

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MARCH 15, 2023**

AGENDA

The meeting will be held at 7:00 p.m. in the Stevens Creek Office Center, Suite 100, 20863 Stevens Creek Boulevard, Cupertino, California and via teleconference [call 1 (866) 899 - 4679 Conference Access Code: 251566821]. Anyone interested may attend in person or call in.

1. ROLL CALL

2. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the board on any matter not on the agenda. Speakers are limited to three (3) minutes.

All statements requiring a response will be referred to staff for further action. In most cases, state law will prohibit the board from making any decisions with respect to a matter not listed on the agenda.

3. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
in accordance with government code section Paragraph (1) of Subdivision (d) of Section 54956.9, existing litigation. Name of Case: County Sanitation District 2-3, West Valley Sanitation District, Cupertino Sanitary District, Burbank Sanitary District and the City of Milpitas v. The City of San Jose, The City of Santa Clara and Does 1 through 50 inclusive.

4. MINUTES & BILLS

- A. APPROVAL OF THE MINUTES OF MARCH 1, 2023
- B. APPROVED MINUTES OF FEBRUARY 15, 2023
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENTS
- D. DIRECTOR'S MONTHLY TIMESHEETS

5. CORRESPONDENCE

- A. CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY MEMORANDUM
– PROPERTY MARKET UPDATE

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MARCH 15, 2023**

6. MEETINGS

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) TO BE HELD ON MONDAY, APRIL 10, 2023
- B. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD ON THURSDAY, APRIL 13, 2023

7. REPORTS

- A. SANTA CLARA COUNTY SPECIAL DISTRICTS ASSOCIATION MEETING HELD MONDAY, MARCH 6, 2023

8. UNFINISHED BUSINESS

NONE

9. NEW BUSINESS

- A. AMENDMENT TO AGREEMENT - I-280/WOLFE ROAD SEWER RELOCATION BENNETT TRENCHLESS ENGINEERS (BTE) AGREEMENT FOR TRENCHLESS ENGINEERING SERVICES
- B. ANNUAL RENEWAL FOR GRANITE SOFTWARE
- C. PRELIMINARY RATE STUDY
- D. RESOLUTION NO. 1341, SETTING TIME AND PLACE OF PUBLIC HEARING ON CONSIDERATION OF RATE INCREASE

10. STAFF REPORT

- A. FUTURE DEVELOPMENT PROJECTS
- B. MAINTENANCE SUMMARY REPORT

11. CALENDAR ITEMS

- A. NEXT REGULAR DISTRICT BOARD MEETING IS TO BE HELD ON WEDNESDAY, APRIL 5, 2023

12. ADJOURNMENT

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, MARCH 1, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted in-person at District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino and via teleconferencing in accordance with AB 361.

1. ROLL CALL:

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

Directors present: William A. Bosworth, Angela S. Chen, Taghi S. Saadati, David A. Doyle, and Patrick S. Kwok.

Staff present: District Manager Benjamin Porter, Associate Sanitary Engineer Abby Yung, District Administrative Clerk Frankie Martinez, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: Hsukuei Lin and Claudia Chen, Customers

Other: Ann Marie Mortimer, and Tom Boer

2. AB 361:

The Board of Directors makes the following findings required by AB 361 in order to continue holding meetings by teleconferencing electronically: (1) the March 4, 2020 Governor's Proclamation of a State of Emergency is still in effect, (2) the County of Santa Clara Health Officer announced on May 10, 2022 that COVID-19 cases are rising again to higher levels than last summer's surge and there is a rise in hospitalizations; she continues to encourage social distancing and advises people wear masks indoors, and (3) due to room capacity limitations, meeting in person would present imminent risks to the health or safety of attendees.

No Board action was taken.

3. PUBLIC COMMENTS:

There was none. Members of the public were present for Item 9.A on the agenda.

4. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:07 p.m. Manager Porter, Engineer Yung, Staff Martinez, Public Lin and Chen were excused from the closed session.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 1, 2023

- A. Conference with legal counsel – Existing Litigation in accordance with government code section Paragraph (1) of Subdivision (d) of Section 54956.9, existing litigation. Name of Case: County Sanitation District 2-3, West Valley Sanitation District, Cupertino Sanitary District, Burbank Sanitary District, and the City of Milpitas v. The City of San Jose, The City of Santa Clara, and Does 1 through 50 inclusive.

Board action: There was no reportable action.

President Kwok adjourned the closed session at 7:46 p.m. and the regular meeting was called to order. Manager Porter, Engineer Yung, Staff Martinez, Public Lin and Chen rejoined the regular meeting. Consultant Tanaka, Mortimer, and Boer left the regular meeting.

By consensus, the Board moved agenda Item 9.A - “Ordinance No. 130, Amending Property Line Cleanout & Lateral Ordinance” up on the agenda to follow Agenda Item 4.

9. UNFINISHED BUSINESS:

- A. The Board reviewed the draft Ordinance No. 130, Amending Property Line Cleanout. Manager Porter presented Staff research on pipe material requirements of other agencies. The PVC SDR-26 pipe material currently required by the District is preferred because of its durability and cost compared to other materials. Also due to the geometry of SDR-26, connections to other pipe materials are more secure. After Board discussion, and questions and comments from customers Lin and Chen, on motion by Director Saadati, seconded by Director Chen, by a vote of 5-0-0, the Board approved Ordinance No. 130 with the following revision: The District strongly recommends a traffic grade Christy box be installed in a driveway however, the property owner may choose to install a traffic grade or non-traffic grade Christy box at their discretion.

5. MINUTES & BILLS:

- A. On a motion by Director Bosworth, seconded by Director Chen, by a vote of 5-0-0, the minutes of the regular meeting held on Wednesday, February 15, 2023, were approved.
- B. By consensus, the Minutes of Wednesday, February 1, 2023, are to be Noted & Filed.

6. CORRESPONDENCE:

There was none.

7. MEETINGS:

- A. The teleconference meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled for Monday, March 6, 2023, is canceled.
- B. Director Bosworth plans to attend the Santa Clara County Special Districts Association meeting to be held Monday, March 6, 2023.
- C. The teleconference meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled for Thursday, March 9, 2023, is canceled.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 1, 2023

8. REPORTS:

There were none.

9. UNFINISHED BUSINESS:

A. Item 9.A moved up on the agenda after Item 4. Closed Session.

10. NEW BUSINESS:

A. Manager Porter presented the Annual InfoCare Renewal for XPSWMM Board Memo. On a motion by Director Saadati, seconded by Director Chen, by a vote of 5-0-0, the Board authorized a reimbursement amount of \$3,760.00 (50%) to Mark Thomas.

Lin and Chen, members of the Public, left the Board meeting at 8:18pm.

B. Manager Porter presented the Cash Flow Summary. Board members approved consideration of a rate increase and requested a rate study. Staff is to prepare a rate study and present at the next regular Board meeting. Director Doyle requested information on the District Financial Reserve policy and Staff is to report on the Reserve Policy in the next Board meeting.

C. The Board discussed the District Manager Rate. President Kwok commended Manager Porter on his outstanding work for the District and service to the Board. On a motion by Director Saadati, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved a total increase of 7.6% to cover the past three years and increase the District Manager's rate to \$273.00.

11. STAFF REPORTS:

A. Manager Porter reported on Future Development Projects. The developer of Westport Cupertino Assisted Living, which is now named Atria Cupertino, is in the final plan submittal phase and preparing to sign the Installer's Agreement for Parcel B. Staff has been in regular contact with the engineers and developers for this development.

12. CALENDAR ITEMS:

A. The next regular District Board meeting is scheduled to be held on Wednesday, March 15, 2023. Director Chen plans to attend remotely, via teleconference.

Director Bosworth requested Staff to prepare a study on District fees and agendize for a future meeting.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 1, 2023

13. ADJOURNMENT:

On a motion properly made and seconded, at 8:41 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, FEBRUARY 15, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:02 p.m. This meeting was conducted via teleconferencing in accordance with AB 361. The District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino was closed.

1. ROLL CALL:

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

Directors present: William A. Bosworth, Angela S. Chen, Taghi S. Saadati, David A. Doyle, and Patrick S. Kwok.

Staff present: District Manager Benjamin Porter, Deputy District Manager Robert Woodhouse, Associate Sanitary Engineer Abby Yung, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: Hsukuei Lin, Customer

2. AB 361:

The Board of Directors makes the following findings required by AB 361 in order to continue holding meetings by teleconferencing electronically: (1) the March 4, 2020 Governor's Proclamation of a State of Emergency is still in effect, (2) the County of Santa Clara Health Officer announced on May 10, 2022 that COVID-19 cases are rising again to higher levels than last summer's surge and there is a rise in hospitalizations; she continues to encourage social distancing and advises people wear masks indoors, and (3) due to room capacity limitations, meeting in person would present imminent risks to the health or safety of attendees.

On a motion by Director Chen, seconded by Director Saadati, by a vote of 5-0-0, the Board approved.

3. PUBLIC COMMENTS:

Hsukuei Lin addressed the Board regarding a defect in the sewer lateral, between the property line and the sewer mainline, that was discovered during the installation of a property line cleanout. Lin requested that the District repair the lower lateral and requested that the District increase the reimbursement amount for lower lateral repairs.

4. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:10 p.m. Manager Porter, Deputy Manager Woodhouse, and Engineer Yung were excused from the closed session.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, FEBRUARY 15, 2023

- A. Conference with legal counsel – Existing Litigation in accordance with government code section Paragraph (1) of Subdivision (d) of Section 54956.9, existing litigation. Name of Case: County Sanitation District 2-3, West Valley Sanitation District, Cupertino Sanitary District, Burbank Sanitary District, and the City of Milpitas v. The City of San Jose, The City of Santa Clara, and Does 1 through 50 inclusive.

Board action: There was no reportable action.

President Kwok adjourned the closed session at 7:17 p.m. and the regular meeting was called to order. District Manager Porter, Deputy Manager Woodhouse, and Engineer Yung rejoined the regular meeting.

5. MINUTES & BILLS:

- A. On a motion by Director Saadati, seconded by Director Bosworth, by a vote of 5-0-0, the minutes of the regular meeting held on Wednesday, February 1, 2023, were approved.
- B. By consensus, the Minutes of Wednesday, January 18, 2023, are to be Noted & Filed.
- C. The Board reviewed January payable warrants and financial statements. On a motion by Director Saadati, seconded by Director Doyle, by a vote of 5-0-0, the financial statements and payment of bills for January were approved as written.
- D. The Board members will submit their February timesheets to Manager Porter.

6. CORRESPONDENCE:

- A. The Board reviewed correspondence from the Bay Area Air Quality Management District titled Public Workshop-Draft Amendments to Regulation 3: Fee. It is to be Noted & Filed.

7. MEETINGS:

- A. Director Bosworth plans to attend the Santa Clara County Special Districts Association meeting to be held Monday, March 6, 2023.
- B. Deputy Manager Woodhouse plans to attend the CASSE teleconference meeting to be held on Thursday, March 8, 2023.

8. REPORTS:

- A. Manager Porter reported on the teleconference meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held on Monday, February 6, 2023.
- B. President Kwok reported on the teleconference meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held on Thursday, February 9, 2023.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, FEBRUARY 15, 2023

- C. Woodhouse reported on the Bay Area Clean Water Agencies Collection Systems committee meeting held Thursday, February 9, 2023.

9. UNFINISHED BUSINESS:

- A. District Manager Porter reported on the Covid-19 updates.

10. NEW BUSINESS:

- A. The Board discussed Ordinance No. 130, Amending Property Line Cleanout & Lateral Ordinance. Board requested staff to investigate other agencies and what pipe materials they use for sewer laterals (ABS vs PVC SDR 26).

11. STAFF REPORTS:

- A. Manager Porter reported on Future Development Projects.
- B. Manager Porter reported on the maintenance summary report.

12. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, March 1, 2023.

13. ADJOURNMENT:

On a motion properly made and seconded, at 8: 26 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH FEBRUARY 2023
8th Month of Operations - 67% into FY Operations)
 FISCAL YEAR: July 1, 2022 to June 30, 2023

EXPENSE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
FEB SERVICES								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,063	\$600,687.50	\$0.00	\$600,687.50	\$599,375.50	50.1%	None this month
Directors Fees	41030	\$38,000	\$18,202.00	\$4,915.17	\$23,117.17	\$14,882.83	60.8%	On Target
Gasoline, Oil & Fuel	41060	\$4,000	\$1,878.72	\$0.00	\$1,878.72	\$2,121.28	47.0%	None this month
Insurance	41060	\$170,000	\$155,283.72	\$1,185.19	\$156,468.91	\$13,531.09	92.0%	Dooley Insurance (Group Life and Dental - April Coverage)
Memberships	41080	\$57,000	\$38,612.23	\$504.00	\$39,116.23	\$17,883.77	68.6%	CWEA - Membership Renewal (Field Inspectors)
Office Rent	41090	\$4,800	\$2,800.00	\$400.00	\$3,200.00	\$1,600.00	66.7%	On Target
Operating Expenses - General	41100	\$3,000	\$1,854.09	\$239.40	\$2,093.49	\$906.51	69.8%	SiteBuilder (Annual Website Hosting Fee - Renewal for 02/01/23 - 01/31/2024)
Operating Expenses - Credit Card Transaction Fees	41100-1	\$6,000	\$2,719.43	\$323.61	\$3,043.04	\$2,956.96	50.7%	Credit Card Processing Fees - February
Contractual Services:								
Outfall Maintenance	41113	\$71,000	\$176,187.69	\$0.00	\$176,187.69	-\$105,187.69	248.2%	None this month
T.P. Operations & Maintenance	41114	\$6,902,554	\$5,353,199.00	\$0.00	\$5,353,199.00	\$1,549,355.00	77.6%	None this month
Professional Services:								
Management Services	41121	\$575,000	\$282,904.75	\$34,152.82	\$317,057.57	\$257,942.43	55.1%	On Target
SSMP Certification and Implementation	41121	\$100,000	\$12,528.57	\$342.16	\$12,870.73	\$87,129.27	12.9%	New Waste Discharge Requirements (WDR) Implementation
Engineering Services	41122	\$1,365,000	\$737,693.59	\$92,694.22	\$830,387.81	\$534,612.19	60.8%	On Target
Inflow/Infiltration Reduction	41122	\$500,000	\$25,373.40	\$412.72	\$25,786.12	\$474,213.88	5.2%	Flow model calibration
Plan Checking & Inspection	41123	\$300,000	\$119,978.62	\$14,677.55	\$134,656.17	\$165,343.83	44.9%	On Target
Legal - Consultant Services	41124	\$36,000	\$27,300.00	\$2,600.00	\$29,900.00	\$6,100.00	83.1%	Richard Tanaka - Consulting Services for February 2023
Legal - District Counsel	41124	\$60,000	\$20,706.00	\$5,490.00	\$26,196.00	\$33,804.00	43.7%	District Counsel - Legal Services for February 2023
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$1,404,000	\$1,936,627.91	\$955,025.45	\$2,891,653.36	-\$1,487,653.36	206.0%	Hunton Andrews Kurth (Legal Services for January and February)
Legal - Common Interest Group (CuSD Share)	41124	\$396,000	\$546,228.38	\$269,366.15	\$815,594.53	-\$419,594.53	206.0%	Hunton Andrews Kurth (Legal Services for January and February)
Audit	41125	\$12,600	\$0.00	\$0.00	\$0.00	\$12,600.00	0.0%	None to date
Printing & Publications	41130	\$28,000	\$13,002.66	\$0.00	\$13,002.66	\$14,997.34	46.4%	None this month
Repairs and Maintenance								
Repairs	41150	\$300,000	\$73,579.50	\$5,312.61	\$78,892.11	\$221,107.89	26.3%	On Target; \$4,479 is for Pump Stations (\$127 from Mark Thomas Staff and \$4,352 from St. Francis)
Maintenance	41151	\$3,725,000	\$2,271,884.74	\$287,339.59	\$2,559,224.33	\$1,165,775.67	68.7%	On Target; \$35,232 is for Pump Stations (Mark Thomas Staff)
Travel & Meetings Staff	41170	\$15,000	\$3,746.32	\$560.36	\$4,306.68	\$10,693.32	28.7%	Airfare and Ground Transportation for Winter CASA (M. Hynes and R. Woodhouse)
Travel & Meetings BOD	41170	\$18,000	\$6,563.45	\$0.00	\$6,563.45	\$11,436.55	36.5%	None this month
Utilities	41190	\$70,000	\$39,614.99	\$5,622.69	\$45,237.68	\$24,762.32	64.6%	On target; electricity and water at pump stations
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$0.00	\$742.23	\$742.23	\$49,257.77	1.5%	The Forum at Rancho San Antonio IA Close Out - Refund on Deposit (CU-18106)
Connection Fees	41202	\$2,000	\$0.00	\$0.00	\$0.00	\$2,000.00	0.0%	None to date
Checking & Inspection	41203	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None to date
Emergency Funds	48000	\$250,000	\$135,258.82	\$8,384.77	\$143,643.59	\$106,356.41	57.5%	AB/JDD (3 Emergencies); Mark Thomas - Stoppage Response
Consolidated Election	48001	\$150,000	\$4,281.00	\$0.00	\$4,281.00	\$145,719.00	0.0%	None this month
TOTAL OPERATING EXPENSES		\$17,816,017	\$12,608,697.08	\$1,690,290.69	\$14,298,987.77	\$3,517,029.23	80.3%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$700,000	\$271,125.87	\$23,839.78	\$294,965.65	405,034.35	42.1%	Significant Defect Repair Project
District Sewer Capital & Support - VTA	46041	\$1,800,000	\$196,407.26	\$29,755.71	\$226,162.97	1,573,837.03	12.6%	Wolfe Road Sewer Relocation/VTA - Mark Thomas and Bennet Trenchless Invoices
Treatment Plant Capital	46042	\$3,789,547	\$1,147,786.00	\$0.00	\$1,147,786.00	2,641,761.00	30.3%	None this month
Outfall Capital	46042	\$95,000	\$280,533.83	\$0.00	\$280,533.83	(185,533.83)	295.3%	None this month
District Equipment	46043	\$150,000	\$34,791.80	\$44,623.50	\$79,415.30	\$70,584.70	52.9%	Trailer Mounted Generator for Country Club PS (50% balance due); ESRI Annual Software Maintenance
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	
TOTAL CAPITAL EXPENSES		\$6,834,547	\$1,930,644.76	\$98,218.99	\$2,028,863.75	\$4,805,683.25	29.7%	
TOTAL EXPENSES		\$24,650,564	\$14,539,341.84	\$1,788,509.68	\$16,327,851.52	\$8,322,712.48	66.2%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH FEBRUARY 2023
8th Month of Operations - 67% into FY Operations)

FISCAL YEAR: July 1, 2022 to June 30, 2023

REVENUE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts Feb Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges								
Handbilling	31010	\$618,711.00	\$0.00	\$0.00	\$0.00	\$618,711.00	0.0%	None to date
Tax Roll	31010	\$20,395,721.00	\$11,611,244.47	\$0.00	\$11,611,244.47	\$8,784,476.53	56.9%	None this month
Permit Fees	31020	\$75,000.00	\$68,297.89	\$6,000.00	\$74,297.89	\$702.11	99.1%	Fifteen payments received this month; One hundred forty-nine received to date
Connection Fees	31031	\$600,000.00	\$89,810.00	\$0.00	\$89,810.00	\$510,190.00	15.0%	None this month
Capacity Fees	31032	\$450,000.00	\$35,862.20	\$0.00	\$35,862.20	\$414,137.80	8.0%	No payment received this month; Three payments received to date
Pump Zone Fees	31033	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00	0.0%	None to date
Checking & Inspection Fees	31040	\$300,000.00	\$132,000.00	\$9,700.00	\$141,700.00	\$158,300.00	47.2%	Twenty-three payments this month; One hundred seventy-nine received to date
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to date
Interest	32050	\$100,000.00	\$95,768.37	\$64,413.15	\$160,181.52	(\$60,181.52)	160.2%	Interest earned for Q2 FY2022-2023
City of San Jose Credit(s)	32091	\$500,000.00	\$1,898,833.00	\$0.00	\$1,898,833.00	(\$1,398,833.00)	379.8%	None this month
Legal - Common Interest Group (Tributaries)								
Legal - Common Interest Group (2% Admin Fees)	32902.1	\$1,404,000.00	\$1,835,064.27	\$348,763.11	\$2,183,827.38	(\$779,827.38)	155.5%	Payments from BSD (December 2022), and from Milpitas (November - December)
Refunds/Reimbursements - Misc.	32902.2	\$36,000.00	\$36,884.37	\$7,117.61	\$44,001.98	(\$8,001.98)	122.2%	Payments from BSD (December 2022), and from Milpitas (November - December)
Refunds/Reimbursements - VTA	32091	\$10,000.00	\$14,482.10	\$0.00	\$14,482.10	(\$4,482.10)	144.8%	None this month
Lateral Construction	46041	\$0.00	\$342,397.35	\$113,472.54	\$455,869.89	(\$455,869.89)		Reimbursement from VTA for Mark Thomas and Benett Trenchless Invoices Paid by CuSD
TOTAL OPERATING REVENUE		\$24,526,932.00	\$16,160,644.02	\$549,466.41	\$16,710,110.43	\$7,816,821.57	68.13%	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$24,526,932.00	\$16,160,644.02	\$549,466.41	\$16,710,110.43	\$7,816,821.57	68.13%	

CASH ACCOUNT SUMMARY

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
June 30, 2022	\$18,765,721.45	\$3,000,000.00	\$15,765,721.45	\$762,082.82	\$1,058,859.55	\$20,586,663.82
July 31, 2022	\$18,057,733.71	\$3,000,000.00	\$15,057,733.71	\$770,283.34	\$1,058,923.08	\$19,886,940.13
August 31, 2022	\$15,040,721.91	\$3,000,000.00	\$12,040,721.91	\$787,005.74	\$1,059,066.69	\$16,886,794.34
September 30, 2022	\$13,928,089.09	\$3,000,000.00	\$10,928,089.09	\$801,832.83	\$1,059,197.27	\$15,789,119.19
October 31, 2022	\$11,161,210.40	\$3,000,000.00	\$8,161,210.40	\$816,828.46	\$1,059,332.22	\$13,037,371.08
November 30, 2022	\$11,034,278.54	\$3,000,000.00	\$8,034,278.54	\$771,056.11	\$1,059,462.83	\$12,864,797.48
December 31, 2022	\$9,947,547.23	\$3,000,000.00	\$6,947,547.23	\$784,456.57	\$1,059,593.46	\$11,791,597.26
January 31, 2023	\$20,119,557.08	\$3,000,000.00	\$17,119,557.08	\$753,678.39	\$1,059,724.08	\$21,932,959.55
February 28, 2023	\$19,643,212.78	\$3,000,000.00	\$16,643,212.78	\$765,124.99	\$1,059,846.03	\$21,468,183.80

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 02/28/23

Cal Bank Activities			Total Interest Earned or Refund Received from CSJ	Interest or Refund Prorated to Loan Balance	Loan Balance w/Interest	Interest or Refund Prorated to \$600K District Savings	District Portion of Savings Balance	Total Savings balance	Checking Acct Balance (Credit Card Payments Received)	TOTAL AT CAL BANK	
No.	Payee	Date	Check Amount		\$10,000,000.00			\$10,000,000.00		\$10,000,000.00	
1001	San Jose	10/16/19	\$2,180,309.00		\$7,819,691.00			\$7,819,691.00		\$7,819,691.00	
1002	San Jose	10/16/19	\$29,515.44		\$7,790,175.56			\$7,790,175.56		\$7,790,175.56	
1003	Tesco	11/20/19	\$17,707.00		\$7,772,468.56			\$7,772,468.56		\$7,772,468.56	
1004	Shape	11/20/19	\$108,814.78		\$7,663,653.78			\$7,663,653.78		\$7,663,653.78	
1005	Tesco	12/18/19	\$169,018.00		\$7,494,635.78			\$7,494,635.78		\$7,494,635.78	
1006	Con Quest	12/18/19	\$385,242.58	\$30,683.35	\$7,140,076.55			\$7,140,076.55		\$7,140,076.55	
1007	San Jose	01/15/20	\$6,966,355.00		\$173,721.55			\$173,721.55		\$173,721.55	
Interest through 3/31/20				\$6,823.36	\$6,823.36	\$180,544.91		\$180,544.91		\$180,544.91	
Deposit						\$180,544.91	\$600,000.00	\$780,544.91	\$2,996.28	\$783,541.19	
Balance as of 5/30/2020				\$179.37	\$41.50	\$180,586.41	\$137.87	\$600,137.87	\$780,724.28	\$5,744.81	\$786,469.09
Balance as of 6/30/2020				\$197.98	\$45.80	\$180,632.21	\$152.18	\$600,290.05	\$780,922.26	\$31,953.57	\$812,875.83
Balance as of 7/31/2020				\$191.84	\$44.37	\$180,676.58	\$147.47	\$600,437.52	\$781,114.10	\$37,732.75	\$818,846.85
Balance as of 8/31/2020				\$154.53	\$35.74	\$180,712.33	\$118.79	\$600,556.30	\$781,268.63	\$48,220.05	\$829,488.68
Balance as of 9/30/2020				\$25.62	\$5.93	\$180,718.25	\$19.69	\$600,576.00	\$781,294.25	\$56,059.22	\$837,353.47
Balance as of 10/31/2020				\$25.62	\$5.93	\$180,724.18	\$19.69	\$600,595.69	\$781,319.87	\$67,713.45	\$849,033.32
Balance as of 11/30/2020				\$26.47	\$6.12	\$180,730.30	\$20.35	\$600,616.04	\$781,346.34	\$80,097.89	\$861,444.23
Balance as of 12/31/2020				\$26.47	\$6.12	\$180,736.42	\$20.35	\$600,636.39	\$781,372.81	\$89,436.48	\$870,809.29
Balance as of 1/31/2021				\$24.83	\$5.74	\$180,742.17	\$19.09	\$600,655.47	\$781,397.64	\$99,672.14	\$881,069.78
Balance as of 2/28/2021				\$23.98	\$5.55	\$180,747.71	\$18.43	\$600,673.91	\$781,421.62	\$108,211.86	\$889,633.48
Balance as of 3/31/2021				\$28.26	\$6.54	\$180,754.25	\$21.72	\$600,695.63	\$781,449.88	\$121,953.35	\$903,403.23
Balance as of 4/30/2021				\$22.27	\$5.15	\$180,759.40	\$17.12	\$600,712.75	\$781,472.15	\$135,672.77	\$917,144.92
Balance as of 5/31/2021				\$11.99	\$2.77	\$180,762.18	\$9.22	\$600,721.96	\$781,484.14	\$153,926.10	\$935,410.24
Deposit - CSJ Refund				\$1,415,647.00	\$926,889.61	\$1,107,651.79	\$488,757.39	\$1,089,479.35	\$2,197,131.14		
Balance as of 6/30/2021				\$20.34	\$10.25	\$1,107,662.04	\$10.09	\$1,089,489.44	\$2,197,151.48	\$168,561.21	\$2,365,712.69
1008 Voided - CSJ											
Balance as of 7/31/2021				\$36.12	\$18.21	\$1,107,680.25	\$17.91	\$1,089,507.35	\$2,197,187.60	\$190,143.43	\$2,387,331.03
Balance as of 8/31/2021				\$38.53	\$19.42	\$1,107,699.67	\$19.11	\$1,089,526.46	\$2,197,226.13	\$200,919.93	\$2,398,146.06
Balance as of 9/30/2021				\$36.12	\$18.21	\$1,107,717.88	\$17.91	\$1,089,544.37	\$2,197,262.25	\$215,257.91	\$2,412,520.16
1009 Co-Mingled Fund				\$690,453.00			(\$480,000.00)	(\$480,000.00)		(\$210,453.00)	
1010 C2R Engineering				\$49,030.00		(\$49,030.00)					
Balance as of 10/20/2021						\$1,058,687.88		\$609,544.37	\$1,668,232.25	\$4,804.91	\$1,673,037.16
Balance as of 10/31/2021				\$31.44	\$19.95	\$1,058,707.83	\$11.49	\$609,555.86	\$1,668,263.69	\$25,242.07	\$1,693,505.76
Balance as of 11/30/2021				\$29.25	\$18.56	\$1,058,726.40	\$10.69	\$609,566.54	\$1,668,292.94	\$38,319.76	\$1,706,612.70
Balance as of 12/31/2021				\$28.34	\$17.99	\$1,058,744.38	\$10.35	\$609,576.90	\$1,668,321.28	\$55,958.38	\$1,724,279.66
Balance as of 1/31/2022				\$28.34	\$17.99	\$1,058,762.37	\$10.35	\$609,587.25	\$1,668,349.62	\$65,691.28	\$1,734,040.90
Balance as of 2/28/2022				\$25.60	\$16.25	\$1,058,778.61	\$9.35	\$609,596.61	\$1,668,375.22	\$85,965.01	\$1,754,340.23
Balance as of 3/31/2022				\$28.34	\$17.99	\$1,058,796.60	\$10.35	\$609,606.96	\$1,668,403.56	\$106,346.21	\$1,774,749.77
Balance as of 4/30/2022				\$26.51	\$16.82	\$1,058,813.42	\$9.69	\$609,616.65	\$1,668,430.07	\$119,004.80	\$1,787,434.87
Balance as of 5/31/2022				\$29.25	\$18.56	\$1,058,831.98	\$10.69	\$609,627.34	\$1,668,459.32	\$132,240.88	\$1,800,700.20
Balance as of 6/30/2022				\$43.43	\$27.56	\$1,058,859.55	\$15.87	\$609,643.20	\$1,668,502.75	\$152,439.62	\$1,820,942.37
Balance as of 7/31/2022				\$100.11	\$63.53	\$1,058,923.08	\$36.58	\$609,679.78	\$1,668,602.86	\$160,603.56	\$1,829,206.42
Balance as of 8/31/2022				\$226.30	\$143.61	\$1,059,066.69	\$82.69	\$609,762.47	\$1,668,829.16	\$177,243.27	\$1,846,072.43
Balance as of 9/30/2022				\$205.76	\$130.58	\$1,059,197.27	\$75.18	\$609,837.65	\$1,669,034.92	\$191,995.18	\$1,861,030.10
Balance as of 10/31/2022				\$212.64	\$134.94	\$1,059,332.22	\$77.70	\$609,915.34	\$1,669,247.56	\$206,913.12	\$1,876,160.68
1011 C2R Engineering, Inc.				\$54,058.43						-\$54,058.43	
Balance as of 11/30/2022				\$205.81	\$130.61	\$1,059,462.83	\$75.20	\$609,990.54	\$1,669,453.37	\$161,065.57	\$1,830,518.94
Balance as of 12/31/2022				\$205.84	\$130.63	\$1,059,593.46	\$75.21	\$610,065.75	\$1,669,659.21	\$174,390.82	\$1,844,050.03
1012 C2R Engineering, Inc.				\$42,585.13						\$42,585.13	
Balance as of 1/31/2023				\$188.72	\$119.76	\$1,059,724.08	\$68.96	\$610,134.71	\$1,669,858.79	\$143,543.68	\$1,813,402.47
Balance as of 2/28/2023				\$192.16	\$121.95	\$1,059,846.03	\$70.21	\$610,204.92	\$1,670,050.95	\$154,920.07	\$1,824,971.02
TOTAL OR BALANCE AMOUNT			\$10,693,088.36	\$1,456,031.89	\$965,826.97	\$1,059,846.03	\$10,204.92	\$610,204.92	\$1,670,050.95	\$154,920.07	\$1,824,971.02

**CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - March 15, 2023**

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 4,915.17	ADP	Directors' Salary	
19630	M&O	\$ 1,185.19	Dooley Insurance Services	Insurance - Group Life & Dental	
19631	M&O	\$ 404.00	CWEA	Memberships	
19632	M&O	\$ 100.00	SCCSDA	Memberships	
N/A	M&O	\$ 323.61	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
19633	M&O	\$ 372,907.02	Mark Thomas	Office Rent	400.00
				Operating Expense-General	239.40
				Management Services	34,152.82
				SSMP Cert Update and Implementation	342.16
				Engineering Services	92,694.22
				Peak Flow Reduction	412.72
				Plan Checking & Inspection	14,677.55
				Repairs (Non-Pump Station)	834.06
				Repairs - Pump Stations	127.00
				Maintenance (Non-Pump Station)	135,059.07
				Maintenance - Pump Stations	35,232.20
				Travel & Meetings (Staff)	133.96
				Utilities	1,052.70
				Emergency Funds	6,809.77
				District Sewer Capital & Support	23,839.78
				District Sewer Capital & Support - VTA	26,899.61
19634	M&O	\$ 2,600.00	Richard K. Tanaka	Legal - Consultant Services	
19635	M&O	\$ 5,916.40	Armento & Hynes	Legal - District Counsel	5,490.00
				Travel & Meetings - Staff	426.40
19636	M&O	\$ 1,224,391.60	Hunton Andrews Kurth	Legal - Common Interest Group (Advance Pay)	955,025.45
				Legal - Common Interest Group (CuSD Share)	269,366.15
19637	M&O	\$ 4,351.55	St. Francis Electric	Repairs (Pump Stations)	
19638	M&O	\$ 557.67	Home Depot	Maintenance	
19639	M&O	\$ 632.93	Vivax-Metrotech	Maintenance	
19640	M&O	\$ 20,540.52	RotoRooter	Maintenance	
19641	M&O	\$ 42,412.50	AB/JDD Plumbing Heating & AC	Maintenance	40,837.50
				Emergency (Non-Pump Stations)	1,575.00
19642	M&O	\$ 54,479.70	Able Underground Construction	Maintenance	
19643	M&O	\$ 64.28	City of Santa Clara Utilities	Utilities	
19644	M&O	\$ 4,371.27	PG&E	Utilities	
19645	M&O	\$ 134.44	San Jose Water Company	Utilities	
19646	M&O	\$ 742.23	The Forum at Rancho San Antonio	Refunds & Reimbursement - Misc.	
19647	M&O	\$ 2,856.10	Bennett Trenchless	District Sewer Capital & Support - VTA	
19648	M&O	\$ 25,000.00	ESRI	District Equipment	
19649	M&O	\$ 19,623.50	CD&Power	District Equipment (Pump Station)	

TOTAL WARRANTS **\$ 1,788,509.68**

<u>Pk Flow Red. Total:</u>	\$	412.72	Mark Thomas
<u>Maintenance Total:</u>	\$	252,107.39	Mark Thomas, Home Depot, Vivax-Metrotech, Roto, ABLE, AB/JDD
<u>Utilities Total:</u>	\$	5,622.69	Mark Thomas, Santa Clara Utilities, PG&E, San Jose Water
<u>Emergency Total:</u>	\$	8,384.77	Mark Thomas, AB/JDD
<u>Pump Station Portion</u>	\$	63,904.24	Mark Thomas (Maintenance staff); CD&Power (Country Club PS); St. Francis (Flume, Country Club, and Tantau); Electricity and Water Utilities
<u>VTA Portion</u>	\$	29,755.71	

EMERGENCY DETAILS:

Roto-Rooter - No emergencies this month
Able - No emergencies this month
AB/JDD Plumbing - Three emergencies this month



c/o ALLIANT INSURANCE SERVICES, INC.
560 Mission Street, 6th Floor, San Francisco, CA 94105

Insurance License No.: 0C36861
Tel: 415.403.1400 Fax: 415.874.4813

OFFICERS:

Craig Murray, *President*
805.684.7214
Sandeep Karkal, *Vice President*
415.892.1694

PAST PRESIDENTS:

Greg Baatrup
2018-2020
Paul Bushee
2014-2018

**** MEMORANDUM ****

March 1, 2023

Re: Property Market Update

Dear CSRMA Property Program Members:

As many of you know, the property market has been in an unprecedented hard cycle since 2017. Previous updates on the property insurance market have focused on the frequent and severe natural catastrophes around the world, the restricted terms and conditions offered by carriers due to lack of profitability, and inflation. More recently, there have been two new factors contributing to the market remaining in this challenging cycle. First, treaty reinsurance pricing has significantly increased. Treaty reinsurance is purchased by nearly all carriers and protects them from claims at the company level. The rising cost of treaty reinsurance will be passed along to insureds and is expected to impact excess pricing at the CSRMA renewal. Secondly, severe winter storms across the country, including California, have led carriers to pause on providing renewal pricing until the severity of losses can be determined. Current estimates of the losses to the industry from California alone is over one billion dollars.

As we reported at the January Board of Directors meeting, large industry-wide losses influence carrier profitability and the general market environment. These catastrophe events generally increase pricing in the market; however, the severe increases are targeted towards those who experienced losses. For example, Hurricane Ian is estimated to result in over \$50 billion of losses to the insurance industry. While this event has perpetuated a challenging market, we are told by underwriters that insureds in Florida can expect 200% rate increases in some instances which is much greater than the expected pricing increases in the CSRMA Property Program.

CSRMA has taken steps to insulate the members from the full extent of the hard market conditions. In 2021, CSRMA introduced a pooled layer to our Property Program. The pooled layer better positions CSRMA to maintain excellent coverage and favorable rates while at the same time further insulating our members from market conditions. As a group, collectively we have more clout in the market to help bring stability to our members.

While we don't yet have a good handle on where rates will land for the renewal, we are expecting double digits increases in rate, and values to be increased 7.5% to account for trend/inflation. This is not unique to CSRMA. Buyers of commercial property insurance nationally and in California

are experiencing meaningful increases in their property programs. We will keep you abreast as we get closer to the renewal.

We've attached a timeline visual explaining the Making of a Hard Market to put the current state of affairs into perspective.

In the meantime, please do not hesitate to contact us with any questions or concerns.

The Makings of a Hard Market: A Timeline

As the insurance industry helps the world recover from disasters, the cost of insurance has changed.



2016 is the height of a soft market.

Buyers and producers are happy, prices are low and companies compete to pay producers commission.



2022 we are in a hard market.

There is high demand for insurance coverage and low appetite to insure. Rates are high and coverage is difficult to find.

2017 Costliest Year on Record for Natural Disasters

16 separate events, each causing damages in excess of \$1B¹

2017 Hurricane Season Ranks as Costliest Ever for U.S.



2017 California Wildfires

2018 Market Starts to Harden Due to Catastrophes

The market begins to harden and capacity constricts causing supply and demand issues for insurers

10/17/2018 Hurricane Michael

> Category 5
> 9th most costly storm on record (\$25B)³

Hurricane Michael is the Most Powerful Storm to Hit the Florida Panhandle on Record



2019 The Rise of Social Inflation

The rising cost of insurance claims due to the impact of societal factors such as:

- > An increase in litigated claims and larger jury awards
- > Broader definitions of coverage by the legal system, such as pandemic insurance
- > Use of Public Adjustors in the claims process
- > Changing views of social responsibility

This all caused the losses from the 2017 and 2018 seasons to be much bigger than anticipated.

2020 Rising Reinsurance Costs

Florida insurers seeing rate increases of at least 20% and as high as 60%

2020 Very Low Interest Rates

Very difficult to earn the investment return many carriers are dependent on, causing reduced risk appetite

2020 California Wildfires

2020 Colorado Wildfires

2022 Rising Costs

Due to inflation, social inflation, undervaluation, and a lack of insurance capacity, creating a hard market.

2021 Another Active Catastrophe Season

with the second most disasters in a calendar year, behind 2020⁵

- > Winter storm event in the deep south
- > Extreme heat, drought and wildfires across western U.S.
- > Hurricane Ida

2017

2018

2019

2020

2021

2022

8/17/2017 Hurricane Harvey²

- > 2nd costliest storm on record (\$125B)
- > Dumped approximately 29 trillion gallons of water on Texas and Louisiana

Harvey The 'Most Significant Tropical Cyclone Rainfall Event' in U.S. History



8/30/2017 Hurricane Irma

- > Category 5
- > 5th costliest storm on record (\$50B)

9/16/2017 Hurricane Maria

- > Category 5
- > 3rd costliest storm on record (\$90B)

2018 California Wildfires

8/31/2018 Hurricane Florence

COVID-19 Global Pandemic

- > Bigger losses than 9/11
- > Uncertainty around full impact to the industry and the world

2020 Active Catastrophe Season

- > Most active storm season on record
- > Cost estimated to be over \$30B for Hurricanes Isaias, Laura and Sally alone⁴

2020 Atlantic Hurricane Season Breaks All-time Record while Leaving the Gulf Coast Battered

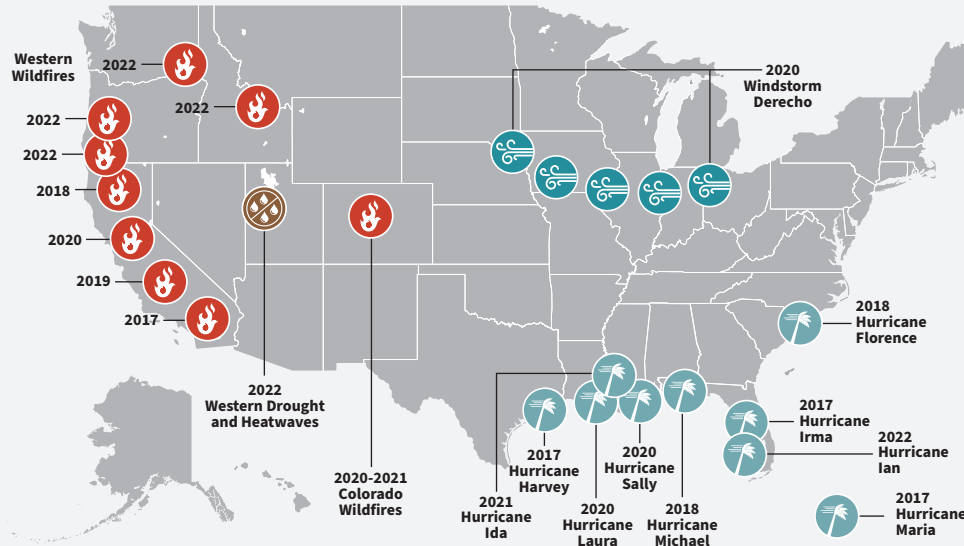


9/2022 Hurricane Ian

- > Category 4
 - > Estimated to exceed \$50B in insured and uninsured losses⁵
- Aftermath of Hurricane Ian, Fort Meyers, FL



2017-2022 Natural Disaster Locations



8/10/2020 Midwest Derecho

Caused \$7.5B in damage in just 14 hours and generated winds up to 140 MPH

2020 Global Insurance Market Starts to Harden

TIMELINE KEY

Nationwide (and worldwide)



2019-2022 Hardening Markets



2020-2022 COVID-19

Times Are Changing

Frequently Asked Questions regarding the Hardening Insurance Market

Q: How long does a hard market last?

A: There is no magic calendar; however, once insurance companies begin seeing improved margins (due to higher premiums and/or lower losses), investment income improves, investors start seeing similarly positive results and insurance once again starts looking like a stronger investment, which attracts more capital. As the capital supply begins to catch up with the demand, pricing and restrictions loosen.

Q: Why is my premium going up when I have had no claims?

A: Inflation, social inflation, natural disasters, and lack of capacity have had a huge impact on insurance rates. Insurance companies are incurring more claims and expenses on an overall basis. The increase in claims and the cost of claims drive the need for increased pricing across the board for insurance providers.

Q: My primary concern is my costs/budget. Should I buy less insurance?

A: Although budgets may well be challenged by increasing premiums, it is important not to lose sight of the big picture: saving a relatively modest amount now by reducing coverage may negatively affect your business significantly should a loss occur.

While reducing insurance coverage may be an attractive alternative, you should evaluate that choice against what losses you can absorb without creating financial hardship for yourself/your business.



While property catastrophe insurance is a small niche within the insurance industry as a whole, it is heavily influenced by loss events around the world, the global climate and the worldwide economy. ICAT strives to provide peace of mind for you and your insureds during all cycles of the market.

1. Sullivan, B., & N. (2017, November 28). 2017 Hurricane Season Ranks as Costliest Ever for U.S. Retrieved November 23, 2020, from <https://www.insurancejournal.com/news/national/2017/11/28/472368.htm>
2. Chen, A. (2017, August 29). Tropical storm Harvey has set a new record for rain in the continental US. Retrieved November 23, 2020, from <https://www.theverge.com/2017/8/29/16223338/hurricane-harvey-storm-record-rainfall-flooding-texas>
3. CBS News. (2018, October 10). Hurricane Michael is the most powerful storm to hit Florida Panhandle on record. Retrieved November 23, 2020, from <https://www.cbsnews.com/news/hurricane-michael-is-the-most-powerful-storm-to-hit-florida-panhandle-on-record/>
4. Jason Samenow, A. (2020, November 11). 2020 Atlantic hurricane season breaks all-time record while leaving Gulf Coast battered. Retrieved November 23, 2020, from <https://www.washingtonpost.com/weather/2020/11/10/record-hurricane-season-atlantic/>
5. NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2022). <https://www.ncei.noaa.gov/access/billions/>, DOI: 10.25921/stkw-7w73



ICAT
385 Interlocken Crescent
Suite 1100
Broomfield, CO 80021
www.icat.com
303-327-1872

> Security. Service. Recovery.



Memo

Item 9A

To: Board of Directors
From: Benjamin T. Porter, District Manager-Engineer
Date: March 15, 2023
**Re: Amendment 2 to Agreement - I-280/Wolfe Road Sewer Relocation
Bennett Trenchless Engineers (BTE) Agreement for Trenchless Engineering
Services**

The Cupertino Sanitary District has been asked by the Valley Transportation Agency (VTA) to relocate an existing 15-inch diameter sewer outside of the footprint of the new Interchange at Wolfe Road and Interstate 280 (I-280). The project will involve using trenchless technologies such as micro-tunneling to install a 30-inch diameter carrier pipe under the freeway thus avoiding disruption to the traffic on I-280 during construction.

The original agreement with Bennett Trenchless Engineers is dated November 17, 2021, and has a fee of \$125,200. The agreement was amended on April 15, 2022, to increase the fee by \$26,340 to account for additional work to evaluate multiple alignments, increased meetings, and additional submittals to accommodate Caltrans reviews. The current fee limit on the project is \$151,540. The scope of work for the agreement was limited to the design and bidding phases of the project.

For the construction phase of the project Bennett Trenchless will assist the project by participating in the preconstruction meeting and weekly coordination meetings from February 21 to the end of the project in December 2023. They will also review submittals and requests for information (RFIs) for all aspects of the tunneling work on the project which is roughly 75% of the value of the construction contract. They will also provide on-site inspection by one of their tunneling engineers for the first and second bore of the tunneling work and will train our inspector so he can inspect the third bore construction.

The cost for their support will total \$144,303 as shown on the table below. Their work on the project through February 15 totals \$87,425 which means there is remaining budget equal to \$64,114. Therefore, this amendment will increase their fee limit by \$80,188.

**Proposed Scope and Estimated Fee for Bennett Trenchless Engineers Design Services
City of Cupertino - Wolfe Road/I-280 Sewer Relocation Project**

Task #	Task Description and Deliverables	Principal	Senior Scientist	Project Engineer	Subtotal
		\$290/hr	\$235/hr	\$215/hr	
6	Engineering Services During Construction				
6.1	Pre-Construction Meeting (In-Person Attendance)		8	6	\$3,170
6.2	Weekly Coordination Meetings (Internal and with Contractor) Assume 2 meetings per week for 6 months		52	52	\$23,400
6.3	Submittal Review	8	40	24	\$16,880
6.4	Respond to RFIs during Construction	4	24	16	\$10,240
6.5	On-Site Inspection - First Bore (570') Assume full time for 4 weeks at 10 hr/d, 5 d/wk - Second Bore (373') Assume full time for 2 weeks at 10 hr/d, 5 d/wk - Third Bore (498') Assume no inspection	20	224	108	\$81,660
	<i>Subtotal Task 6 - ESDC</i>	32	348	206	\$135,350
	<i>On-Site Inspection Hotel and M&IE Costs (\$245+\$74/day)</i>				\$7,656
	<i>On-Site Inspection Mileage Costs</i>				\$1,297
	TOTAL				\$144,303

Recommendation:

Staff recommends the Board authorize the District Manger to execute Amendment 2 to the agreement with Bennett Trenchless Engineers Engineering and increase the current not-to-exceed amount of \$151,540 in the agreement by \$80,188 to a new not to exceed amount of \$231,728.

Attachment:

1. Bennett Trenchless Engineers - Amendment 2 to Agreement – Construction Support

AGREEMENT FOR MANAGEMENT AND ENGINEERING SERVICES

AMENDMENT No. 2

THIS AMENDMENT No. 2, dated March 15, 2023, to the Agreement dated May 5, 2021, by and between CUPERTINO SANITARY DISTRICT OF SANTA CLARA COUNTY ("District"), and Bennett Trenchless Engineers, Inc., a California corporation ("Consultant"), is agreed as follows:

The Cupertino Sanitary District has been asked by the Valley Transportation Agency (VTA) to relocate an existing 15-inch diameter sewer outside of the footprint of the new Interchange at Wolfe Road and Interstate 280 (I-280). The project will involve using trenchless technologies such as micro-tunneling to install a 30-inch diameter carrier pipe under the freeway thus avoiding disruption to the traffic on I-280 during construction.

The original agreement with Bennett Trenchless Engineers is dated November 17, 2021, and has a fee of \$125,200. The agreement was amended on April 15, 2022, to increase the fee by \$26,340 to account for additional work to evaluate multiple alignments, increased meetings, and additional submittals to accommodate Caltrans reviews. The current fee limit on the project is \$151,540. The scope of work for the agreement is limited to the design and bidding phase of the project.

For the construction phase of the project Bennett Trenchless will assist the project by participating in the preconstruction meeting and weekly coordination meetings from February 21 to the end of the project in December 2023. They will also review submittals and requests for information (RFIs) for all aspects of the tunneling work on the project which is roughly 3/4 of the value of the construction contract. They will also provide on-site inspection by one of their tunneling engineers for the first and second bore of the tunneling work and will train our inspector so he can inspect the third bore construction.

The cost for Bennett Trenchless Engineers Construction Support will total \$144,303 as shown on the attached Table 1. Their work on the design services for the project through February 15, 2023 totals \$87,425 whereas the budget for the design services work is \$151, 540 which means there is remaining budget equal to \$64,114. Therefore, this amendment will increase their fee limit by \$80,188 for a total new fee limit equal to \$231,728.

Table 1

**Proposed Scope and Estimated Fee for Bennett Trenchless Engineers Construction Support Services
City of Cupertino - Wolfe Road/I-280 Sewer Relocation Project**

Task #	Task Description and Deliverables	Principal	Senior Scientist	Project Engineer	Subtotal
		\$290/hr	\$235/hr	\$215/hr	
6	Engineering Services During Construction				
6.1	Pre-Construction Meeting (In-Person Attendance)		8	6	\$3,170
6.2	Weekly Coordination Meetings (Internal and with Contractor) Assume 2 meetings per week for 6 months		52	52	\$23,400
6.3	Submittal Review	8	40	24	\$16,880
6.4	Respond to RFIs during Construction	4	24	16	\$10,240
6.5	On-Site Inspection - First Bore (570') Assume full time for 4 weeks at 10 hr/d, 5 d/wk - Second Bore (373') Assume full time for 2 weeks at 10 hr/d, 5 d/wk - Third Bore (498') Assume no inspection	20	224	108	\$81,660
	<i>Subtotal Task 6 - ESDC</i>	32	348	206	\$135,350
	<i>On-Site Inspection Hotel and M&IE Costs (\$245+\$74/day)</i>				\$7,656
	<i>On-Site Inspection Mileage Costs</i>				\$1,297
	TOTAL				\$144,303

NOW, THEREFORE, it is agreed as follows:

The Board authorizes the District Manger to execute the amendment to the agreement with Bennett Trenchless Engineers Engineering and increase the current not-to-exceed amount of \$151,540 in the agreement by \$80,188 to a new not to exceed amount of \$231,728.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

CUPERTINO SANITARY DISTRICT
OF SANTA CLARA COUNTY

By: _____
Benjamin Porter, District Manager

PRINCIPAL-IN-CHARGE:
Bennett Trenchless Engineers, Inc

By: _____
David Bennett, Principal



Memo

Item **9B**

To: Board of Directors
From: Benjamin Porter, District Manager-Engineer
Date: March 15, 2023
Re: ANNUAL RENEWAL FOR GRANITE SOFTWARE

Background:

Granite Software from CUES is an asset inspection and decision support software that provides the upgrade path for obtaining all new features, interfaces and enhancements including the flexibility to create many types of inspections in addition to CCTV condition assessments such as cleaning inspections, smoke test inspections, GPS surveys, inclination surveys, and more. Additionally, this software platform offers a User Interface that helps users become proficient.

Renewal Support Plans include:

- 1 Premium Inspection Software Package
- 1 Office Software License
- Remote Online Technical Support
- Software maintenance and enhancement Release Updates

Mark Thomas owns one user license for GraniteNet and it is licensed to be used in the Cupertino Office to facilitate downloading and cataloguing of CCTV videos and PACP reports. Mark Thomas uses the software predominantly for Cupertino Sanitary District to analyze the condition of the Cupertino Sanitary District's sanitary sewer system and asset data is synchronizing between Field, Office and ArcGIS.

The total cost, with 9% increase this year, of the annual renewal cost for this software is \$2,344.00. Mark Thomas is requesting that the District consider full reimbursement to Mark Thomas.

Board Consideration/Action:

Cupertino Sanitary District Board of Directors authorizes a reimbursement amount of \$2,344.00 to Mark Thomas.

Attachment:

- GraniteNet Software Quote Q629669

INVOICE



Remit To: CUES, Inc.
 P.O. Box 639633
 Cincinnati, OH 45263-9633

3600 Rio Vista Avenue
 Orlando, Florida 32805
 (407) 849-0190 E-Fax (407) 641-9222

Bill To: MARK THOMAS AND COMPANY, INC.
 2833 JUNCTION AVE
 SUITE 110
 SAN JOSE, CA 95134

Ship To: MARK THOMAS AND COMPANY, INC.
 20863 STEVENS CREEK BLVD
 SUITE 100
 CUPERTINO, CA 95014

TODAYS DATE: February 17, 2023
INVOICE DATE: February 17, 2023
INVOICE #: 629669
SALES ORDER #: 000820987
CUSTOMER PO: ABBYUNG021023

SALES PERSON: CK
TERMS: NET 30 DAYS
F.O.B.: DESTINATION
WAYBILL NUMBER:
CONTACT: LINH GIANG
PHONE NUMBER: 408-453-5373

Order Date	Bill To #	Terr	Tax	Tax %	Ship To #	Stores	Ship Via
2/15/2023	95112010	183	N	9.13	95112011	CENTRAL	SEE REMARKS

Ln #	SO Ln #	Part # Description	Prod Code	Order Qty	Ship Qty	Bal Due	Tax Rate	Disct %	Price	Amount
001	001	GN536 SOFTWARE,PREMIUM SUPPORT PLAN GNET	PT183	1	1	0	0.00	0.00	1,962.00	1,962.00
002	002	GN538 SOFTWARE,OFFICE SUPPORT PLAN GNET	PT183	1	1	0	0.00	0.00	382.00	382.00
003	003	HANDLING HANDLING CHARGES	IN183	1	1	0	9.13	0.00	0.00	0.00
999	999	FREIGHT CHARGES					0.00			0.00

	Sub Total :	2,344.00
	Tax Total :	0.00
	TOTAL DUE >	\$2,344.00

As agreed to by Buyer, this Invoice and the goods and/or services purchased hereunder are subject to Cues, Inc. Terms and Conditions of Sale found at: <https://cuesinc.com/pages/cues-terms-and-conditions-of-sale>.

Payment Options:
 Fifth Third Bank, Wire ABA #042000314, ACH ABA #042000314
 Account Name: Cues, Inc. Account #7028939929, SWIFT: FTBCUS3C
 Bank Address: Fifth Third Bank 38 Fountain Square Plaza Cincinnati, OH 45263
 Please email remittance advice to AccountsReceivable@cuesinc.com

Remarks:

INVOICE



CUES



Remit To: CUES, Inc.

P.O. Box 639633

Cincinnati, OH 45263-9633

GRANITENET SOFTWARE SUPPORT PLAN RENEWAL
CONFIRMING ONLY

INSP

506737

OFFICE

504683

SUPPORT PLAN STARTS

FEBRUARY 23, 2023

AND ENDS

FEBRUARY 22, 2024

****DO NOT LET COVERAGE LAPSE - A \$2500

REINSTATEMENT FEE PER ENHANCED LICENSE WILL BE
ASSESSED IN ADDITION TO THE COST OF LAPSED
SUPPORT PLAN CHARGES.****

****DO NOT LET COVERAGE LAPSE - A \$500

REINSTATEMENT FEE PER OFFICE INSPECTION LICENSE
WILL BE ASSESSED IN ADDITION TO THE COST OF
LAPSED SUPPORT PLAN CHARGES.****

****DO NOT LET COVERAGE LAPSE - A \$1,750

REINSTATEMENT FEE PER BASIC INSPECTION LICENSE
WILL BE ASSESSED IN ADDITION TO THE COST OF
LAPSED SUPPORT PLAN CHARGES.****

****DO NOT LET COVERAGE LAPSE - A \$900

REINSTATEMENT FEE PER BASIC NO VIDEO LICENSE WILL
BE ASSESSED IN ADDITION TO THE COST OF LAPSED
SUPPORT PLAN CHARGES.****

****DO NOT LET COVERAGE LAPSE - A \$3500

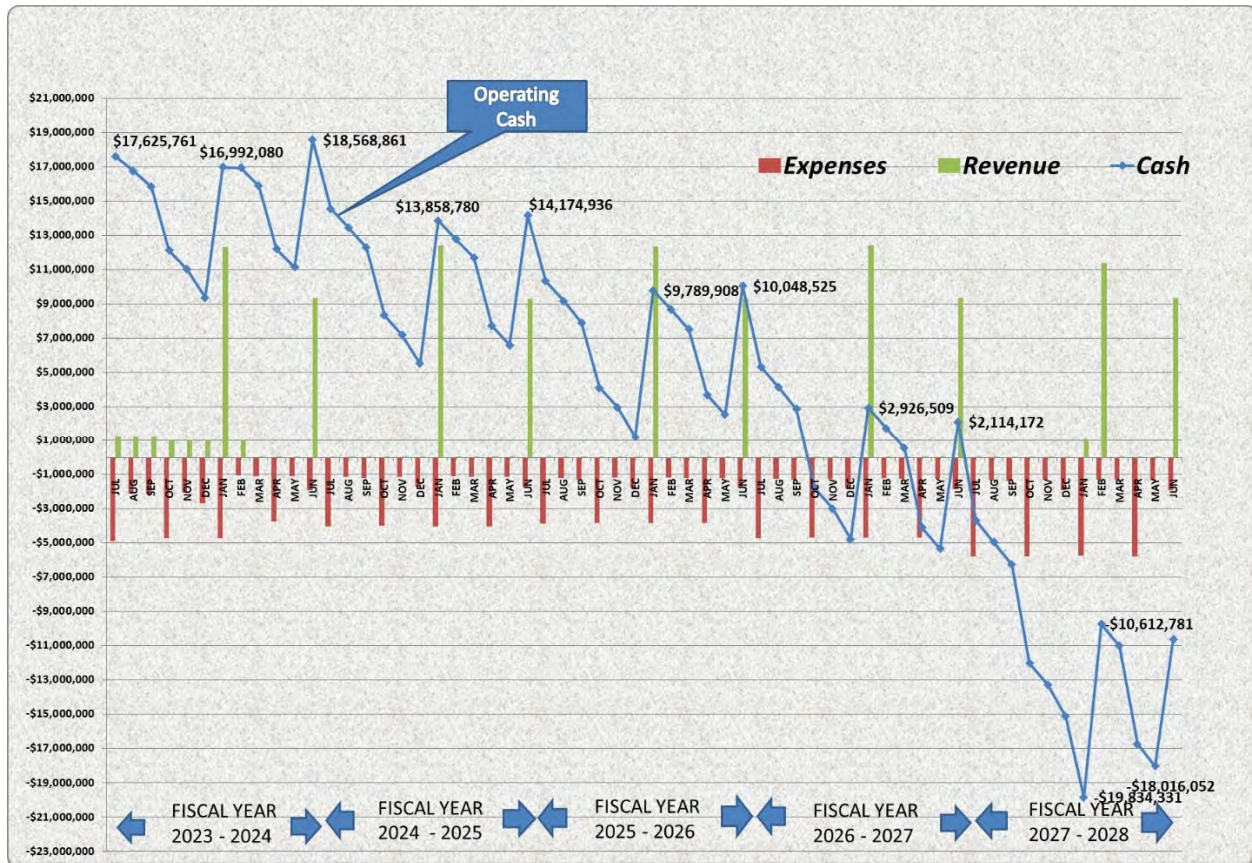
REINSTATEMENT FEE WEB SERVER ANNUAL PLAN WILL BE
ASSESSED IN ADDITION TO THE COST OF LAPSED
SUPPORT PLAN CHARGES.****

Cupertino Sanitary District
Preliminary Rate Study
March 15, 2023

Item 9.C.

Sewer Service Charges with No Rate Increase For Five Years

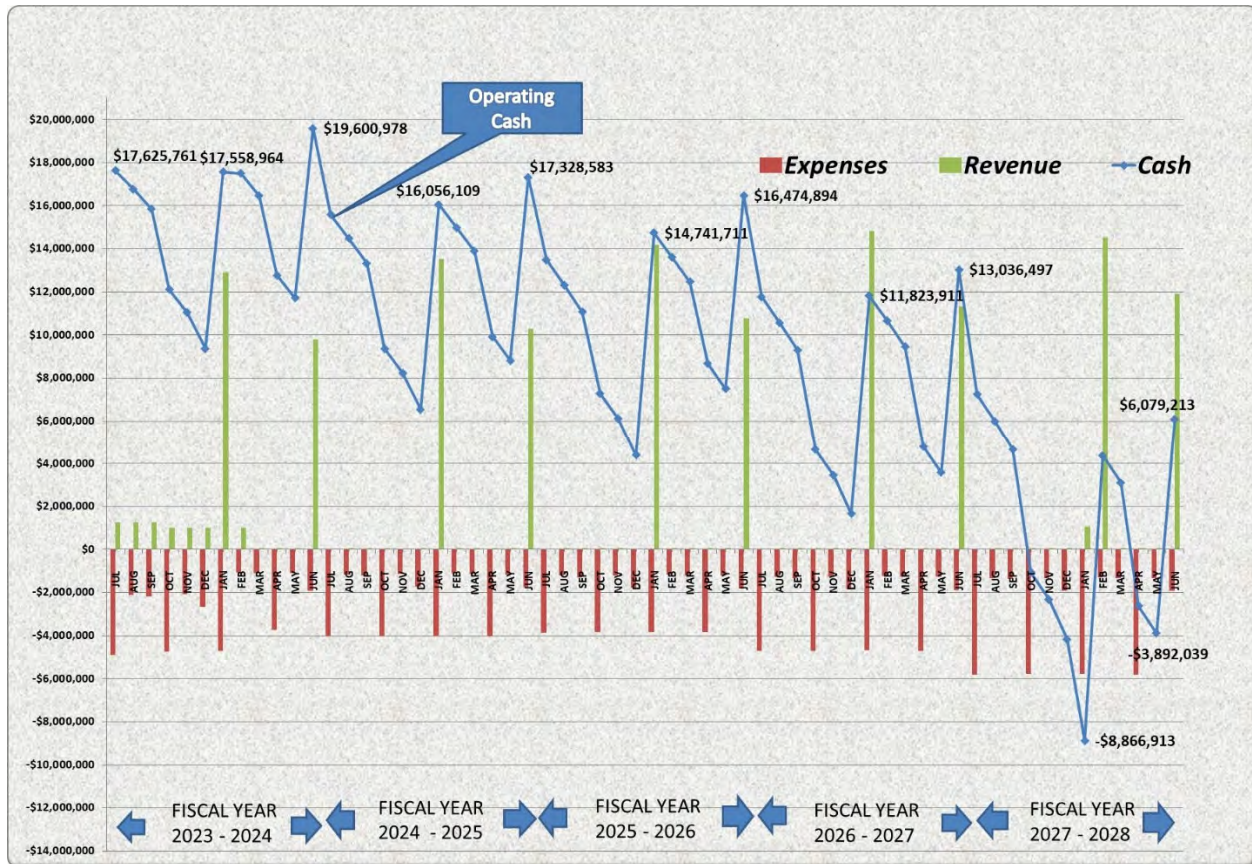
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Rate Increases		0%	0%	0%	0%	0%
Single Family Residential Rate	\$699.58	\$699.58	\$699.58	\$699.58	\$699.58	\$699.58
Number of SFR Units	11,239	11,239	11,239	11,239	11,239	11,239
SFR Rate - Pump Zone	\$769.14	\$769.14	\$769.14	\$769.14	\$769.14	\$769.14
Number of SFR PZ Units	5,857	5,857	5,857	5,857	5,857	5,857
Multi Family Residential Rates	\$531.72	\$531.72	\$531.72	\$531.72	\$531.72	\$531.72
Number of MFR Units	3,994	3,994	3,994	3,994	3,994	3,994
MFR Pump Zone Rates	\$583.90	\$583.90	\$583.90	\$583.90	\$583.90	\$583.90
Number of MFR PZ Units	177	177	177	177	177	177
SFR + Accessory Dwelling Unit Rate	\$1,215.96	\$1,215.96	\$1,215.96	\$1,215.96	\$1,215.96	\$1,215.96
Number of SFR + ADU	40	40	40	40	40	40
SFR + ADU PZ Rate	\$1,337.68	\$1,337.68	\$1,337.68	\$1,337.68	\$1,337.68	\$1,337.68
Number of SFR + ADU PZ	16	16	16	16	16	16
Residential Service Charges	\$14,664,514	\$14,664,514	\$14,664,514	\$14,664,514	\$14,664,514	\$14,664,514
Commercial	\$5,654,820	\$5,654,820.30	\$5,654,820.30	\$5,654,820.30	\$5,654,820.30	\$5,654,820.30
Handbilling	\$497,824	\$497,823.50	\$497,823.50	\$497,823.50	\$497,823.50	\$497,823.50
Service Charges Subtotal	\$20,817,158	\$20,817,158	\$20,817,158	\$20,817,158	\$20,817,158	\$20,817,158
(1% Collection Fee)	(\$203,193)	(\$203,193)	(\$203,193)	(\$203,193)	(\$203,193)	(\$203,193)
Total Service Charges	\$20,613,964.32	\$20,613,964	\$20,613,964	\$20,613,964	\$20,613,964	\$20,613,964
Interest Income	\$180,182	\$88,606	\$66,287	\$41,057	\$1,057	\$13,797
Other Revenue	\$7,252,462	\$8,894,168	\$1,488,962	\$1,488,962	\$1,572,600	\$1,631,596
Total Yearly Revenue	\$28,046,608	\$29,596,738	\$22,169,213	\$22,143,983	\$22,187,621	\$22,259,357
Treatment Plant CIP Allocation	\$3,789,547	\$3,379,003	\$3,957,620	\$2,660,588	\$5,483,423	\$9,180,184
Loan Payments	\$1,200,063	\$1,199,563	\$1,198,375	\$1,201,563	\$1,199,063	\$1,195,875
Treatment Plant O&M	\$7,255,120	\$7,173,323	\$7,531,989	\$7,908,589	\$8,304,018	\$8,719,219
Joint Use (CSI/SC Payments)	\$1,475,222	\$445,581	\$93,300	\$93,300	\$46,536	\$46,536
CuSD 5 Year CIP	\$546,381	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
CIP - Other	\$1,226,163	\$7,000,000	\$0	\$0	\$0	\$0
CuSD O&M	\$12,012,833	\$12,613,475	\$13,244,148	\$13,906,356	\$14,601,674	\$15,331,757
Total Yearly Expense	\$27,505,328	\$32,310,945	\$26,525,433	\$26,270,395	\$30,134,713	\$34,973,571
Revenue/Expense Diff.	\$541,280	(\$2,714,207)	(\$4,356,219)	(\$4,126,412)	(\$7,947,092)	(\$12,714,214)
Cash on Hand	-	\$21,283,068	\$18,568,861	\$14,212,642	\$10,086,231	\$2,139,139
COH at End of FY	\$21,283,068	\$18,568,861	\$14,212,642	\$10,086,231	\$2,139,139	(\$10,575,075)



With No Rate Increase for Five Years, the District will quickly be unable to pay its bills in FY 2026-2027.

Cash Flow Study - Cupertino Sanitary District Sewer Service Charges with 5% Rate Increase For Five Years

	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Rate Increases		5%	5%	5%	5%	5%
Single Family Residential Rate	\$699.58	\$734.56	\$771.29	\$809.85	\$850.34	\$892.86
Number of SFR Units	11,239	11,239	11,239	11,239	11,239	11,239
SFR Rate - Pump Zone	\$769.14	\$807.60	\$847.98	\$890.38	\$934.89	\$981.64
Number of SFR PZ Units	5,857	5,857	5,857	5,857	5,857	5,857
Multi Family Residential Rates	\$531.72	\$558.31	\$586.22	\$615.53	\$646.31	\$678.62
Number of MFR Units	3,994	3,994	3,994	3,994	3,994	3,994
MFR Pump Zone Rates	\$583.90	\$613.10	\$643.75	\$675.94	\$709.73	\$745.22
Number of MFR PZ Units	177	177	177	177	177	177
SFR + Accessory Dwelling Unit Rate	\$1,215.96	\$1,276.76	\$1,340.60	\$1,407.63	\$1,478.01	\$1,551.91
Number of SFR + ADU	40	40	40	40	40	40
SFR + ADU PZ Rate	\$1,337.68	\$1,404.56	\$1,474.79	\$1,548.53	\$1,625.96	\$1,707.26
Number of SFR + ADU PZ	16	16	16	16	16	16
Residential Service Charges	\$14,664,514	\$15,397,740	\$16,167,627	\$16,976,008	\$17,824,808	\$18,716,049
Commercial	\$5,654,820	\$5,937,561.32	\$6,234,439.38	\$6,546,161.35	\$6,873,469.42	\$7,217,142.89
Handbilling	\$497,824	\$522,714.68	\$548,850.41	\$576,292.93	\$605,107.58	\$635,362.95
Service Charges Subtotal	\$20,817,158	\$21,858,016	\$22,950,916	\$24,098,462	\$25,303,385	\$26,568,555
(1% Collection Fee)	(\$203,193)	(\$213,353)	(\$224,021)	(\$235,222)	(\$246,983)	(\$259,332)
Total Service Charges	\$20,613,964.32	\$21,644,663	\$22,726,896	\$23,863,240	\$25,056,402	\$26,309,223
Interest Income	\$180,182	\$90,024	\$75,403	\$64,503	\$19,205	\$49,093
Other Revenue	\$7,252,462	\$8,894,168	\$1,488,962	\$1,488,962	\$1,590,821	\$1,687,860
Total Yearly Revenue	\$28,046,608	\$30,628,855	\$24,291,261	\$25,416,706	\$26,666,428	\$28,046,175
Treatment Plant CIP Allocation	\$3,789,547	\$3,379,003	\$3,957,620	\$2,660,588	\$5,483,423	\$9,180,184
Loan Payments	\$1,200,063	\$1,199,563	\$1,198,375	\$1,201,563	\$1,199,063	\$1,195,875
Treatment Plant O&M	\$7,255,120	\$7,173,323	\$7,531,989	\$7,908,589	\$8,304,018	\$8,719,219
Joint Use (CSI/SC Payments)	\$1,475,222	\$445,581	\$93,300	\$93,300	\$46,536	\$46,536
CUSD 5 Year CIP	\$546,381	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
CIP - Other	\$1,226,163	\$7,000,000	\$0	\$0	\$0	\$0
CUSD O&M	\$12,012,833	\$12,613,475	\$13,244,148	\$13,906,356	\$14,601,674	\$15,331,757
Total Yearly Expense	\$27,505,328	\$32,310,945	\$26,525,433	\$26,270,395	\$30,134,713	\$34,973,571
Revenue/Expense Diff.	\$541,280	(\$1,682,090)	(\$2,234,172)	(\$853,689)	(\$3,468,285)	(\$6,927,396)
Cash on Hand	-	\$21,283,068	\$19,600,978	\$17,366,806	\$16,513,117	\$13,044,832
COH at End of FY	\$21,283,068	\$19,600,978	\$17,366,806	\$16,513,117	\$13,044,832	\$6,117,436



A 5% rate increase for each of the next five years would extend the ability of the District to meet its financial obligations. However, the District would need to have greater than 5% increases in future years to meet its long-term financial obligations.

RESOLUTION NO. 1341

A RESOLUTION OF THE SANITARY BOARD OF THE CUPERTINO SANITARY DISTRICT OF INTENTION TO CONSIDER AN INCREASE IN SEWER SERVICE CHARGES FOR FISCAL YEAR 2023-2024; ESTABLISHING THE TIME AND PLACE FOR A PUBLIC HEARING ON THE PROPOSED INCREASE; AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH PUBLIC HEARING AS REQUIRED BY LAW

WHEREAS, the Cupertino Sanitary District ("the District") last increased the sewer rates charged to its customers in 2022; and

WHEREAS, the District has been informed by the City of San Jose that equipment replacements, upgrades, and capital improvements to the sewerage treatment facilities utilized by the District will require significant capital expenditures as part of the Treatment Plant Master Plan Implementation and that the District's share of the cost to install these upgrades and improvements will total approximately 30.9 million dollars over the next ten years, including 24.7 million dollars over the next five years; and

WHEREAS, to date, the City of San Jose has informed all tributary agencies to pay cash for the treatment plant improvements; and

WHEREAS, in anticipation of the cash requirement to pay City of San Jose, the District has secured a ten-million-dollar loan late in 2019. This ten-million-dollar loan has now been exhausted; and

WHEREAS, District has a commitment to continue to repay this loan over the next six years; and

WHEREAS, the District is projected to pay over 39 million dollars to the City of San Jose for Operation and Maintenance expenses for the treatment plant and the total costs for the treatment plant operation, maintenance, and capital is approximately 50% of the District's total expenses over the next five years; and

WHEREAS, the District's Operation and Maintenance costs continue to gradually increase due to various economic factors; and

WHEREAS, the current sewer service rates charged by the District are inadequate to cover the District's operating budget and capital expenditures and the share of costs that will be allocated to the District for sewage treatment plant upgrades, improvements, operation, and maintenance will further increase the budget shortfall; and

WHEREAS, based on District Staff analysis, a proposed schedule of sewer service charges attached as Exhibit A will be presented to the Board at the public hearing; and

WHEREAS, it is the intention of the Sanitary Board to consider adoption of an ordinance to implement such increased sewer service charges, subject to compliance with the requirements of Proposition 218; and

WHEREAS, prior to the adoption of an ordinance increasing the sewer service charges, the District must conduct a public hearing, with notice thereof being given to all persons subject to the increase, and

WHEREAS a proposed form of Notice of Public Hearing has been presented to the Sanitary Board, a true copy of which is attached hereto as Exhibit "A" and incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED by the Sanitary Board of the Cupertino Sanitary District as follows:

1. The District Counsel is instructed to prepare an Ordinance providing for an increase in the District's sewer service charges.
2. A public hearing to consider such Ordinance is hereby scheduled for the 17th day of May 2023, commencing at 7:00 p.m.

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted by the Sanitary Board of the Cupertino Sanitary District, at a meeting thereof held on the 15th day of March 2023, by the following vote:

AYES, and in favor thereof, Members:

NOES, Members:

ABSTAINED, Members:

ABSENT, Members:

Secretary, Cupertino Sanitary District

APPROVED:

President, Cupertino Sanitary District

EXHIBIT A - NOTICE OF PUBLIC HEARING: PROPOSED SEWER SERVICE AND USE CHARGE RATE INCREASE

On May 17, 2023, at 7:00 PM, the Cupertino Sanitary District Board is scheduled to conduct a public hearing on a proposed increase to the Sewer Service and Use Charges at its office located at 20863 Stevens Creek Boulevard, Suite 100, Cupertino, California and via teleconference (Call-In Number: 1-866-899-4679 Access Code: 251566821). These charges are paid by residential, commercial, institutional, and industrial users of the sanitary sewer system.

At the hearing, staff will be proposing a rate increase not to exceed 5% for FY 2023-2024. The Board may decide not to increase rates or to adopt an increase up to 5%. If the District Board adopts a 5% rate increase, the annual impacts would be as follows:

<u>Type of Service:</u>	<u>Current Rates</u> <u>FY 2022-2023:</u>	<u>Proposed New Rates</u> <u>FY 2023-2024:</u>
Residential:		
Single Family Residential – per unit (annual)	\$699.58	\$734.56
Single Family Residential in Pump Station Zone– per unit (annual)	\$769.14	\$807.60
Multi Family Residential – per unit (annual)	\$531.72	\$558.31
Multi Family Residential in Pump Station Zone– per unit (annual)	\$583.90	\$613.10
Accessory Dwelling Unit – per unit (annual)	\$516.38	\$542.20
Accessory Dwelling Unit in Pump Station Zone– per unit (annual)	\$568.54	\$596.97
Commercial:		
Fixed charge:	\$9.34	\$9.81
Plus additional charge per Hundred Cubic Feet (HCF) of sewage discharged:		
Auto Repair Shops & Service Stations	\$6.06	\$6.36
Auto Repair Shops & Service Stations in Pump Station Zone	\$6.66	\$6.99
Car Washes	\$4.92	\$5.17
Car Washes in Pump Station Zone	N/A	N/A
Domestic Laundry	\$5.32	\$5.59
Domestic Laundry in Pump Station Zone	\$5.82	\$6.11
Machinery Manufacturers	\$9.32	\$9.79
Machinery Manufactures in Pump Station Zone (None)	N/A	N/A
Motels/Hotels without Food Service	\$6.22	\$6.53
Motels/Hotels without Food Service in Pump Station Zone (None)	N/A	N/A
Motels/Hotels with Food Service	\$10.28	\$10.79
Motels/Hotels with Food Service in Pump Station Zone (None)	N/A	N/A
Retirement Homes with Common Dining	\$10.26	\$10.77
Retirement Homes with Common Dining in Pump Station Zone	\$11.38	\$11.95
Convalescent Hospitals	\$5.68	\$5.96
Convalescent Hospitals in Pump Station Zone	\$6.24	\$6.55
Printing Plants	\$8.56	\$8.99
Printing Plants in Pump Station Zone (None)	N/A	N/A
Restaurants	\$12.52	\$13.15
Restaurants in Pump Station Zone	\$13.72	\$14.41
Retail or Professional Office	\$5.54	\$5.82
Retails or Professional Office in Pump Station Zone	\$6.08	\$6.38
Schools, Colleges, Day Care Facilities	\$6.56	\$6.89
Schools, Colleges, Day Care Facilities in Pump Station Zone	\$7.20	\$7.56
Hand Billing School	\$6.68	\$7.01
Hand Billing School in Pump Station Zone (None)	N/A	N/A
Hand Billing Retail	\$6.46	\$6.78
Hand Billing Retail in Pump Station Zone (None)	N/A	N/A
Capital Cost Recovery:		
Infiltration/Inflow (I/I)	\$10.14 per user / yr	\$10.65 per user / yr
Flow	\$438,015.19 per 1,000 MG/Day	\$459,915.95 per 1,000 MG/Day
Biochemical Oxygen Demand (BOD)	\$63,961.33 per 1,000 lbs /day	\$67,159.40 per 1,000 lbs /day
Suspended Solids (SS)	\$59,129.04 per 1,000 lbs /day	\$62,085.49 per 1,000 lbs /day
Ammonia (NH3)	\$194,092.66 per 1,000 lbs /day	\$203,797.29 per 1,000 lbs /day
Flow	\$3,813.50 per MG /year	\$4,004.18 per MG /year
Biochemical Oxygen Demand (BOD)	\$434.17 per 1,000 lbs /year	\$455.88 per 1,000 lbs /year
Suspended Solids (SS)	\$566.92 per 1,000 lbs /year	\$595.27 per 1,000 lbs /year
Ammonia (NH3)	\$4,680.85 per 1,000 lbs /year	\$4,914.89 per 1,000 lbs /year

While the District has made every effort to control and lower its operating and maintenance costs, the City of San Jose wastewater treatment costs continue to be substantial for Operation, Maintenance, and Capital improvements. The Plant Master Plan identifies \$1.6 billion to \$2.2 billion of critical improvements to rebuild the aging plant infrastructure and meet stricter regulations. The District's share of the cost for these upgrades and improvements is estimated to be \$30.9 million over the next ten years, including \$24.7 million over the next five years. Treatment Plant O&M costs are projected to be over \$39 million and total Treatment Plant costs are expected to comprise approximately 50% of the District's total expenses over the next five years. The Sanitary Board will consider a sewer service charge rate increase as great as shown above to cover the District's normal operating, maintenance, and capital improvement costs and the District's share of the cost to upgrade, improve, operate, and maintain the wastewater treatment facilities.

Protests must be in writing and received by the District prior to the close of the public hearing on May 17, 2023. Indicate the Assessor's Parcel Number(s) of the property(ies) you own that are subject to the proposed rate adjustment. Submit written protest to the District Clerk in the form of a letter, or e-mail at: 20863 Stevens Creek Blvd. Suite 100, Cupertino, CA 95014, Fax (408) 253-5173, email bporter@cupertinosanitarydistrict.org.

SSOs

<u>Start Date</u>	<u>Location</u>	<u>Cause of SSO</u>	<u>Cat</u>	<u>Main/Lat</u>	<u>Spill Volume (Gal)</u>	<u>Spill Recovered (Gal)</u>	<u>Volume of Wash Water Used (Gal)</u>
None							

PLSDs (Private Lateral Sewage Discharge)

<u>Start Date</u>	<u>Location</u>	<u>Cause of PLSD</u>	<u>Main/Lat</u>	<u>Spill Volume (Gal)</u>	<u>Spill Recovered (Gal)</u>	<u>Volume of Wash Water Used (Gal)</u>
None						

Emergency Calls - Causes

<u>Call Rec'd Business Hours</u>	<u># of Calls</u>	<u>Call Rec'd After Hours</u>	<u># of Calls</u>	<u>Call Rec'd Weekend</u>	<u># of Calls</u>
Root Intrusion	4	Root Intrusion	2	Root Intrusion	0
Onsite	3	Onsite	0	Onsite	1
Grease	1	Grease	0	Offset	0
Offset	0	Offset	1	Debris	0
Borken pipe	0	Others	0	Others	0
Others	2	Pump Station	0	Pump Station	2
Total:	10	Total:	3	Total:	3

Repairs

<u>Address</u>	<u>Main/Lat</u>	<u>Description of Work</u>
Flume Station	PS	Installed power unit & cable
Country Club PS	PS	Replaced surge protective unit
Tantau PS	PS	Replaced block heater
Country Club PS	PS	New generator

Mainline Maintenance

<u>Size of Pipe</u>	<u>4"</u>	<u>6"</u>	<u>8"</u>	<u>10"</u>	<u>12"</u>	<u>14"</u>	<u>15"</u>	<u>16"</u>	<u>18"</u>	<u>> 20"</u>	<u>Total</u>	<u>FY2022-23 YTD</u>	<u>FY2022-23 Annual Schedule</u>	<u>% Complete (YTD/Annual Schedule)</u>
Mainline Cleaning (ft)	0	31,467	67,084	2,655	9,411	0	377	0	0	0	110,994	1,025,853	1,673,032	61%
Easement Cleaning (ft)	0	2,620	10,528	290	362	0	0	0	0	0	13,800	132,123	217,684	61%
CCTV (ft)	0	0	1,560	0	0	0	0	0	0	0	1,560	124,830	207,880	60%

Lateral Maintenance

<u>Activity</u>	<u># of Laterals</u>	<u>FY2022-23 YTD</u>	<u>FY2022-23 Annual schedule</u>	<u>% Complete (YTD/Annual schedule)</u>
Cleaning	466	3,843	6,436	60%
CCTV	8	92		
Inspection	16	185		

FOG Inspection - Limited due to Restaurant closures (COVID -19)

	<u># of Inspections</u>	<u>YTD FY2022-23</u>	<u>FY2022-23 Annual Schedule</u>	<u>% Complete (YTD/Annual schedule)</u>
Performed	24	184		
Completed	21	157	265	59%
Follow up Needed	3			

**CUPERTINO SANITARY DISTRICT
MEETING/EVENT SCHEDULE**

Item 11.A.

MARCH 2023

03/01: 1st Regular Meeting
 03/06: TAC (Canceled) & SCCSDA
 03/08: CASSE
 03/09: TPAC (Canceled)
 03/15: 2nd Regular Meeting

MARCH 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 1 st Regular Meeting	2	3	4
5	TAC SCCSDA	6	7	8 CASSE	9 TPAC	10
11					12	13
14			15 CASA-CSW 2 nd Regular Meeting	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL 2023

04/05: 1st Regular Meeting
 04/10: TAC
 04/12: CASSE
 04/13: TPAC
 04/19: 2nd Regular Meeting

APRIL 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 1 st Regular Meeting	6	7	8
9	10 TAC	11	12 CASSE	13 TPAC	14	15
16	17	18	19 2 nd Regular Meeting	20	21	22
23	24	25	26	27	28	29
30						

MAY 2023

05/03: 1st Regular Meeting
 05/08: TAC
 05/11: TPAC
 05/17: 2nd Regular Meeting

MAY 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3 1 st Regular Meeting	4	5	6
7	8 TAC	9	10	11 TPAC	12	13
14	15	16	17 2 nd Regular Meeting	18	19	20
21	22	23	24	25	26	27
28	29	30	31			