

CUPERTINO SANITARY DISTRICT

SANTA CLARA COUNTY

SANITARY BOARD MEETING WEDNESDAY NOVEMBER 19, 2008

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 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, Wendell H. Kerr, Jr., Curtis B. Harrison, and Christopher C. Lee.

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

Others present: None.

On motion of Director Harrison, seconded by Director Kerr, it was unanimously ordered that the Minutes of the meeting of Wednesday, November 5, 2008, be approved.

After discussion, on motion of President Gatto, seconded by Director Kerr, it was unanimously ordered that the Financial Statement for the month of November be approved as written and the following bills be paid:

WARRANT

<u>NO.</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>
16076	M&O	\$ 201,505.57	Mark Thomas & Company, Inc.	Office Expenses \$ 400.00 Acct. & Clerical 8,276.12 Mgmt & Eng 103,398.48 Pln Check & Insp 165.64 Repairs & Maint 83,997.78 Travel & Meeting 65.00 Utilities (Wireless) 755.80 CapOut (Swr) 4,446.75
16077	M&O	\$ 169.89	Easy Fuel, Inc.	Gasoline Fuel & Oil
16078	M&O	3,082.58	Dooley Ins. & Financial Services	Insurance
16079	M&O	100.00	BMI Imaging Systems	Office Expense
16080	M&O	2,457.92	DLT Solutions, Inc.	Office Expense
16081	M&O	24.86	Pitney Bowes Global Fin. Ser.	Office Expenses
16082	M&O	9.57	Home Depot Credit Services	Operating Supplies
16083	M&O	\$ 925.00	Atkinson-Farasyn, LLP	Legal
16084	M&O	11,000.00	Vavrinek, Trine, Day & Co., LLP	Audit
16085	M&O	\$ 38,434.12	Able Underground Construction	Repairs & Maint.
16086	M&O	170.00	Cunha Landscaping	Repairs & Maintenance
16087	M&O	1,456.00	City of Cupertino	Repairs & Maintenance
16088	M&O	1,461.61	Emcor Service	Repairs & Maint
16089	M&O	182.00	ITT Water and Wastewater USA	Repairs & Maint.
16090	M&O	\$ 965.21	Pfeiffer Electric Co., Inc.	Repairs & Maintenance

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16091	M&O	23,602.00	Roto-Rooter Sewer Service	Repairs & Maint.
16092	M&O	\$340.00	Win Win It Solutions	Repairs & Maintenance
16093	M&O	738.75	Wendell Kerr	Travel & Meeting
16094	M&O	510.30	AT&T Managed Internet Services	Utilities
16095	M&O	820.81	AT&T Flow Monitoring	Utilities
16096	M&O	334.73	AT&T	Utilities
16097	M&O	3,744.56	PG&E	Utilities
16098	M&O	33.57	San Jose Water Co.	Utilities – water
16099	M&O	166,564.28	3T Equipment Co., Inc.	Repair & Maint.
16100	M&O	2,402.34	Groeniger & Co.	Capital Outlay – Sewer Const.
16101	M&O	12,744.21	Sanco Pipelines, Inc.	Capital Outlay – Sewer Const.

The Board discussed the Legislative Update Special Session on the Budget. The Board directed Staff to note in file.

Staff Member Machida reported to the Board that he attended the Meeting of the San Jose/Santa Clara Water Pollution Control Plant Technical Committee held on Wednesday, November 12, 2008. The major discussion centered on the refinancing of the 2005 Variable B Bonds. The City of San Jose is investigating the refinancing of the variable rate bond, otherwise an amortization payment of approximately \$1.3 M will be due each quarter with each tributary discharger responsible for their pro-rata share of the payment. City Staff is working with Bond Counsel to refinance the variable rate bond by January 29, 2009. If the City is successful in the refinancing, the \$1.3M payment would not go into effect.

President Gatto notified the Board that he attended the Regular Meeting of the San Jose/Santa Clara Water Pollution Control Plant Advisory Committee held on Thursday, November 13, 2008. President Gatto also discussed the refinancing of the variable rate Bond and that this item will be brought back to TAC and TPAC in December for recommendation of approval to refinance the bonds.

Directors Harrison and Kerr reported to the Board that they attended the San Joaquin River Restoration tour held on November 12 and 13, 2008. The tour was informative. The tour started in Fresno and continued to the Friant Dam and along various sloughs and rivers in the San Joaquin Valley. The discussion of the tour involved water rights, water conveyance and the water contracts.

The Board discussed the acceptance of the sanitary sewer improvements of Centrex Homes. After discussion, on a motion of Director Kerr, seconded by Director Harrison, it was unanimously approved the Resolution No. 1192 be adopted.

The Board reviewed the draft Audit for 2007-2008. The Board submitted several questions that they directed Staff to forward to Mr. A.J. Major for his discussion at the next meeting on December 3, 2008. Since the presentation of the audit may require additional time, the Board directed to post the start of the December 3, 2008 meeting at 7:30 PM. The discussion of the draft audit will begin at 8:00 PM.

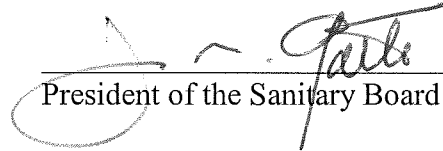
Counsel Toppel discussed a change in the Operations Code related to the grace period for Service Charges. After discussion, the Board directed Staff to evaluate a process where an applicant will pay the yearly sewer service charge. Once the applicant completes the actual connection to the sewer system, the applicant is eligible to apply for a refund for the months that the property was not connected to the sewer.

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Staff Member Machida indicated that hotel reservations are now available for the mid-Year CASA Conference in Indian Wells. The Board directed Staff to make the room reservations for the entire Board Tuesday, January 20 to Saturday, January 24, 2009.

On motion properly made and seconded, at 10:05 PM it was unanimously ordered that the meeting be adjourned.



President of the Sanitary Board



Secretary of the Said Board

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