President Bosworth 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, Curtis B. Harrison, and Christopher C. Lee.

Absent: Wendell H. Kerr, Jr.

Staff present: Manager Richard K. Tanaka, Staff Member Steven J. Machida, Staff Member Nichol Bowersox and Counsel Harold S. Toppel.

On motion of Director Harrison, seconded by Director Gatto, it was unanimously ordered that the Minutes of the meeting of Wednesday, January 7, 2009, be approved as is.

After discussion, on motion of Director Harrison, seconded by President Bosworth and Director Lee abstaining, it was ordered that the Financial Statement for the month of January be approved as written and the following bills be paid:

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>
16102	M&O	\$1,155.00	William A. Bosworth	Directors Fees
16103	M&O	\$1,848.00	Curtis B. Harrison	Directors Fees
16104	M&O	\$1,212.75	Wendell H. Kerr Jr.	Directors Fees
16105	M&O	\$1,155.00	Christopher C. Lee	Directors Fees
16106	M&O	\$2,541.00	John M. Gatto	Directors Fees
Total		\$7,911.75		

The above Total was transferred to the BofA in December 2008, and is reflected in the January 2009 Financial Report.

16131	M&O	\$161,426.01	Mark Thomas & Company, Inc.	Office Expenses Accounting & Clerical Management & Engineering Plan Ck & Inspection Repairs & Maintenance Travel & Meeting Utilities (Wireless Com.) Gasoline, Fuel & Oil
16132	M&O	\$115.89	Easy Fuel	
16133	M&O	\$86,279.34	CSRMA c/o Alliant Ins. Srvc.	Insurance

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Director Harrison reported on the TPAC meeting held on January 8, 2009.

Counsel Toppel presented to the Board Resolution No. 1193, Establishment of Capitalization Policy. After discussion, on motion of Director Harrison, seconded by President Bosworth, it was unanimously ordered that Resolution No. 1193 be approved with minor edits by Counsel.

Manager Tanaka presented to the Board Resolutions 1194, Third Amendment to the Master Agreement, and Resolution 1195, Agreement between City of Milpitas and Cupertino Sanitary District for the 0.75 MGD capacity sale. After discussion, on motion of Director Gatto, seconded by Director Harrison, it was unanimously ordered that Resolution No. 1194 be approved. On Motion of Director Gatto, seconded by Director Harrison, it was unanimously ordered that Resolution 1195 be approved. Director Gatto complimented staff on ease of capacity sale transaction with the City of Milpitas.

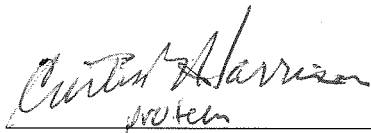
Manager Tanaka presented to the Board Resolution 1196, Consideration to Pre-Pay Clean Water Financing Authority 2005B Bond. After discussion, on motion of President Bosworth, seconded by Director Gatto, it was unanimously ordered that Resolution No. 1196 be approved with the provision that staff prepare a letter to the City of San Jose that requires the City to acknowledging the District's relief from further bond payments.

Manager Tanaka presented to the Board the proposed several Sewer Rate Increase scenarios. After discussion, the Board directed staff to contact the City of San Jose for additional billing details to determine and isolate controlled costs. Staff will collect more data and revise the Sewer Rate Increase scenarios for discussion at the next Board meeting.

On motion properly made and seconded, at 9:52 p.m. it was unanimously ordered that the meeting be adjourned into closed session.



President of the Sanitary Board



Secretary of the Said Board