

# CUPERTINO SANITARY DISTRICT

SANTA CLARA COUNTY

## BOARD MEETING

WEDNESDAY OCTOBER 21, 2009

The Sanitary Board of the Cupertino Sanitary District convened this date at 8:00 p.m. in the Stevens Creek Office Center, 20833 Stevens Creek Boulevard, Suite 104, 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: William A. Bosworth, Wendell H. Kerr, Jr., Curtis B. Harrison, and John M. Gatto. Christopher C. Lee was absent.

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

Guests present: AJ Major, Dasa Baciglaova and Tze-Ki Lam. All guests were from Vavrinek, Trine, Day & Co., LLP.

On a motion by President Bosworth, seconded by Director Kerr, by vote of 3-0-1 with Director Harrison abstaining, it was ordered that the Board approve the Proclamation to Recognize Director Curtis B. Harrison for the 45 Years of Service that he provided to the Cupertino Sanitary District. Director Gatto stated for the record that Director Harrison provided outstanding service to the Community and the Board will miss him.

On motion of Director Gatto, seconded by Director Harrison, it was unanimously ordered that the Minutes of the Meeting of Wednesday, October 7, 2009, be approved.

Director Harrison directed Staff to review the approved minutes of September 16, 2009 because it appears that a paragraph is missing on the signed minutes.

President Bosworth questioned the refund for Wei Jao and Jien Meei Chyu and if there are other accounts that may be double charged. Staff responded that it is unlikely that there are other accounts that have been double charged similar to the Chyu's because Staff has changed the process of issuing connection permits. President Bosworth also questioned the Hydronex invoice. Staff responded that this charge is to extend the service on 10 Smartcovers. Extending the service contract will allow the District to renew the service contracts of all Smartcovers to one single renewal date. Director Gatto asked what happened at Mann and Stevens Creek Boulevard. Staff responded that it is suspected that when San Jose Water repaired one of their facilities they may have damaged a District lateral. Staff repaired the lateral that was damaged. Director Gatto stated that if a contractor/utility damages our facility, Staff shall pursue reimbursement for the cost of the repair.

On a motion by President Bosworth, seconded by Director Gatto, it was unanimously ordered that the Financial Statement for the month of September 2009 be approved as written and the following bills be paid:

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<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
16329	M&O	\$2,310.00	William A. Bosworth	Director fees	
16330	M&O	\$1,617.00	Curtis B. Harrison	Director fees	
16331	M&O	\$1,617.00	Christopher H. Lee	Director fees	
16332	M&O	\$2,079.00	John M. Gatto	Director fees	
16333	M&O	\$1,212.75	Wendell H. Kerr, Jr.	Director fees	
16334	M&O	\$404.25	Great-West Life & Annuity Ins.	Director fees	
N/A	M&O	\$5,000.00	Advance for P/R (to remain in account)		
16335	M&O	\$0.00	VOID Check		
16355	M&O	\$169,673.21	Mark Thomas & Company, Inc.	Office Expenses	\$400.00
				Management Services	\$31,684.37
				Engineering Services	\$43,778.12
				Plan Ck & Inspection	\$20,108.78
				Printing/Publication	\$3,811.98
				Repairs & Maintenance	\$63,954.31
				Travel & Meeting	\$781.30
				Utilities	\$686.18
				Emergency Funds	\$4,468.17
16336	M&O	\$179.00	SCC-Dept of Environ. Health	Gasoline, Fuel & Oil	
16354	M&O	\$808.52	Easy Fuel	Gasoline, Fuel & Oil	
16337	M&O	\$797.96	Dooley Ins. & Financial Svcs	Insurance	
16338	M&O	\$500.00	CASA	Office Exp-Vacaville Appeal	
16339	M&O	\$224.03	Home Depot Credit Services	Operating Supplies	
16340	M&O	\$2,004,726.36	City of San Jose	Bonds Series A 2005	\$365,280.36
				State Revolving Fund Loans	\$113,405.00
				Annexed Areas	\$84,391.00
				Capital Billing	\$424,725.00
				T.P. Operation & Mnt.	\$1,016,925.00
16341	M&O	\$2,257.50	Atkinson-Farasyn, LLP	Legal	
				Plan Ck & Inspection	
16342	M&O	\$39,016.55	Able Underground Construction	Repairs & Maintenance	\$18,729.00
				Emergency Funds	\$17,087.55
				Capital Outlay-Sewer Const.	\$3,200.00
16343	M&O	\$170.00	Cunha Landscape Services, Inc.	Repairs & Maintenance	
16344	M&O	\$17,057.38	Hadronex, Inc.	Repairs & Maintenance	
16345	M&O	\$2,574.78	Pfeiffer Electric Co., Inc.	Repairs & Maintenance	\$1,544.78
				Cap. Outlay-Sewer Const.	\$1,030.00
16356	M&O	\$4,700.00	Mello Pipelines	Repairs & Maintenance	
16357	M&O	\$500.00	City of Saratoga	Repairs & Maintenance	
16358	M&O	\$10,328.00	City of Cupertino	Repairs & Maintenance	\$3,014.00
				Cap. Outlay-Sewer Const.	\$7,314.00
16346	M&O	\$17,490.93	Roto-Rooter Sewer Service	Repairs & Maintenance	\$15,288.68
				Emergency Funds	\$2,202.25
16347	M&O	\$170.00	Win Win IT Solutions	Repairs & Maintenance	

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16348	M&O	\$120.00	Wendell H. Kerr, Jr.	Printing/Publication
16349	M&O	\$1,158.10	AT&T Managed Internet Service	Utilities (2 months)
16350	M&O	\$532.23	AT&T Flow Monitoring	Utilities
16351	M&O	\$383.77	AT&T	Utilities
16352	M&O	\$3,972.27	PG&E	Utilities
16353	M&O	\$2,088.00	Wei Jao & Jien Meei Chyu	Refund & Reimb. – Sewer Charges (9 years)
<b>Total</b>		<b>2,293,668.59</b>		

The Board discussed the Correspondence from the Registrar of Voters. The Official Certification of the November Election will be available on November 23, 2009. Staff was directed to Note in File.

The Board discussed the Correspondence from the California Water Awareness Campaign regarding Contribution for 2010 Nice Save program. Staff was directed to Note in File.

The Board discussed Correspondence from the Cupertino Scene. Staff was directed to Note in File.

The Board discussed the Correspondence from the California Special District Association regarding 2009 Webinars. Staff was directed to Note in File.

The Board discussed the Correspondence from the Association of California Water Agencies regarding 2009 Fall Conference & Exhibition. Staff was directed to Note in File.

The Board discussed the Correspondence from the Santa Clara County Assessor regarding the 2009-2010 Annual Report. Staff was directed to Note in File.

Director Gatto reported on the TPAC meeting held on October 8, 2009. He questioned some of the costs that are being passed to the Tributary Dischargers. Director Gatto cited that the Tributary Dischargers are being charged for the demolition of buildings within the buffer land. It was explained by San Jose that the Master Agreement requires the Tributary Dischargers pay reasonable costs for the operations and maintenance of the plant facilities. The buffer land is a part of the plant facilities.

AJ Major from Vavrinek, Trine and Day presented the audit results for Fiscal Year 2008-2009. He discussed that the District has improved our method of tracking the Capital Assets, established a Capital Threshold for purchases, addressed the SB 1760 compliance issues identified in last years audit and discussed the GASB 51 intangible asset issues. AJ stated that he is confident that the audit results are accurate. On a motion by Director Gatto, seconded by President Bosworth, it was unanimously ordered that the Cupertino Sanitary District Audit for Fiscal Year 2008-2009 be accepted.

Manager Tanaka reported on the Service Recognition Luncheon for Director Harrison. The luncheon will be held on Thursday, November 5, 2009. Manager Tanaka shall invite former Managers Savio and Ross to the luncheon. The Directors also directed Staff to invite former Director Fellows and his wife and former Director Stokes to the luncheon. Payment for the meals should be submitted to Staff member Machida.

Manager Tanaka stated that the CuSD offices will be closed between Christmas Day and New Years Day. We will have emergency call back on these days.

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Staff member Bowersox updated the Board on the SSO that occurred in Orchard Meadows. The SSO soaked into the ground and nothing reached the creek or drainage swale.

On motion properly made and seconded, at 8:49 p.m. it was unanimously ordered that the meeting be adjourned.

Bill Bosworth  
President of the Sanitary Board

Wendell H. K.  
Secretary of the Said Board