

**CUPERTINO SANITARY DISTRICT  
SANITARY BOARD MEETING  
WEDNESDAY, JULY 19, 2023**

**AGENDA**

**The meeting will be held in person at 7:00 p.m. in the Stevens Creek Office Center, Suite 100, 20863 Stevens Creek Boulevard, Cupertino, California and via virtual teleconference.**

**Anyone interested may attend in person, by phone [call 1 (866) 899 - 4679 Conference Access Code: 251566821], or virtually <https://global.gotomeeting.com/join/251566821>.**

**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 JUNE 21, 2023
- B. APPROVED MINUTES OF JUNE 7, 2023
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENTS
- D. DIRECTOR'S MONTHLY TIMESHEETS

**5. CORRESPONDENCE**

- A. ADOPTED FY2024 LAFCO BUDGET

**6. MEETINGS**

NONE

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**7. REPORTS**

- A. CSRMA BOARD DIRECTORS MEETING HELD JUNE 22, 2023
- B. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) SCHEDULED FOR MONDAY, JULY 10, 2023 WAS CANCELED
- C. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) SCHEDULED FOR THURSDAY, JULY 13, 2023 WAS CANCELED

**8. UNFINISHED BUSINESS**

- A. CALBANK POLICY
- B. CASA 68<sup>th</sup> ANNUAL CONFERENCE AND CSRMA TRAINING, AUGUST 9-11, 2023

**9. NEW BUSINESS**

- A. UTILITY BILLS
- B. INSURANCE FOR BOARD MEMBERS
- C. MAINTENANCE RATE SCHEDULES

**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, AUGUST 2, 2023

**12. ADJOURNMENT**

## CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, JUNE 21, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted at the District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino.

### 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, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: Vicky Bosworth, special guest.

### 2. PUBLIC COMMENTS:

There were none.

### 3. PUBLIC HEARING:

- A. The Board conducted a Public Hearing on Accepting Report on Rates and Collection on Tax Roll for Fiscal Year 2023-2024.

President Kwok opened the public hearing at 7:02pm. There were no members of the public present for the hearing. President Kwok closed the public hearing at 7:02pm.

1. On a motion by Director Chen, seconded by Director Saadati, by a vote of 5-0-0, Resolution No. 1343, Confirming Report on Rates and Charges for Services and Facilities Furnished by the District and Delinquent Rates and Charges for the Cupertino Sanitary District for Fiscal Year 2023-2024 was approved as written.
2. On a motion by Director Chen, seconded by Director Saadati, by a vote of 5-0-0, Resolution No. 1344, Providing for the Collection of Rates and Charges for Services and Facilities Furnished by the District and Delinquent Rates and Charges for Fiscal Year 2023-2024 was approved as written.

### 4. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:03 p.m. Manager Porter, Associate Sanitary Engineer Yung, and Guest Bosworth were excused from the closed session.

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.

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Board action: There was no reportable action.

President Kwok adjourned the closed session at 7:24 p.m. and the regular meeting was called to order. District Manager Porter, Associate Sanitary Engineer Yung, and Guest Bosworth rejoined the regular meeting.

5. MINUTES & BILLS:

- A. On a motion by Director Saadati, seconded by Director Chen, by a vote of 5-0-0, the minutes of the regular meeting held on Wednesday, June 7, 2023, were approved as written.
- B. By consensus, the Minutes of Wednesday, May 17, 2023, are to be Noted & Filed.
- C. The Board reviewed May payable warrants and financial statements. On a motion by Director Doyle, seconded by Director Saadati, by a vote of 5-0-0, the financial statements and payment of bills for May were approved as written.
- D. The Board members will submit their June timesheets to Manager Porter.

6. CORRESPONDENCE:

There was none.

7. MEETINGS:

- A. Director Chen plans to attend the CSRMA Board Directors meeting to be held on June 22, 2023.
- B. The regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled for Monday, July 10, 2023 is canceled.
- C. The regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TPAC) to be held on Thursday, July 13, 2023 is canceled.

8. REPORTS:

There were none.

9. UNFINISHED BUSINESS:

- A. The Board discussed CASA 68<sup>th</sup> Annual Conference and CSRMA Training: August 9-11, 2023, San Diego, California. By consensus, the Board plans to attend the conference and training.
- B. On a motion by Director Saadati, seconded by Director Chen, by a vote of 5-0-0, the Board adopted the budget for Fiscal Year 2023-2024.
- C. The Board discussed Future Conference Attendance.
- D. The Board discussed the Cupertino Rotary Fun Festival to be held September 9, 2023. On a motion

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by Director Doyle, seconded by Director Saadati, by a vote of 5-0-0, the Board approved District participation with a budget not to exceed \$4,000.

10. NEW BUSINESS:

- A. The Board reviewed the Audit Report for FY 2021-2022. On a motion by Director Bosworth, seconded by Director Chen, by a vote of 5-0-0, the Board accepted the audit report as written.
- B. Manager Porter reported on the Calbank Policy. After discussion, the Board directed Staff to transfer loan funds for previous capital projects to checking and keep a minimal balance in checking by transferring the Cupertino Sanitary District account in the commingled fund. Staff is also to investigate the pre-payment policy and present the findings in a future meeting for further consideration.

Director Bosworth and Guest Bosworth left the meeting at 8:25pm.

- C. The Board reviewed the request for Safety Equipment Purchase. On a motion by Director Chen, seconded by President Kwok, by a vote of 4-0-0, the Board approved the purchase of safety equipment.

11. STAFF REPORTS:

- A. Associate Sanitary Engineer Yung 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, July 19, 2023.

13. ADJOURNMENT:

On a motion properly made and seconded, at 8:30 p.m. the meeting was adjourned.

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Secretary of the Sanitary Board

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President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, JUNE 7, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:01 p.m. This meeting was conducted at the District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino.

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, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: None

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:15 p.m. Manager Porter, and Associate Sanitary Engineer Yung were excused from the 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.

Board action: There was no reportable action.

President Kwok adjourned the closed session at 8:02 p.m. and the regular meeting was called to order. District Manager Porter, and Associate Sanitary Engineer Yung rejoined the regular meeting.

4. MINUTES:

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, May 17, 2023, were approved as written.

B. By consensus, the Minutes of Wednesday, April 19, 2023, are to be Noted & Filed.

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, JUNE 7, 2023

5. CORRESPONDENCE:

- A. The Board reviewed email correspondence from the Cupertino Rotary regarding the Fun Festival to be held on September 9, 2023. Staff is to provide the estimated cost report to the Board at the next regular meeting, allowing the Board to evaluate the value of continued participation in the Fun Festival. No Board action taken.

6. MEETINGS:

- A. The regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TPAC) to be held on Thursday, June 8, 2023 is canceled.

7. REPORTS:

- A. The regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled for Monday, June 5, 2023 was canceled.
- B. District representatives did not attend the regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held on Thursday, May 18, 2023.
- C. Director Bosworth reported on the Santa Clara County Special Districts Association(SCCSDA) regular meeting held on Monday, June 5, 2023.

8. UNFINISHED BUSINESS:

- A. Manager Porter reported on the Annual Lateral Maintenance Program. Staff had a meeting with Director Doyle on May 24, 2023. Staff is to follow-up on a few items and report back to the Board at a future meeting.
- B. Manager Porter reported on the draft Fiscal Year 2023-2024 Budget. Manager Porter is to prepare the final proposed budget for review and approval at the next regular meeting.

9. NEW BUSINESS:

- A. The Board reviewed the Reimbursement Claim for APN 375-39-021. After brief discussion, on a motion by Director Chen, seconded by Director Saadati, by a vote of 5-0-0, the Board approved reimbursement to the property owner in the amount of \$3,000.00.

Director Bosworth left the meeting at 8:45pm.

- B. The Board discussed CASA 68<sup>th</sup> Annual Conference and CSRMA Training: August 9-August 11, 2023, San Diego, California. By consensus, the Board plans to attend the conference and training.

10. STAFF REPORTS:

- A. Associate Sanitary Engineer Yung reported on Future Development Projects.

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, JUNE 7, 2023

11. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, June 21, 2023.
- B. A Public Hearing on Report on Rates and Collection on Tax Roll is to be held on Wednesday, June 21, 2023.

12. ADJOURNMENT:

On a motion properly made and seconded, at 9:00 p.m. the meeting was adjourned.

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Secretary of the Sanitary Board

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President of the Sanitary Board



**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH JUNE 2023**  
**12th Month of Operations - 100% 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
<b>JUNE SERVICES</b>								
<b>OPERATING EXPENSES</b>								
Loan Payments	41000	\$1,200,063	\$1,200,062.50	\$0.00	\$1,200,062.50	\$0.50	100.0%	None this month
Directors Fees	41030	\$38,000	\$30,291.65	\$2,896.22	\$33,187.87	\$4,812.13	87.3%	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	\$160,024.48	\$1,185.19	\$161,209.67	\$8,790.33	94.8%	Dooley Insurance (Group Life and Dental - August Coverage)
Memberships	41080	\$57,000	\$39,912.23	\$0.00	\$39,912.23	\$17,087.77	70.0%	None this month
Office Rent	41090	\$4,800	\$4,400.00	\$400.00	\$4,800.00	\$0.00	100.0%	On Target
Operating Expenses - General	41100	\$3,000	\$2,658.42	\$122.51	\$2,780.93	\$219.07	92.7%	New business cards and ID badges for field inspectors
Operating Expenses - Credit Card Transaction Fees	41100-1	\$6,000	\$4,182.73	\$296.66	\$4,479.39	\$1,520.61	74.7%	Credit Card Processing Fees - June
<b>Contractual Services:</b>								
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	\$7,255,120.00	\$0.00	\$7,255,120.00	-\$352,566.00	105.1%	Paid in Full for FY2022-2023
<b>Professional Services:</b>								
Management Services	41121	\$575,000	\$428,352.89	\$42,879.41	\$471,232.30	\$103,767.70	82.0%	On Target
SSMP Certification and Implementation	41121	\$100,000	\$42,179.36	\$30,941.66	\$73,121.02	\$26,878.98	73.1%	New Waste Discharge Requirements (WDR) Implementation
Engineering Services	41122	\$1,365,000	\$1,173,569.40	\$145,315.84	\$1,318,885.24	\$46,114.76	96.6%	On Target
Inflow/Infiltration Reduction	41122	\$500,000	\$29,552.56	\$1,992.14	\$31,544.70	\$468,455.30	6.3%	Flow model calibration
Plan Checking & Inspection	41123	\$300,000	\$180,533.83	\$16,462.02	\$196,995.85	\$103,004.15	65.7%	On Target
Legal - Consultant Services	41124	\$36,000	\$49,200.00	\$4,700.00	\$53,900.00	-\$17,900.00	149.7%	Richard Tanaka - Consulting Services for June 2023
Legal - District Counsel	41124	\$60,000	\$40,461.00	\$1,494.00	\$41,955.00	\$18,045.00	69.9%	District Counsel - Legal Services for May-June 2023
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$4,004,000	\$5,499,923.58	\$0.00	\$5,499,923.58	-\$1,495,923.58	137.4%	None this month
Legal - Common Interest Group (CuSD Share)	41124	\$1,136,000	\$1,551,260.49	\$0.00	\$1,551,260.49	-\$415,260.49	136.6%	None this month
Audit	41125	\$12,600	\$13,145.00	\$0.00	\$13,145.00	-\$545.00	104.3%	Paid in full
Printing & Publications	41130	\$28,000	\$24,990.88	\$3,822.60	\$28,813.48	-\$813.48	102.9%	Publication - Sewer Service Charge Rate increase
<b>Repairs and Maintenance</b>								
Repairs	41150	\$300,000	\$97,795.26	\$3,134.69	\$100,929.95	\$199,070.05	33.6%	Below budget; combined budget for Repair and Maintenance is on target
Maintenance	41151	\$3,725,000	\$3,645,900.42	\$367,132.13	\$4,013,032.55	-\$288,032.55	107.7%	Emphasis on maintenance this year; combined budget for repair and Maintenance is on target
Travel & Meetings Staff	41170	\$15,000	\$6,046.68	\$0.00	\$6,046.68	\$8,953.32	40.3%	None this month
Travel & Meetings BOD	41170	\$18,000	\$9,063.45	\$0.00	\$9,063.45	\$8,936.55	50.4%	None this month
Utilities	41190	\$70,000	\$63,813.00	\$6,495.33	\$70,308.33	-\$308.33	100.4%	On target; electricity and water at pump stations
<b>Refunds &amp; Reimbursements:</b>								
Miscellaneous	41201	\$50,000	\$3,742.23	\$0.00	\$3,742.23	\$46,257.77	7.5%	None this month
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	\$184,129.90	\$4,889.36	\$189,019.26	\$60,980.74	75.6%	Mark Thomas - Stoppage Response; Able - 10530 Santa Lucia Road
Consolidated Election	48001	\$150,000	\$4,281.00	\$0.00	\$4,281.00	\$145,719.00	2.9%	None this month
<b>TOTAL OPERATING EXPENSES</b>		<b>\$21,156,017</b>	<b>\$21,922,659.35</b>	<b>\$634,159.76</b>	<b>\$22,556,819.11</b>	<b>-\$1,400,802.11</b>	106.6%	
<b>CAPITAL EXPENSES</b>								
District Sewer Capital & Support	46041	\$700,000	\$530,751.52	\$19,231.84	\$549,983.36	150,016.64	78.6%	Significant Defect Repair Project
District Sewer Capital & Support - VTA	46041	\$1,800,000	\$2,415,151.50	\$460,231.88	\$2,875,383.38	(1,075,383.38)	159.7%	\$92.7K from Mark Thomas Staff; \$367.4K from outside vendors
Treatment Plant Capital	46042	\$3,789,547	\$3,784,547.00	\$0.00	\$3,784,547.00	5,000.00	99.9%	Paid in Full for FY2022-2023
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	\$148,562.47	\$0.00	\$148,562.47	1,437.53	99.0%	None this month
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	
<b>TOTAL CAPITAL EXPENSES</b>		<b>\$6,834,547</b>	<b>\$7,159,546.32</b>	<b>\$479,463.72</b>	<b>\$7,639,010.04</b>	<b>(\$804,463.04)</b>	111.8%	
<b>TOTAL EXPENSES</b>		<b>\$27,990,564</b>	<b>\$29,082,205.67</b>	<b>\$1,113,623.48</b>	<b>\$30,195,829.15</b>	<b>(\$2,205,265.15)</b>	107.9%	

**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH JUNE 2023**  
**12th Month of Operations - 100% 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 June Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
<b>OPERATING REVENUES</b>								
Service Charges								
Handbilling	31010	\$618,711.00	\$490,193.00	\$0.00	\$490,193.00	\$128,518.00	79.2%	None this month
Tax Roll	31010	\$20,395,721.00	\$11,611,244.47	\$8,394,424.86	\$20,005,669.33	\$390,051.67	98.1%	Final Installment for FY2022-2023
Permit Fees	31020	\$75,000.00	\$94,126.87	\$9,332.81	\$103,459.68	(\$28,459.68)	137.9%	Twenty-three payments received this month; Two hundred twenty-two received to date
Connection Fees	31031	\$600,000.00	\$89,810.00	\$0.00	\$89,810.00	\$510,190.00	15.0%	No payment received this month; One payment received to date
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	\$163,100.00	\$10,900.00	\$174,000.00	\$126,000.00	58.0%	Twenty-seven payments received this month; Two hundred fifty-seven 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	\$224,285.98	\$53,589.94	\$277,875.92	(\$177,875.92)	277.9%	FY2022-2023 Q3 Final
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)	32092.1	\$3,304,000.00	\$4,132,792.46	\$869,422.14	\$5,002,214.60	(\$1,698,214.60)	151.4%	Payments from Tributary Agencies for April billing
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$36,000.00	\$83,127.44	\$16,930.85	\$100,058.29	(\$64,058.29)	277.9%	Payments from Tributary Agencies for April billing
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$14,866.56	\$0.00	\$14,866.56	(\$4,866.56)	148.7%	None this month
Refunds/Reimbursements - VTA	46041	\$1,440,000.00	\$506,116.45	\$1,183,122.84	\$1,689,239.29	(\$249,239.29)	117.3%	Payments from VTA for April and May billings
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
<b>TOTAL OPERATING REVENUE</b>		<b>\$27,866,932.00</b>	<b>\$19,344,358.43</b>	<b>\$10,537,723.44</b>	<b>\$29,882,081.87</b>	<b>(\$2,015,149.87)</b>	<b>107.23%</b>	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
<b>TOTAL OPERATING REVENUE</b>		<b>\$27,866,932.00</b>	<b>\$19,344,358.43</b>	<b>\$10,537,723.44</b>	<b>\$29,882,081.87</b>	<b>(\$2,015,149.87)</b>	<b>107.23%</b>	

**CASH ACCOUNT SUMMARY**

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
FY 2021-22 Balance	\$18,765,721.45	\$3,300,000.00	\$15,465,721.45	\$762,082.82	\$1,058,859.55	\$20,586,663.82
July 31, 2022	\$18,057,733.71	\$3,600,000.00	\$14,457,733.71	\$770,283.34	\$1,058,923.08	\$19,886,940.13
August 31, 2022	\$15,040,721.91	\$3,600,000.00	\$11,440,721.91	\$787,005.74	\$1,059,066.69	\$16,886,794.34
September 30, 2022	\$13,928,089.09	\$3,600,000.00	\$10,328,089.09	\$801,832.83	\$1,059,197.27	\$15,789,119.19
October 31, 2022	\$11,161,210.40	\$3,600,000.00	\$7,561,210.40	\$816,828.46	\$1,059,332.22	\$13,037,371.08
November 30, 2022	\$11,034,278.54	\$3,600,000.00	\$7,434,278.54	\$771,056.11	\$1,059,462.83	\$12,864,797.48
December 31, 2022	\$9,947,547.23	\$3,600,000.00	\$6,347,547.23	\$784,456.57	\$1,059,593.46	\$11,791,597.26
January 31, 2023	\$20,119,557.08	\$3,600,000.00	\$16,519,557.08	\$753,678.39	\$1,059,724.08	\$21,932,959.55
February 28, 2023	\$19,643,212.78	\$3,600,000.00	\$16,043,212.78	\$765,124.99	\$1,059,846.03	\$21,468,183.80
March 31, 2023	\$18,945,897.36	\$3,600,000.00	\$15,345,897.36	\$780,718.80	\$1,060,014.46	\$20,786,630.62
April 30, 2023	\$13,557,809.17	\$3,600,000.00	\$9,957,809.17	\$651,700.76	\$1,060,351.39	\$15,269,861.32
May 31, 2023	\$12,304,429.93	\$3,600,000.00	\$8,704,429.93	\$664,285.18	\$1,061,615.83	\$14,030,330.93
June 30, 2023	\$18,191,799.51	\$3,600,000.00	\$14,591,799.51	\$682,826.88	\$1,063,362.34	\$19,937,988.72

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

**CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 06/30/23**

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	\$180,544.91			\$180,544.91		\$180,544.91	
	Deposit	04/16/20			\$180,544.91		\$600,000.00	\$780,544.91	\$2,996.28	\$783,541.19	
	Balance as of 5/30/2020			\$179.37	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$180,762.18	\$9.22	\$600,721.96	\$781,484.14	\$153,926.10	\$935,410.24	
	Deposit - CSJ Refund	06/22/21		\$1,415,647.00	\$926,889.61	\$1,107,651.79	\$488,757.39	\$1,089,479.35	\$2,197,131.14	\$135,672.77	
	Balance as of 6/30/2021			\$20.34	\$1,107,662.04	\$10.25	\$1,089,489.44	\$2,197,151.48	\$168,561.21	\$2,365,712.69	
	1008 Voided - CSJ	07/15/21									
	Balance as of 7/31/2021			\$36.12	\$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	\$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	\$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	10/20/21	\$690,453.00			(\$480,000.00)	(\$480,000.00)		(\$210,453.00)		
	1010 C2R Engineering	10/20/21	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$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	\$1,059,332.22	\$77.70	\$609,915.34	\$1,669,247.56	\$206,913.12	\$1,876,160.68	
	1011 C2R Engineering, Inc.	11/16/22	\$54,058.43						(\$54,058.43)		
	Balance as of 11/30/2022			\$205.81	\$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	\$1,059,593.46	\$75.21	\$610,065.75	\$1,669,659.21	\$174,390.82	\$1,844,050.03	
	1012 C2R Engineering, Inc.	01/30/23	\$42,585.13						\$42,585.13		
	Balance as of 1/31/2023			\$188.72	\$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	\$1,059,846.03	\$70.21	\$610,204.92	\$1,670,050.95	\$154,920.07	\$1,824,971.02	
	Balance as of 3/31/2023			\$265.40	\$1,060,014.46	\$96.97	\$610,301.89	\$1,670,316.35	\$170,416.91	\$1,840,733.26	
	1013 C2R Engineering, Inc.	04/25/23	\$137,280.63						\$137,280.63		
	Balance as of 4/30/2023			\$530.92	\$1,060,351.39	\$193.99	\$610,495.88	\$1,670,847.27	\$41,204.88	\$1,712,052.15	
	Balance as of 5/31/2023			\$1,992.43	\$1,061,615.83	\$728.00	\$611,223.88	\$1,672,839.70	\$53,061.30	\$1,725,901.00	
	Balance as of 6/30/2023			\$2,752.06	\$1,063,362.34	\$1,005.55	\$612,229.43	\$1,675,591.76	\$70,597.45	\$1,746,189.21	
	Transfer for 11/16/2022 C2R Engineering				(\$54,058.43)				\$54,058.43		
	Transfer for 1/30/2023 C2R Engineering				(\$42,585.13)				\$42,585.13		
	Transfer for 4/5/2023 C2R Engineering				(\$137,280.63)				\$137,280.63		
	1014 Check to CuSD Commingled Account								(\$254,000.00)		
<b>TOTAL OR BALANCE AMOUNT</b>			<b>\$10,830,368.99</b>	<b>\$1,461,572.70</b>	<b>\$969,343.27</b>	<b>\$829,438.15</b>	<b>\$12,229.43</b>	<b>\$612,229.43</b>	<b>\$1,675,591.76</b>	<b>\$50,521.64</b>	<b>\$1,726,113.40</b>

**CUPERTINO SANITARY DISTRICT  
WARRANTS PAYABLE - July 19, 2023**

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 2,896.22	ADP	Directors' Salary	
19720	M&O	\$ 1,185.19	Dooley Insurance Services	Insurance - Group Life & Dental	
19721	M&O	\$ 365.00	Alliant Insurance Services	Insurance - ACIP FY23-24	
19722	M&O	\$ 3,125.00	Alliant Insurance Services	Insurance - AMVP FY23-24	
19723	M&O	\$ 7,098.98	CSRMA-Alliant Insurance Services	Insurance - APIP FY23-24	
N/A	M&O	\$ 296.66	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
19724	M&O	\$ 568,806.49	Mark Thomas	Office Rent	400.00
				Operating Expense - General	122.51
				Management Services	42,879.41
				SSMP Cert Update and Implementation	30,941.66
				Engineering Services	145,315.84
				Peak Flow Reduction	1,992.14
				Plan Checking & Inspection	16,462.02
				Repairs (Non-Pump Station)	2,861.69
				Repairs (Pump Station)	273.00
				Maintenance (Non-Pump Stations)	177,425.38
				Maintenance (Pump Stations)	34,231.96
				Utilities (Pump Stations)	1,052.70
				Emergency Funds	2,869.76
				District Sewer Capital & Support	19,231.84
				District Sewer Capital & Support - VTA	92,746.58
19725	M&O	\$ 4,700.00	Richard K. Tanaka	Legal - Consultant Services	
19726	M&O	\$ 1,494.00	Armento & Hynes	Legal - District Counsel	
19727	M&O	\$ 3,822.60	Bay Area News Group	Printing & Publications	
19728	M&O	\$ 1,897.04	Grainger	Maintenance (Non-Pump Stations)	
19729	M&O	\$ 2,203.39	Home Depot	Maintenance (Non-Pump Stations)	
19730	M&O	\$ 22,702.68	RotoRooter	Maintenance (Non-Pump Stations)	
19731	M&O	\$ 75,872.50	AB/JDD Plumbing Heating & AC	Maintenance (Non-Pump Stations)	
19732	M&O	\$ 54,818.78	Able Underground Construction	Maintenance (Non-Pump Stations)	52,799.18
				Emergency (Non-Pump Stations)	2,019.60
19733	M&O	\$ 85.89	City of Santa Clara Utilities	Utilities (Pump Stations)	
19734	M&O	\$ 5,233.06	PG&E	Utilities (Pump Stations)	
19735	M&O	\$ 123.68	San Jose Water Company	Utilities (Pump Stations)	
19736	M&O	\$ 4,715.97	Imperium First Consulting	District Sewer Capital & Support - VTA	
19737	M&O	\$ 15,062.28	Bennett Trenchless	District Sewer Capital & Support - VTA	
19738	M&O	\$ 343,900.00	Cratus, Inc.	District Sewer Capital & Support - VTA	
19739	M&O	\$ 3,807.05	Sequoia	District Sewer Capital & Support - VTA	
1014	CalBank	\$ 254,000.00	Cupertino Sanitary District	Transfer from CalBank Checking to CuSD Commingled	

**TOTAL WARRANTS**    \$ 1,378,212.46    (NOTE: Hilighted amounts are FY23-24 Prepaid Expenses, to be reflected in next month's Financials)

<b><u>Pk Flow Red. Total:</u></b>	\$ 1,992.14	Mark Thomas
<b><u>Maintenance Total:</u></b>	\$ 367,132.13	Mark Thomas, Grainger, HomeDepot, RotoRooter, ABLE, AB/JDD
<b><u>Utilities Total:</u></b>	\$ 6,495.33	Mark Thomas, Santa Clara Utilities, PG&E
<b><u>Emergency Total:</u></b>	\$ 4,889.36	Mark Thomas, Able
<b><u>Pump Station Portion</u></b>	\$ 41,000.29	Mark Thomas (Maintenance staff); Utilities (all Pump Stations)
<b><u>VTA Portion</u></b>	\$ 460,231.88	Mark Thomas, Imperium, Bennett, Cratus, Sequoia

**EMERGENCY DETAILS:**

**Roto-Rooter** - No emergencies this month  
**Able** - One emergency this month  
**AB/JDD Plumbing** - No emergencies this month

## Item 5.A.



**Local Agency  
Formation Commission  
of Santa Clara County**

777 North First Street  
Suite 410  
San Jose, CA 95112

**SantaClaraLAFCO.org**

**Commissioners**

Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Russ Melton  
Terry Trumbull

**Alternate Commissioners**

Domingo Candelas  
Helen Chapman  
Cindy Chavez  
Teresa O'Neill  
Mark Turner

**Executive Officer**

Neelima Palacherla

June 21, 2023

**TO:** County Executive, Santa Clara County  
City Managers, Cities in Santa Clara County  
District Managers, Independent Special Districts in Santa Clara County

**FROM:** Neelima Palacherla, LAFCO Executive Officer

**SUBJECT: LAFCO BUDGET FOR FISCAL YEAR 2023-2024**

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At its public hearing on June 7, 2023, the Santa Clara Local Agency Formation Commission (LAFCO) adopted its Final Budget for Fiscal Year 2023-2024. The adopted Final Budget and the staff reports are attached for your information.

Pursuant to the apportionment method specified in Government Code §56381 and §56381.6, the County Auditor-Controller will apportion LAFCO's net operating expenses to the cities, the County and the independent special districts based on the Final Budget adopted by LAFCO. Please expect to receive an invoice from the County Controller's Office in the next few days.

Should you have any questions regarding the LAFCO budget or cost apportionment, please contact me at [neelima.palacherla@ceo.sccgov.org](mailto:neelima.palacherla@ceo.sccgov.org).

Thank you.

Attachments: Fiscal Year 2023-2024 Budget approved by LAFCO on June 7, 2023  
June 7, 2023 Staff Report: Final LAFCO Budget for FY 2023-2024  
April 5, 2023 Staff Report: Proposed Work Plan and Budget for FY 2023-2024

cc: Board of Supervisors, Santa Clara County  
City Council Members, Cities in Santa Clara County  
Independent Special District Board Members  
Santa Clara County Cities Association  
Santa Clara County Special Districts Association

## FINAL LAFCO BUDGET FISCAL YEAR 2023- 2024

ITEM #	TITLE	APPROVED BUDGET FY 2023	ACTUALS Year to Date 2/21/2023	PROJECTIONS Year End FY 2023	FINAL BUDGET FY 2024
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$810,419	\$403,351	\$719,768	\$882,121
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800	Legal Counsel	\$78,326	\$42,043	\$75,500	\$82,780
5255500	Consultant Services	\$150,000	\$22,552	\$100,000	\$150,000
5285700	Meal Claims	\$750	\$56	\$300	\$750
5220100	Insurance	\$9,237	\$7,042	\$9,237	\$8,335
5250100	Office Expenses	\$5,000	\$344	\$2,000	\$5,000
5270100	Rent & Lease	\$53,182	\$35,272	\$53,182	\$54,766
5255650	Data Processing Services	\$28,038	\$16,375	\$28,038	\$27,520
5225500	Commissioners' Fee	\$10,000	\$1,900	\$7,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$308	\$1,000	\$1,000
5245100	Membership Dues	\$12,887	\$12,921	\$12,921	\$13,870
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$10,000	\$3,125	\$6,000	\$15,900
5285300	Private Automobile Mileage	\$1,000	\$7	\$200	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$200	\$600
5281600	Overhead	\$30,041	\$15,021	\$30,041	\$20,358
5275200	Computer Hardware	\$3,000	\$0	\$1,000	\$4,000
5250800	Computer Software	\$5,000	\$853	\$2,000	\$4,000
5250250	Postage	\$1,000	\$10	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>		<b>\$1,222,980</b>	<b>\$561,180</b>	<b>\$1,060,187</b>	<b>\$1,296,000</b>
<b>REVENUES</b>					
4103400	Application Fees	\$30,000	\$19,603	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$6,000	\$4,657	\$6,000	\$6,000
<b>TOTAL REVENUE</b>		<b>\$36,000</b>	<b>\$24,260</b>	<b>\$31,000</b>	<b>\$36,000</b>
3400150	<b>FUND BALANCE FROM PREVIOUS FY</b>	<b>\$201,006</b>	<b>\$410,027</b>	<b>\$410,027</b>	<b>\$366,814</b>
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$985,974</b>	<b>\$126,893</b>	<b>\$619,160</b>	<b>\$893,186</b>
3400800	<b>RESERVES Available</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>
<b>COSTS TO AGENCIES</b>					
5440200	County	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Cities (San Jose 50% + Other Cities 50%)	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Special Districts	\$328,658	\$328,658	\$328,658	\$297,729



**Local Agency  
Formation Commission  
of Santa Clara County**  
777 North First Street  
Suite 410  
San Jose, CA 95112  
[SantaClaraLAFCO.org](http://SantaClaraLAFCO.org)

**Commissioners**  
Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Russ Melton  
Terry Trumbull

ITEM # 8

**Alternate Commissioners**  
Domingo Candelas  
Helen Chapman  
Cindy Chavez  
Teresa O'Neill  
Mark Turner  
**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: June 7, 2023**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer**

**SUBJECT: FINAL BUDGET FOR FY 2024**

**FINANCE COMMITTEE / STAFF RECOMMENDATIONS**

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1. Adopt the Final Budget for Fiscal Year 2023-2024.
2. Find that the Final Budget for Fiscal Year 2024 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.
4. Direct the County Auditor-Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

**NO CHANGES TO THE DRAFT/PRELIMINARY BUDGET**

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On April 5, 2023, the Commission adopted its preliminary budget for Fiscal Year 2023-2024 as recommended by the Finance Committee. The preliminary budget adopted by the Commission is available in the report for Agenda Item # 7 of the April 5, 2023 LAFCO Meeting. No further changes are recommended to the preliminary budget adopted by the commission.

**LAFCO ANNUAL BUDGET PROCESS REQUIREMENTS**

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The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO, as an independent agency, to annually adopt a draft budget by May 1 and a final budget by June 15 at noticed public hearings. Both the draft and the final budgets are required to be transmitted to the cities, the special districts and the County. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion

the net operating expenses of the Commission to the agencies represented on LAFCO.

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the LAFCO budget. LAFCO is a stand-alone, separate fund within the County's accounting and budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

### **COST APPORTIONMENT TO CITIES, DISTRICTS AND THE COUNTY**

The CKH Act requires LAFCO costs to be split in proportion to the percentage of an agency's representation (excluding the public member) on the Commission. Santa Clara LAFCO is composed of a public member, two County board members, two city council members, and since January 2013 – two special district members. Government Code §56381(b)(1)(A) provides that when independent special districts are seated on LAFCO, the county, cities and districts must each provide a one-third share of LAFCO's operational budget.

Since the City of San Jose has permanent membership on LAFCO, as required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. Therefore in Santa Clara County, the City of San Jose pays one sixth and the remaining cities pay one sixth of LAFCO's operational costs. Per the CKH Act, the remaining cities' share must be apportioned in proportion to each city's total revenue, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county. Each city's share is therefore based on the 2020/2021 Report – which is the most recent edition available.

Government Code Section 56381 provides that the independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts' share to individual districts. The SDA's agreement requires each district's cost to be based on a fixed percentage of the total independent special districts' share.

The estimated apportionment of LAFCO's FY 2024 costs to the individual cities and districts is included as Attachment B. The final costs will be calculated and invoiced to the individual agencies by the County Controller's Office after LAFCO adopts the final budget.

### **ATTACHMENTS**

- Attachment A: Final LAFCO Budget for Fiscal Year 2024
- Attachment B: Costs to Agencies Based on the Final Budget



**FINAL LAFCO BUDGET**  
**FISCAL YEAR 2023- 2024**

<b>ITEM #</b>	<b>TITLE</b>	<b>APPROVED BUDGET FY 2023</b>	<b>ACTUALS Year to Date 2/21/2023</b>	<b>PROJECTIONS Year End FY 2023</b>	<b>FINAL BUDGET FY 2024</b>
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$810,419	\$403,351	\$719,768	\$882,121
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800	Legal Counsel	\$78,326	\$42,043	\$75,500	\$82,780
5255500	Consultant Services	\$150,000	\$22,552	\$100,000	\$150,000
5285700	Meal Claims	\$750	\$56	\$300	\$750
5220100	Insurance	\$9,237	\$7,042	\$9,237	\$8,335
5250100	Office Expenses	\$5,000	\$344	\$2,000	\$5,000
5270100	Rent & Lease	\$53,182	\$35,272	\$53,182	\$54,766
5255650	Data Processing Services	\$28,038	\$16,375	\$28,038	\$27,520
5225500	Commissioners' Fee	\$10,000	\$1,900	\$7,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$308	\$1,000	\$1,000
5245100	Membership Dues	\$12,887	\$12,921	\$12,921	\$13,870
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$10,000	\$3,125	\$6,000	\$15,900
5285300	Private Automobile Mileage	\$1,000	\$7	\$200	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$200	\$600
5281600	Overhead	\$30,041	\$15,021	\$30,041	\$20,358
5275200	Computer Hardware	\$3,000	\$0	\$1,000	\$4,000
5250800	Computer Software	\$5,000	\$853	\$2,000	\$4,000
5250250	Postage	\$1,000	\$10	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>		<b>\$1,222,980</b>	<b>\$561,180</b>	<b>\$1,060,187</b>	<b>\$1,296,000</b>
<b>REVENUES</b>					
4103400	Application Fees	\$30,000	\$19,603	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$6,000	\$4,657	\$6,000	\$6,000
<b>TOTAL REVENUE</b>		<b>\$36,000</b>	<b>\$24,260</b>	<b>\$31,000</b>	<b>\$36,000</b>
3400150	<b>FUND BALANCE FROM PREVIOUS FY</b>	<b>\$201,006</b>	<b>\$410,027</b>	<b>\$410,027</b>	<b>\$366,814</b>
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$985,974</b>	<b>\$126,893</b>	<b>\$619,160</b>	<b>\$893,186</b>
3400800	<b>RESERVES Available</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>
<b>COSTS TO AGENCIES</b>					
5440200	County	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Cities (San Jose 50% + Other Cities 50%)	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Special Districts	\$328,658	\$328,658	\$328,658	\$297,729

**LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS**  
**Estimated Costs to Agencies Based on the Final FY 2024 LAFCO Budget**

<b>Net Operating Expenses for FY 2024</b>				<b>\$893,186</b>
<b>JURISDICTION</b>	<b>REVENUE PER 2020/2021 REPORT</b>	<b>PERCENTAGE OF TOTAL REVENUE</b>	<b>ALLOCATION PERCENTAGES</b>	<b>ALLOCATED COSTS</b>
<b>County</b>	<b>N/A</b>	<b>N/A</b>	<b>33.3333333%</b>	<b>\$297,728.67</b>
<b>Cities Total Share</b>			<b>33.3333333%</b>	<b>\$297,728.67</b>
San Jose	N/A	N/A	50.0000000%	\$148,864.34
Other cities share			50.0000000%	\$148,864.33
Campbell	\$67,824,629	1.9995536%		\$2,976.62
Cupertino	\$125,426,339	3.6977230%		\$5,504.59
Gilroy	\$131,638,480	3.8808646%		\$5,777.22
Los Altos	\$61,718,303	1.8195316%		\$2,708.63
Los Altos Hills	\$19,614,107	0.5782480%		\$860.81
Los Gatos	\$51,370,842	1.5144757%		\$2,254.51
Milpitas	\$186,509,610	5.4985331%		\$8,185.35
Monte Sereno	\$4,845,074	0.1428388%		\$212.64
Morgan Hill	\$113,620,439	3.3496705%		\$4,986.46
Mountain View	\$373,855,966	11.0217345%		\$16,407.43
Palo Alto	\$664,162,959	19.5803423%		\$29,148.15
Santa Clara	\$1,000,850,828	29.5063155%		\$43,924.39
Saratoga	\$35,690,808	1.0522090%		\$1,566.36
Sunnyvale	\$554,860,115	16.3579598%		\$24,351.17
<b>Total Cities (excluding San Jose)</b>	<b>\$3,391,988,499</b>	<b>100.0000000%</b>		<b>\$148,864.33</b>
<b>Total Cities (including San Jose)</b>				<b>\$297,728.67</b>
<b>Special Districts Total Share</b>		<b>(Fixed %)</b>	<b>33.3333333%</b>	<b>\$297,728.66</b>
Aldercroft Heights County Water District		0.06233%		\$185.57
Burbank Sanitary District		0.15593%		\$464.25
Cupertino Sanitary District		2.64110%		\$7,863.31
El Camino Healthcare District		4.90738%		\$14,610.68
Guadalupe Coyote Resource Conservation District		0.04860%		\$144.70
Lake Canyon Community Services District		0.02206%		\$65.68
Lion's Gate Community Services District		0.22053%		\$656.58
Loma Prieta Resource Conservation District		0.02020%		\$60.14
Midpeninsula Regional Open Space District		5.76378%		\$17,160.42
Purissima Hills Water District		1.35427%		\$4,032.05
Rancho Rinconada Recreation and Park District		0.15988%		\$476.01
San Martin County Water District		0.04431%		\$131.92
Santa Clara Valley Open Space Authority		1.27051%		\$3,782.67
Santa Clara Valley Water District		81.44126%		\$242,473.98
Saratoga Cemetery District		0.32078%		\$955.05
Saratoga Fire Protection District		1.52956%		\$4,553.94
South Santa Clara Valley Memorial District		0.03752%		\$111.71
<b>Total Special Districts</b>		<b>100.00000%</b>		<b>\$297,728.66</b>
<b>Total Allocated Costs</b>				<b>\$893,186.00</b>



**Local Agency  
Formation Commission  
of Santa Clara County**

777 North First Street  
Suite 410  
San Jose, CA 95112

[SantaClaraLAFCO.org](http://SantaClaraLAFCO.org)

**Commissioners**

Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Russ Melton  
Susan Vicklund Wilson

**Alternate Commissioners**

Helen Chapman  
Domingo Candelas  
Cindy Chavez  
Terry Trumbull  
Mark Turner

**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: April 5, 2023**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer**

**SUBJECT: PROPOSED WORK PLAN AND BUDGET FOR FY 2024**

**FINANCE COMMITTEE / STAFF RECOMMENDATIONS**

1. Adopt the Proposed Work Plan for Fiscal Year 2023-2024.
2. Adopt the Proposed Budget for Fiscal Year 2023-2024.
3. Find that the Proposed Budget for Fiscal Year 2024 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorize staff to transmit the Proposed Budget adopted by the Commission including the estimated agency costs as well as the LAFCO public hearing notice for the adoption of the Fiscal Year 2024 Final Budget to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.

**ANNUAL BUDGET PROCESS REQUIREMENTS**

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO, as an independent agency, to annually adopt a proposed budget by May 1 and a final budget by June 15 at noticed public hearings. Both the proposed and the final budgets are required to be transmitted to the cities, the special districts and the County. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

**FISCAL YEAR 2023-2024 WORKPLAN & BUDGET DEVELOPMENT  
TIMELINE**

<b>Dates</b>	<b>Staff Tasks / LAFCO Action</b>
March 13 - April 5	Notice of this public hearing was advertised in a local newspaper, posted on the LAFCO website and distributed to local agencies. The agenda and a link to the posted agenda packet are also distributed to local agencies, interested persons and organizations. The proposed Workplan and Budget are posted on the LAFCO website and available for public review and comment.
April 5	LAFCO public hearing on adoption of Proposed Workplan and Budget
April 6	Proposed Work Plan and Budget, preliminary apportionments and LAFCO public hearing notice for Final Budget Hearing transmitted to agencies
June 7	LAFCO public hearing and adoption of Final Budget
June 7 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

**LAFCO FINANCE COMMITTEE**

At its February 1, 2023 LAFCO meeting, the Commission appointed Commissioner Melton, Commissioner Beall and Alternate Commissioner Chapman to serve on the Finance Committee.

At its special meeting held on February 27, 2023, the Finance Committee discussed the progress on the current year work plan and the status of the current year budget; and recommended the proposed FY 2024 work plan and budget for consideration and adoption by the full commission.

**CURRENT YEAR IN REVIEW**

**PROGRESS REPORT ON FY 2022-2023 WORK PLAN**

LAFCO’s current fiscal year workplan was adopted at a noticed public hearing held on April 6, 2022. **Attachment A** depicts the current status (through the third quarter of the year) of the 2022-2023 Work Program.

A major component of the current work program involves the ongoing Countywide Fire Service Review. LAFCO retained a new consultant in June 2022 and relaunched its Countywide Fire Service Review. The new consultant is working with LAFCO staff and the service provider agencies to finalize / validate agency profiles after completing an extensive and challenging data collection process. To date, two Technical Advisory Committee meetings have been held to obtain feedback on key

aspects including evaluation criteria and preliminary findings. It is anticipated that another Technical Advisory Committee meeting will be held in the next few weeks and a Draft Service Review Report will be published for public review and comment by the end of this fiscal year.

LAFCO has received and /or processed major applications such as a special district sphere of influence amendment/annexation and a city urban service area amendment. Staff has held pre-application meetings and has received and responded to many requests for assistance and expertise from local and regional agencies on a variety of matters related to city service extensions, city annexations/island annexations, special district detachments, and housing element updates. Similarly, responding to public inquiries is another significant and growing area of the workplan and staff has seen an increase in the volume and complexity of such inquiries, including requests for information under the Public Records Act, and information requests from local attorneys, appraisers, real estate agents and developers.

In accordance with the Commission's directive, as opportunities arise and time permits, staff continues to conduct targeted outreach to various local entities (special districts, County, cities, civil grand jury, and other community organizations/individuals) through informational presentations on LAFCO and its role in promoting sustainable growth and governance in the county.

The Commission has experienced major changes in its membership; in the last two months, 6 new commissioners have come on board and LAFCO will be selecting a new public member and an alternate public member to fill positions due to term expirations in May 2023. Staff conducts onboarding activities and new commissioner orientations for all new appointees.

Other notable administrative activities and projects that have been completed or are currently underway include among others, the annual financial audit, the annual report, required staff training, LaserFische and LAFCO database server upgrades/migrations, transition back to in-person and hybrid meetings to allow for remote public participation, and preparations for webcasting LAFCO meetings.

Notwithstanding the preceding progress on various work plan items, some important, high priority projects such as the comprehensive review and update of LAFCO policies and scanning of LAFCO records have fallen behind and will not be completed by the end of the fiscal year. The delays are partly due to the application workload, increased demand for LAFCO services and staff's efforts to prioritize and meet the needs of the local agencies and the public; and staffing issues including a vacant position since January 2021. Completion of the County classification study in July 2022 allows LAFCO staff to implement the Study's recommendations and work with the County Employee Services Agency on recruitment efforts for a new LAFCO Clerk. It is anticipated that the vacant LAFCO Clerk position will be filled by the end of this fiscal year.

The projects in the current workplan that will not be completed by the end of the fiscal year have been added to the proposed FY 2024 workplan.

The LAFCO Annual Report for FY 2023 will be published at the end of the current fiscal year and will document all the applications reviewed and processed by LAFCO in Fiscal Year 2023; and will summarize the various accomplishments, activities/projects that LAFCO has engaged in or completed during the period.

#### **STATUS OF FY 2022-2023 ADOPTED BUDGET**

**Attachment D** includes the FY 2023 budget adopted by the Commission at a noticed public hearing on June 1, 2022, the status of LAFCO's expenditures and revenues as of February 21, 2023, and expenditure and revenue projections for end of FY 2023. The adopted LAFCO budget for FY 2023 is \$985,974 and reflects a 11% increase compared to the previous fiscal year's (FY 2022) budgeted operating expenses. It is estimated that the total year-end projected expenditures for FY 2023 would be approximately 13% lower than the adopted budget primarily due to salary savings from the vacant staff position. Staff anticipates that year end revenue for FY 2023 will be slightly lower than the amount budgeted. LAFCO has received the respective FY 2023 funds from the County, the cities and the independent special districts. The actual fund balance rolled over at the end of FY 2022 was significantly higher at \$410,027, compared to the amount estimated (\$201,006) in the FY 2023 budget. The excess fund balance and the unspent FY 2023 expenditure amounts will carry over into FY 2024 and will be used to reduce net operating expenses that would in turn translate to reduced FY 2024 costs for contributing agencies.

#### **PROPOSED WORK PLAN FOR FISCAL YEAR 2024**

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**Attachment C** includes the proposed work plan for FY 2024, as recommended by the Finance Committee, for consideration and adoption by the full commission.

The proposed workplan includes ongoing as well as new projects and outlines detailed projects/activities organized under six broad areas: (1.) LAFCO application processing; (2.) island annexations; (3.) outreach, government/community relations and customer service; (4.) service reviews, special studies and sphere of influence updates; (5.) commission support; and (6.) administrative projects. The work plan assigns priority levels (high, moderate, low); and designates whether the work is to be conducted by staff or outside consultants.

The proposed work plan includes a broad spectrum of responsibilities that LAFCO, as an independent local agency and as a regulatory body of the state, is expected to fulfil in its role of promoting sustainable growth and good governance in Santa Clara County. It incorporates the Commission's legislative functions and mandates and also the Commission's proactive local initiatives and priorities such as its directives for ongoing public outreach and education and its proactive service review and implementation program.

The Finance Committee discussed the possible creation of a LAFCO student internship program and recommended that LAFCO staff contact the County to

further explore such a potential initiative. The Committee also discussed a potential strategic planning workshop in the upcoming year and requested opportunities for ongoing commissioner education.

Reduced staffing levels over the last two years have impacted the functioning of the LAFCO office. While the LAFCO Clerk position is expected to be filled in the next several months, actual professional staffing capabilities will be below 4.0 FTE for at least half of the upcoming fiscal year, considering the onboarding and training period for the new staff person.

According to the Comprehensive Organizational Assessment report prepared by LAFCO's consultant, even the 4.0 FTE staffing level is lower than other LAFCOs with comparable operations. However, in August 2020, the Commission voted to maintain the current 4.0 FTE staffing level given uncertain economic conditions related to the COVID-19 pandemic but kept open the option to consider the potential addition of 1.0 FTE in the future.

Staff actively manages the workload in order to focus on accomplishing essential activities such as processing applications, completing projects currently underway such as the Countywide Fire Service Review, maintaining core administrative functions, tracking on-going projects and studies, supporting the commission and responding to local agency and public requests for assistance. Non-essential activities and other proactive initiatives will need to be deferred until staffing levels/expertise are restored. This is consistent with past practice where LAFCO's statutorily mandated activities take priority over administrative projects that are not statutorily required, and over proactive commission-initiated projects which are discretionary but support LAFCO's mission and statutory requirements.

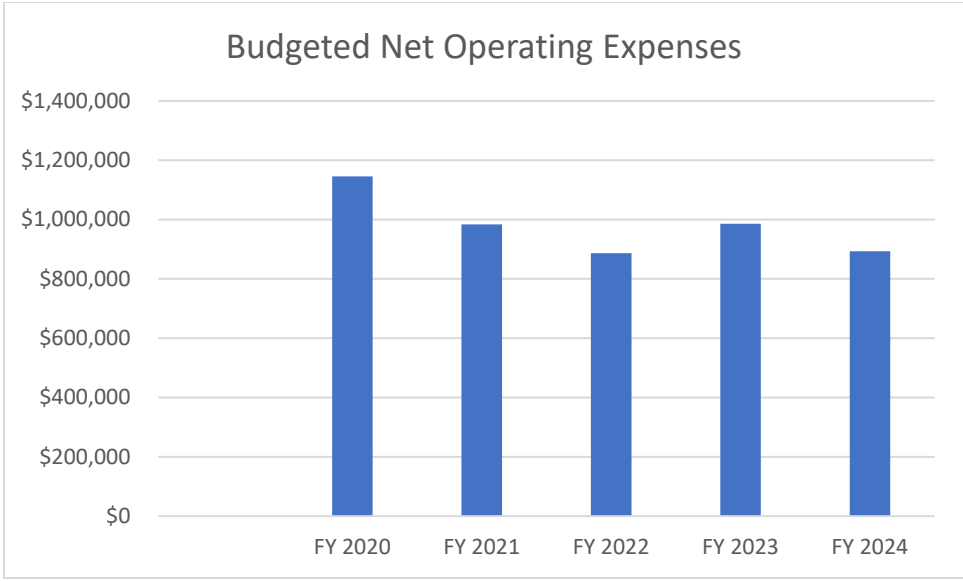
## **PROPOSED BUDGET FOR FISCAL YEAR 2024**

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**Attachment D** includes the proposed Budget for FY 2023-2024 as recommended by the Finance Committee, for consideration and adoption by the full commission. The Finance Committee conducted a thorough review of the work plan and budget and recognized the public benefit of LAFCO's work and the high demand for LAFCO's services from local agencies and the public. The Committee maintained its commitment to ensure adequate resources that allow the Commission to fulfill its statutory responsibilities and accomplish its work plan while also limiting costs for LAFCO's funding agencies. The overall expenditure for FY 2024 (\$1,296,000) in the proposed budget is approximately 6% higher than the current year budgeted expenses (\$1,222,980).

Projected current year cost savings (such as from salary savings), and a larger than estimated fund balance from FY 2022 are expected to result in a \$366,814 fund balance at the end of the current year – and will be used to reduce net operating expenses in FY 2024.

LAFCO's proposed net operating expense for FY 2024 is 9% lower than the FY 2023 budgeted net operating expense and is similar to the FY 2022 level.



**DESCRIPTION OF FY 2023-2024 BUDGET LINE ITEMS**

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the proposed LAFCO budget. LAFCO is a stand-alone, separate fund within the County’s accounting and budget system and the LAFCO budget information is formatted using the County’s account descriptions/codes.

The following is a detailed itemization of the proposed budget.

**EXPENDITURES**

Expenditures are divided into two main sections: Staff Salary and Benefits (Object 1) which comprise 68% of the total expenditures, and Services and Supplies (Object 2).

**OBJECT 1. SALARIES AND BENEFITS \$882,121**

This line item supports the salary and benefits for the 4.0 FTE positions including the Executive Officer position, a Senior Analyst position, an Associate Analyst position, and a Clerk position. The Clerk position is currently vacant and is anticipated to be filled by the end of the current fiscal year. LAFCO contracts with the County of Santa Clara for staffing and services and in accordance with the MOU between the County and LAFCO, all four positions are staffed through the County Executive’s Office. The proposed amount is based on the best available projections from the County at this time for salary and benefits for the 4 positions. Changes to the projections for the four positions that occur within the next couple of months will be reflected in the Final LAFCO budget.



**OBJECT 2. SERVICES AND SUPPLIES**

**5255100 Intra-County Professional \$10,000**

This includes the costs for services from various County agencies such as the County Surveyor's Office, the County Assessors' Office, and the Registrar of Voters. The County Surveyor assists with map review and approval for boundary change proposals. In addition, the Surveyor's Office also assists with research to resolve boundary discrepancies. The County Assessor's Office prepares reports for LAFCO and the Registrar of Voters provides data necessary for processing LAFCO applications. This item also allows LAFCO to seek GIS mapping services including maintenance and technical assistance from the County Planning Office, as necessary. This budgeted amount has been maintained at the same level as the current year.

**5255800 Legal Counsel \$82,780**

This item covers the cost for general legal services.

In February 2009, the Commission retained the firm of Best Best & Krieger for legal services on a monthly retainer. The contract was amended in 2010 to reduce the number of total hours required to 240 hours per year. The contract sets the hourly rate and allows for an annual automatic adjustment to the rates based on the Consumer Price Index (CPI). In 2017, the contract was once again amended to increase the monthly retainer cost and limit the CEQA work within the retainer to 24 hours annually. Any additional CEQA work above 24 hours would be charged outside the retainer at the same hourly rate.

The monthly retainer for FY 2024 increases to \$6,630, based on a 5.6% increase in the Consumer Price Index for the prior calendar year (2022). This item covers the annual retainer fees and includes additional monies to cover approximately 10 hours of work outside the retainer at the current hourly rate of \$316.

**5255500 Consultant Services \$150,000**

This item is budgeted for hiring consultants to assist LAFCO with special projects such as for conducting service reviews and special studies, facilitating a strategic planning workshop, scanning LAFCO's hardcopy records into the existing electronic document management system, meeting broadcast services for LAFCO meetings and for conducting the annual financial audit, among others. The Commission must take action to authorize such special projects prior to expending funds. This item also includes costs associated with ongoing existing contracts such as costs for maintenance and hosting of the LAFCO website by an outside provider. The Finance Committee recommended that an amount of \$6,000 be allocated under this item to cover a potential future student internship program cost.

**5285700 Meal Claims \$750**

This item includes cost of food to support Commission events, workshops, meetings.

**5220200 Insurance \$8,335**

This item is for the purpose of purchasing general liability insurance and workers' compensation coverage for LAFCO. In 2010, LAFCO switched from the County's

coverage to the Special District Risk Management Authority (SDRMA), for the provision of general liability insurance. Additionally, LAFCO also obtains workers' compensation coverage for its commissioners from SDRMA. Workers' compensation for LAFCO staff is currently covered by the County and is part of the payroll charge. SDRMA has recently provided estimated FY 2024 contribution amounts for use in the budgeting process: Property Liability (\$7,225) and Workers' Compensation (\$1,100). SDRMA is in the process of negotiating rates on behalf of its program membership and expects to confirm rates in mid-May. The Final budget will reflect any major revisions to these estimates.

**5270100 Rent & Lease \$54,766**

This item includes FY 2024 monthly rent for LAFCO office space located at 777 North First Street, Suite 420, San Jose. The original lease term expired on May 5, 2022. At its February 2, 2022 meeting, the Commission authorized the extension of the lease for a five-year period through April 30, 2027.

**5250100 Office Expenses \$5,000**

This item includes funds for purchase of books, subscriptions/publications necessary to keep current on laws and trends; small equipment and supplies for office operations, including printer/photocopier lease.

**5255650 Data Processing Services \$27,520**

This item includes estimated costs associated with County Technology Solutions & Services Department (TSS) providing IT services to the LAFCO program. According to TSS, the projected costs cover Telecom services for 5 phones- VOIP/Landline (\$3,000), Wireless Carrier Service (\$144), MS Adobe special order, Acrobat Pro and MS Visio monthly subscription (\$2,480), and other services (\$21,896) comprising Enterprise Content Management services and solutions, Kronos support, Architecture and Innovation Services, Claranet services, Data Analytics and Visualizations, digital print and sccLearn. Any further revised cost estimates received from the County will be reflected in the Final LAFCO budget.

**5225500 Commissioner's Fees \$10,000**

This item covers the \$100 per diem amount for LAFCO commissioners and alternate commissioners to attend LAFCO meetings and committee meetings.

**5260100 Publications and Legal Notices \$1,000**

This item is for costs associated with publication of hearing notices for LAFCO applications and other projects/ studies, as required by state law. This budgeted amount has been maintained at the same level as the current year.

**5245100 Membership Dues \$13,870**

This item includes CALAFCO – the California Association of LAFCOs membership dues. At its meeting on February 17, 2023, the CALAFCO Board approved an 8.27% rate adjustment to account for inflation in accordance with the CALAFCO Bylaws. The FY 2024 membership dues for Santa Clara LAFCO is \$12,221.

Additionally, this item includes estimated membership dues for CSDA – the California Special Districts Association. In June 2018, CSDA informed that Santa Clara LAFCO as a customer of SDRMA, must be a member of CSDA pursuant to SDRMA bylaws.

**5250750 Printing and Reproduction \$1,500**

This covers printing expenses for reports such as service reviews or other studies and documents.

**5285800 Business Travel \$15,900**

This item includes funding for staff and commissioners to attend conferences and workshops. It would cover costs of air travel, accommodation, conference registration and other expenses at the conferences. CALAFCO annually holds a Staff Workshop (location TBD, April 2024) and an Annual Conference (Monterey, October 2023) that is attended by commissioners as well as staff.

**5285300 Private Automobile Mileage \$1,000**

This item provides for mileage reimbursement when staff travels by private car to conduct site visits and attend meetings / training sessions. This budgeted amount has been maintained at the same level as the current year.

**5285200 Transportation and Travel (for use of County car) \$600**

This item would cover costs associated with the use of a County vehicle for travel to conferences, workshops, site visits and meetings.

**5281600 Overhead \$20,358**

This overhead charge is established by the County Controller’s Office, for service rendered by various County departments that do not directly bill LAFCO. The overhead includes LAFCO’s share of the County’s FY 2024 Cost Allocation Plan which is based on actual overhead costs from FY 2022 – the most recent year for which actual costs are available. The overhead amount includes the following charges from:

County Executive’s Office:	\$6,653
Controller-Treasurer:	\$11,003
Employee Services Agency:	\$6,072
OBA:	\$357
BHS-MH - Employee:	\$198
TSS Intragovernmental Service:	\$958
Technology Services & Solutions:	\$1,710
Procurement:	\$57
Equal Opp. (County Counsel):	\$809
CoB – Harvey Rose Mgt Audit:	\$22

Further, a “roll forward” is applied which is calculated by comparing FY 2022 Cost Plan estimates with FY 2022 actuals. The FY 2022 cost estimates were higher than the actuals by \$7,480; this amount is deducted from the FY 2024 Cost Plan. This is a state requirement.

**5275200 Computer Hardware \$3,000**

This item is designated for any required hardware upgrades / purchases.

**5250800 Computer Software \$5,000**

This amount is designated for computer software purchases, and annual licenses for GIS software and records management (LaserFische) hardware/software annual maintenance agreement.

**5250250 Postage \$500**

This amount covers postage costs for mailing notices, agendas, agenda packets and general correspondence.

**5252100 Training Programs \$2,000**

This item covers the costs associated with attendance at staff development courses and seminars. CALAFCO conducts University Courses throughout the year on topics of relevance to LAFCO.

**REVENUES**

**4103400 Application Fees \$30,000**

It is anticipated that LAFCO will receive approximately \$30,000 in fees from processing applications. The actual amount earned from fees corresponds to the level of application activity.

**4301100 Interest \$6,000**

It is estimated that LAFCO will receive an amount of approximately \$6,000 from interest earned on LAFCO funds.

**3400150 Fund Balance from Previous Fiscal Year (i.e, FY 2023) \$366,814**

It is projected that there will be a savings or fund balance of approximately \$366,814 at the end of the current year, which will be carried over to reduce the proposed Fiscal Year 2024 costs for LAFCO’s funding agencies (cities, independent special districts and the County).

Projected Year-End [FY 2023] Fund Balance = (Projected Year-End [FY 23] Revenue + Actual Fund Balance from Previous Fiscal Year [FY 22] + Funds Received from Local Agencies in FY 23) - (Projected Year-End [FY 23] Expenses)

$$= (\$31,000 + \$410,027 + \$985,974) - \$1,060,187$$

$$= \$366,814$$

The fund balance excludes the reserves.

## **RESERVES**

### **3400800 Reserves Available \$200,000**

This item includes reserves for two purposes: litigation reserve – for use if LAFCO is involved with any litigation; and contingency reserve – to be used for unexpected expenses. If used during the year, this account will be replenished in the following year. Since 2012, the reserves have been retained in a separate Reserves account, thus eliminating the need for LAFCO to budget each year for this purpose.

The Reserves amount was held at \$250,000 since FY 2020 to timely implement potential recommendations from the Comprehensive Organizational Assessment, and as a tentative measure in recognition that LAFCO operates in an increasingly complex and controversial environment.

In FY 2022, LAFCO reduced the Reserves from \$250,000 to \$200,000, in order to further reduce costs to local agencies given the COVID -19 related economic hardships; and maintained the reserve level at \$200,000 in FY 2023. The Finance Committee recommends maintaining the current level of reserves for FY 2024. This places the proposed Reserve amount at approximately 15% of the total FY 2024 expenditures. LAFCO has not adopted a Reserves policy, however as an independent agency, LAFCO should maintain sufficient reserves for flexibility and stability in the event of unanticipated needs.

### **FY 2024 NET OPERATING EXPENSES**

FY 2024 Net Operating Expenses = (Proposed FY 2024 Expenditures) - (Proposed FY 2024 Fee & Interest Revenues + Projected Fund Balance from FY 2023)

= (\$1,296,000) - (\$36,000 + \$366,814)

= \$893,186

The projected operating expense for FY 2024 is based on projected expenditures and revenues as well as on estimated fund balance for the current year. Further revisions may be needed as we get a better indication of current year expenses/revenues towards the end of this fiscal year. Additionally, a more accurate projection of costs/revenues for the upcoming fiscal year could become available, particularly for employee salary and benefits. This could result in changes to the proposed net operating expenses for FY 2024 which could in turn impact the costs for each of LAFCO's funding agencies.

## **COST APPORTIONMENT TO CITIES, INDEPENDENT SPECIAL DISTRICTS AND COUNTY**

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In January 2013, independent special districts were seated on LAFCO. Government Code §56381(b)(1)(A) provides that when independent special districts are represented on LAFCO, the county, cities and independent special districts must each provide a one-third share of LAFCO's operational budget.

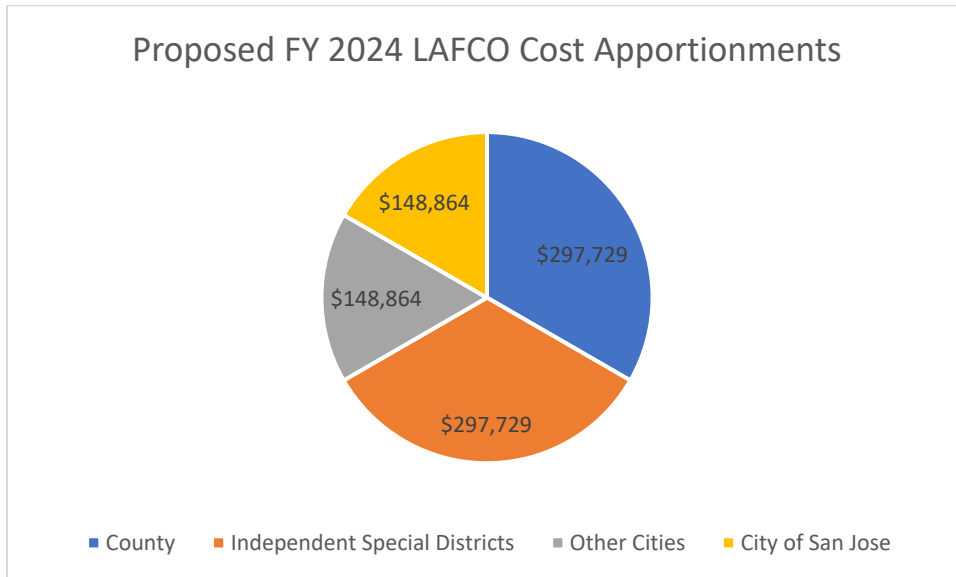
The City of San Jose has permanent membership on LAFCO pursuant to Government Code Section 56327. As required by Government Code §56381.6(b), the City of San

Jose’s share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. The remaining cities’ share must be apportioned in proportion to each city’s total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

Government Code Section §56381 provides that the independent special districts’ share shall be apportioned in proportion to each district’s total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts’ share to individual districts. The SDA’s agreement requires each district’s cost to be based on a fixed percentage of the total independent special districts’ share.

Therefore, in Santa Clara County, the County pays a third of LAFCO’s operational costs, the independent special districts pay a third, the City of San Jose pays one sixth and the remaining cities pay one sixth. Government Code §56381(c) requires the County Auditor to request payment from the cities, independent special districts and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment.

The following is a draft apportionment to the agencies based on the proposed net operating expenses for FY 2024.



Apportionment of the costs among the 14 cities and among the 17 independent special districts will be calculated by the County Controller’s Office after LAFCO adopts the final budget in June. In order to provide each of the cities and districts

with a general indication of their costs in advance, **Attachment E** includes draft estimated apportionments, based on the proposed FY 2024 net operating expenses and the FY 2020-2021 Cities Annual Report. The final apportionments will be prepared by the County Controller's Office based on the latest available Cities Annual Report.

## **ATTACHMENTS**

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Attachment A:	Status of FY 2023 Work Plan
Attachment B:	LAFCO Financials 2008-2022
Attachment C:	Proposed Work Plan for Fiscal Year 2024
Attachment D:	Proposed LAFCO Budget for Fiscal Year 2024
Attachment E:	Estimated FY 2024 Costs to Agencies

**STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)**

PRIORITY\* H - High Priority (essential activities: state mandate, Commission directive, requirements)  
M - Medium Priority (important, provided resources allow or time permits)  
L - Low Priority (desirable provided resources allow or time permits, not urgent)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
<b>LAFCO APPLICATIONS</b>	Process applicant-initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal  Conduct pre-agenda meetings with County Depts to obtain Assessor & Surveyor reports, as needed  Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H	Several pre-application meetings held (Monte Sereno, Sunnyvale/Cupertino Sanitary District, WVSD, San Jose)  3 city conducted and a SOI amendment/annexation application completed, one USA amendment in progress
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H	Ongoing  County Housing Element
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H	In progress
	Prepare flowcharts for LAFCO processes and update application packets for current requirements and ease of public use	Upon completion of policies update	Staff	L	Internal application processing checklists updated



## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
<b>ISLAND ANNEXATIONS</b>	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L	As needed
	Facilitate interagency discussions to support remaining island annexations	Monte Sereno	Staff	H	As needed, pending city initiation
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H	As needed
<b>OUTREACH, GOVERNMENT / COMMUNITY RELATIONS &amp; CUSTOMER SERVICE</b>	Conduct outreach to increase awareness of LAFCO's role	<p>Presentations to cities, other agencies on LAFCO, as relevant</p> <p>Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County</p> <p>Seek exhibit opportunities at public spaces / events</p> <p>Maintain website as the primary information resource on LAFCO</p> <p>Increase social media presence (Twitter)</p>	Staff	L M L H L	<p>Presentations provided upon request (Grand Jury, Leadership Sunnyvale, San Jose Planning)</p> <p>Website updated</p>
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	<p>Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly)</p> <p>Small water systems issues / legislation</p> <p>Collaborate with agencies and entities with goals common to LAFCO</p>	Staff	M M M	Ongoing

## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	Track LAFCO related legislation	EO attends CALAFCO Legislative Committee  Commission takes positions and submit letters on proposed legislation	Staff	L  M	EO served on the Legislative Committee until October 2021
	Respond to public enquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries Update the PRA form for the website Document research on complex inquiries Report to Commission on complex inquiries	Staff	H L L H	Ongoing High volume of enquiries
<b>SERVICE REVIEWS, SPECIAL STUDIES &amp; SPHERE OF INFLUENCE UPDATES</b>	Countywide Fire Service Review	Manage new consultant's work and contract Coordinate TAC meetings Attend stakeholder interviews with consultant Work with consultant on any data collection issues Review and comment on administrative draft reports Distribute Public hearing notices and coordinate community workshops and public hearings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process Prepare staff reports with implementation recommendations	Staff / Consultant	H	Working with new consultant on data collection and profiles preparation, review and comment  Conducted 2 TAC meetings

## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
		Follow up with agencies and report back to the commission			
	Continue to monitor implementation of recommendations from previous service reviews and conduct special studies, as necessary	RRRPD study – city took action to delay decision on consolidation	Staff	L	Pending city action
	Map Mutual Water companies	Initial maps complete, further work through service review	Staff	L	As needed
	Engage in or support grant / partnership opportunities on issues related to enhancing viability of agriculture, and climate smart growth	As needed, and as opportunities arise	Staff	L	As needed
	Compile and post JPA filings on the LAFCO website	Notice provided, gather JPA information through service review process	Staff	L	Ongoing
<b>COMMISSION SUPPORT</b>	Provide ongoing support to the 12 commissioners for regularly-scheduled Commission meetings, special meetings and Committee meetings (Finance Committee, Ad Hoc Committee on Organizational Assessment and the Fire Service Review TAC)	<p>Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings</p> <p>Hold pre-agenda review meeting with Chair</p> <p>Hold pre-meeting calls with individual commissioners to address agenda item questions</p> <p>Process commissioner per diems for attendance at LAFCO meetings</p>	Staff	H	Ongoing
	Keep the Commission informed	EO report off-agenda emails, as needed	Staff	H	Ongoing

## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training. Update LAFCO letterhead, directory, and website Set up vendor accounts, provide parking permits Conduct new Commissioner orientation Recognize outgoing commissioners for service on LAFCO	Staff	H	Five new commissioners; one position remains vacant at this time  Onboarding, orientations completed for 4; one in progress  LAFCO past, present, future: guest presentation at 2/1 LAFCO meeting
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria Convene ISDSC committee meeting, as necessary Coordinate public member selection process, as necessary	Staff	H	Initiated process for selection of new public member and alternate public member
	Conduct a Strategic Planning Workshop	2018 Workshop re. LAFCO Communications and Outreach Plan	Staff / Consultant	L	On hold
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L	2 commissioners attended CALAFCO Annual Conference

## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
<b>ADMINISTRATIVE PROJECTS</b>	Prepare LAFCO annual work plan	March –June	Staff	H	In progress
	Prepare LAFCO annual budget	March –June	Staff	H	In progress
	Prepare LAFCO Annual Report	August 2022	Staff	H	Completed
	Prepare LAFCO Annual Financial Audit	October 2022 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H	Completed
	Office / facility management	Coordinate with Building Manager on facilities issues  Coordinate with County re. computers/network, phone, printers, office security, procurement , installation & maintenance  Order and manage office supplies  Make travel arrangements and process expense reimbursements.  Process mileage reimbursements  Office space lease extended (lease extended through April 30, 2027)	Staff	H	Ongoing  Transitioning to in-person / hybrid meetings  Coordinating with County for webcasting LAFCO meetings
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische)  Maintain LAFCO’s hard copy records  Maintain and enhance the LAFCO Website  Maintain LAFCO database	Staff/ Consultant  Staff	H  H H H	On hold  Completed LaserFische and LAFCO database server migrations  Website content updates completed

## STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
<b>ADMINISTRATIVE PROJECTS</b>	Contracts and payments & receivables	Track consultant contracts and approve invoices  Approve vendor invoices / process annual payments for various services/ memberships  Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H	Ongoing
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H	Ongoing
	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M	Staff registered for CALAFCO Workshop
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H	Ongoing
	Staff performance evaluation	April - October 2022	Staff/ Commission	H	Completed in February 2023
	Comprehensive Organizational Assessment Study - implementation	As needed	Staff/ Commission	H	LAFCO/County MOU to be revised
	Recruitment and training of LAFCO staff	One LAFCO Analyst position currently vacant - recruitment pending County Classification study results	Staff	H	Begin LAFCO Clerk recruitment
	Other administrative functions mandated of a public agency (Form 700 annual filing & AB 1234 training compliance, Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H	Ongoing

**FY 2008 - FY 2022 LAFCO FINANCIALS**  
**February 2023**

**ITEM # 7**  
**Attachment B**

ITEM NO.	TITLE	ACTUALS FY 2008	ACTUALS FY 2009	ACTUALS FY 2010	ACTUALS FY 2011	ACTUALS FY 2012	ACTUALS FY 2013	ACTUALS FY 2014	ACTUALS FY 2015	ACTUALS FY 2016	ACTUALS FY 2017	ACTUALS FY 2018	ACTUALS FY 2019	ACTUALS FY 2020	ACTUALS FY 2021	ACTUALS FY 2022
<b>EXPENDITURES</b>																
	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$466,755	\$484,216	\$514,381	\$628,534	\$713,900	\$744,439	\$730,716	\$639,099
Object 2:	Services and Supplies															
5255100	Intra-County Professional	\$66,085	\$57,347	\$13,572	\$4,532	\$6,118	\$5,260	\$5,663	\$4,379	\$18,523	\$1,292	\$703	\$3,593	\$346	\$201	\$354
5255800	Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$52,854	\$57,498	\$71,131	\$59,400	\$72,276	\$69,975	\$65,791	\$78,977
5255500	Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$37,250	\$39,625	\$0	\$45,000	\$52,650	\$106,709	\$41,966	\$25,389
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$367	\$50	\$901	\$257	\$166	\$0	\$56
5220100	Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$4,338	\$4,135	\$4,679	\$4,893	\$5,296	\$5,893	\$10,452	\$8,591
1151	Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$783	\$6,266	\$48,632	\$15,412	\$4,702	\$2,544	\$1,151	\$1,462
5270100	Rent and Lease										\$41,120	\$39,360	\$44,478	\$46,254	\$47,903	
5255650	Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$9,024	\$1,519	\$6,869	\$877	\$11,894	\$15,500	\$21,223	\$18,125
5225500	Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$4,900	\$6,700	\$5,300	\$5,400	\$5,000	\$4,600	\$6,100	\$4,200
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$487	\$191	\$145	\$192	\$44	\$90	\$704
5245100	Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,577	\$8,107	\$8,674	\$9,615	\$11,822	\$12,144	\$12,316
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$703	\$0	\$0	\$0	\$799	\$0	\$0
5285800	Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$4,042	\$5,811	\$3,877	\$13,091	\$4,260	\$6,908	\$0	\$0
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$1,009	\$1,264	\$590	\$689	\$696	\$61	\$0
5285200	Transportation&Travel (County Car Usage	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$559	\$605	\$0	\$328	\$256	\$0	\$0
5281600	Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$34,756	\$49,452	\$0	\$28,437	\$69,944	\$4,505	\$30,917	\$49,173
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$106	\$0	\$0	\$773	\$0	\$0	\$0
5250800	Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$1,833	\$2,079	\$754	\$4,505	\$3,012	\$1,200	\$4,708	\$1,753
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$411	\$209	\$183	\$117	\$73	\$184	\$159
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$0	\$0	\$0	\$350	\$525	\$70	\$70
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>		<b>\$516,530</b>	<b>\$633,691</b>	<b>\$636,478</b>	<b>\$604,238</b>	<b>\$640,540</b>	<b>\$613,895</b>	<b>\$612,816</b>	<b>\$633,929</b>	<b>\$687,043</b>	<b>\$667,342</b>	<b>\$857,865</b>	<b>\$998,208</b>	<b>\$1,021,478</b>	<b>\$972,028</b>	<b>\$888,331</b>
<b>REVENUES</b>																
4103400	Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$27,386	\$146,168	\$20,436	\$29,864	\$33,049	\$7,587	\$34,622	\$41,847
4301100	Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$2,844	\$6,073	\$10,830	\$12,620	\$12,141	\$18,176	\$10,488	\$7,831
<b>TOTAL REVENUES</b>		<b>\$71,015</b>	<b>\$57,911</b>	<b>\$42,264</b>	<b>\$53,418</b>	<b>\$41,674</b>	<b>\$48,873</b>	<b>\$66,235</b>	<b>\$30,230</b>	<b>\$152,241</b>	<b>\$31,266</b>	<b>\$42,484</b>	<b>\$45,190</b>	<b>\$25,763</b>	<b>\$45,110</b>	<b>\$49,678</b>
<b>AVAILABLE FUND BALANCE</b>																
3400150	<b>END OF YEAR</b>	<b>\$271,033</b>	<b>\$368,800</b>	<b>\$334,567</b>	<b>\$275,605</b>	<b>\$209,987</b>	<b>\$208,219</b>	<b>\$160,052</b>	<b>\$226,111</b>	<b>\$187,310</b>	<b>\$293,489</b>	<b>\$331,177</b>	<b>\$314,693</b>	<b>\$352,123</b>	<b>\$312,351</b>	<b>\$410,027</b>
3400800	<b>RESERVES AVAILABLE</b>				<b>\$100,000</b>	<b>\$100,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$200,000</b>
<b>BUDGETED COSTS TO AGENCIES</b>																
5440200	County	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$281,780	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443
4600100	Cities (San Jose 50% +other cities 50%)	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$282,625	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443
4600100	Special Distrcits							\$296,892	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443

**PROPOSED WORK PLAN FOR FISCAL YEAR 2024**

**PRIORITY\*** H - High Priority (essential activities: state mandate, Commission directive, requirements)  
M - Medium Priority (important, provided resources allow or time permits)  
L - Low Priority (desirable provided resources allow or time permits, not urgent)

	<b>PROJECT DESCRIPTION</b>	<b>ACTIVITIES / TIMELINE</b>	<b>RESOURCES</b>	<b>PRIORITY*</b>
<b>LAFCO APPLICATIONS</b>	Process applicant-initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal  Conduct pre-agenda meetings with County Depts to obtain Assessor & Surveyor reports, as needed  Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H
	Prepare flowcharts for LAFCO processes and update application packets and application fee schedules for current requirements and ease of public use	Upon completion of policies update	Staff	L
<b>ISLAND ANNEXATIONS</b>	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H



## PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>OUTREACH, GOVERNMENT / COMMUNITY RELATIONS &amp; CUSTOMER SERVICE</b>	Conduct outreach to increase awareness of LAFCO's role	Presentations to cities, other agencies on LAFCO, as relevant	Staff	L
		Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County		M
		Seek exhibit opportunities at public spaces / events		L
		Maintain website as the primary information resource on LAFCO		H
		Increase social media presence (Twitter)		L
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly)	Staff	M
		Small water systems issues / legislation		M
		Collaborate with agencies and entities with goals common to LAFCO		M
	Track LAFCO related legislation	EO attends CALAFCO Legislative Committee meetings	Staff	L
		Commission takes positions and submits letters on proposed legislation		M
	Respond to public enquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries	Staff	H
		Update the PRA form for the website		L
Document research on complex inquiries		L		
Report to Commission on complex inquiries		H		

## PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>SERVICE REVIEWS, SPECIAL STUDIES &amp; SPHERE OF INFLUENCE UPDATES</b>	Countywide Fire Service Review	Manage new consultant's work and contract Coordinate TAC meetings Review and comment on administrative draft report Distribute Public hearing notices and coordinate community workshops and LAFCO public hearings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process along with public comment and response process Prepare staff reports with implementation recommendations Follow up with agencies on implementation and report back to the commission	Staff / Consultant	H
	Countywide Water and Wastewater Service Review	Develop water/wastewater service review workplan and identify method for consultant selection	Staff	M
	Continue to monitor implementation of recommendations from previous service reviews and conduct special studies, as necessary	RRRPD study – city took action to delay decision on consolidation	Staff	L
	Map Mutual Water companies	Initial maps complete, further through service review	Staff	L
	Engage in or support grant / partnership opportunities on issues related to enhancing viability of agriculture, and climate smart growth	As needed, and as opportunities arise	Staff	L
	Compile and post JPA filings on the LAFCO website	Notice provided, gather JPA information through service review process	Staff	L

## PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>COMMISSION SUPPORT</b>	Provide ongoing support to the 12 commissioners for regularly-scheduled Commission meetings, special meetings and Committee meetings (Finance Committee, and the Fire Service Review TAC)	Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings  Hold pre-agenda review meeting with Chair  Hold pre-meeting calls with individual commissioners to address agenda item questions and prepare meeting script for Chair  Process commissioner per diems for attendance at LAFCO meetings	Staff	H
	Keep the Commission informed	EO report  Off-agenda emails, as needed  Provide ongoing educational opportunities/events	Staff	H
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training  Update LAFCO letterhead, directory, and website  Set up vendor accounts, provide parking permits  Conduct new Commissioner orientation  Recognize outgoing commissioners for LAFCO service	Staff	H
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria  Convene ISDSC committee meeting, as necessary  Coordinate public member selection process, as necessary	Staff	H
	Conduct a Strategic Planning Workshop	Most recent workshop in 2018 re. LAFCO Communications and Outreach Plan	Staff / Consultant	L
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L

## PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>ADMINISTRATIVE PROJECTS</b>	Prepare LAFCO annual work plan	March -June	Staff	H
	Prepare LAFCO annual budget	March -June	Staff	H
	Prepare LAFCO Annual Report	August 2023	Staff	H
	Prepare LAFCO Annual Financial Audit	October 2023 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H
	Office / facility management	Coordinate with Building Manager on facilities issues Coordinate with County re. computers/network, phone, printers, office security, procurement, installation & maintenance Order and manage office supplies Make travel arrangements and process expense reimbursements. Process mileage reimbursements Office space lease extended (lease extended through April 30, 2027)	Staff	H
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische) Maintain LAFCO's hard copy records Maintain and enhance the LAFCO Website Maintain LAFCO database	Staff/ Consultant  Staff	H  H H H
	Contracts and payments & receivables	Track consultant contracts and approve invoices Approve vendor invoices / process annual payments for various services/ memberships Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H

## PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>ADMINISTRATIVE PROJECTS</b>				
	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H
	Staff performance evaluation	April - October 2023	Staff/Commission	H
	Recruitment, hiring, and training of LAFCO staff	Training of new LAFCO Clerk - recruitment and hiring expected by end of FY 2023	Staff	H
	Student internship program	Contact the County to explore creation of a paid student internship program	Staff	L
	Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H

**PROPOSED LAFCO BUDGET  
FISCAL YEAR 2023- 2024**

<b>ITEM #</b>	<b>TITLE</b>	<b>APPROVED BUDGET FY 2023</b>	<b>ACTUALS Year to Date 2/21/2023</b>	<b>PROJECTIONS Year End FY 2023</b>	<b>PROPOSED BUDGET FY 2024</b>
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$810,419	\$403,351	\$719,768	\$882,121
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800	Legal Counsel	\$78,326	\$42,043	\$75,500	\$82,780
5255500	Consultant Services	\$150,000	\$22,552	\$100,000	\$150,000
5285700	Meal Claims	\$750	\$56	\$300	\$750
5220100	Insurance	\$9,237	\$7,042	\$9,237	\$8,335
5250100	Office Expenses	\$5,000	\$344	\$2,000	\$5,000
5270100	Rent & Lease	\$53,182	\$35,272	\$53,182	\$54,766
5255650	Data Processing Services	\$28,038	\$16,375	\$28,038	\$27,520
5225500	Commissioners' Fee	\$10,000	\$1,900	\$7,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$308	\$1,000	\$1,000
5245100	Membership Dues	\$12,887	\$12,921	\$12,921	\$13,870
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$10,000	\$3,125	\$6,000	\$15,900
5285300	Private Automobile Mileage	\$1,000	\$7	\$200	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$200	\$600
5281600	Overhead	\$30,041	\$15,021	\$30,041	\$20,358
5275200	Computer Hardware	\$3,000	\$0	\$1,000	\$4,000
5250800	Computer Software	\$5,000	\$853	\$2,000	\$4,000
5250250	Postage	\$1,000	\$10	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>		<b>\$1,222,980</b>	<b>\$561,180</b>	<b>\$1,060,187</b>	<b>\$1,296,000</b>
<b>REVENUES</b>					
4103400	Application Fees	\$30,000	\$19,603	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$6,000	\$4,657	\$6,000	\$6,000
<b>TOTAL REVENUE</b>		<b>\$36,000</b>	<b>\$24,260</b>	<b>\$31,000</b>	<b>\$36,000</b>
3400150	<b>FUND BALANCE FROM PREVIOUS FY</b>	<b>\$201,006</b>	<b>\$410,027</b>	<b>\$410,027</b>	<b>\$366,814</b>
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$985,974</b>	<b>\$126,893</b>	<b>\$619,160</b>	<b>\$893,186</b>
3400800	<b>RESERVES Available</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>
<b>COSTS TO AGENCIES</b>					
5440200	County	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Cities (San Jose 50% + Other Cities 50%)	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Special Districts	\$328,658	\$328,658	\$328,658	\$297,729

**LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS**  
**Estimated Costs to Agencies Based on the Preliminary FY 2024 LAFCO Budget**

<b>Preliminary Net Operating Expenses for FY 2024</b>				<b>\$893,186</b>
<b>JURISDICTION</b>	<b>REVENUE PER 2020/2021 REPORT</b>	<b>PERCENTAGE OF TOTAL REVENUE</b>	<b>ALLOCATION PERCENTAGES</b>	<b>ALLOCATED COSTS</b>
<b>County</b>	N/A	N/A	33.3333333%	<b>\$297,728.67</b>
<b>Cities Total Share</b>			<b>33.3333333%</b>	<b>\$297,728.67</b>
San Jose	N/A	N/A	50.0000000%	\$148,864.34
Other cities share			50.0000000%	\$148,864.33
Campbell	\$67,824,629	1.9995536%		\$2,976.62
Cupertino	\$125,426,339	3.6977230%		\$5,504.59
Gilroy	\$131,638,480	3.8808646%		\$5,777.22
Los Altos	\$61,718,303	1.8195316%		\$2,708.63
Los Altos Hills	\$19,614,107	0.5782480%		\$860.81
Los Gatos	\$51,370,842	1.5144757%		\$2,254.51
Milpitas	\$186,509,610	5.4985331%		\$8,185.35
Monte Sereno	\$4,845,074	0.1428388%		\$212.64
Morgan Hill	\$113,620,439	3.3496705%		\$4,986.46
Mountain View	\$373,855,966	11.0217345%		\$16,407.43
Palo Alto	\$664,162,959	19.5803423%		\$29,148.15
Santa Clara	\$1,000,850,828	29.5063155%		\$43,924.39
Saratoga	\$35,690,808	1.0522090%		\$1,566.36
Sunnyvale	\$554,860,115	16.3579598%		\$24,351.17
<b>Total Cities (excluding San Jose)</b>	<b>\$3,391,988,499</b>	<b>100.0000000%</b>		<b>\$148,864.33</b>
<b>Total Cities (including San Jose)</b>				<b>\$297,728.67</b>
<b>Special Districts Total Share</b>		<b>(Fixed %)</b>	<b>33.3333333%</b>	<b>\$297,728.66</b>
Aldercroft Heights County Water District		0.06233%		\$185.57
Burbank Sanitary District		0.15593%		\$464.25
Cupertino Sanitary District		2.64110%		\$7,863.31
El Camino Healthcare District		4.90738%		\$14,610.68
Guadalupe Coyote Resource Conservation District		0.04860%		\$144.70
Lake Canyon Community Services District		0.02206%		\$65.68
Lion's Gate Community Services District		0.22053%		\$656.58
Loma Prieta Resource Conservation District		0.02020%		\$60.14
Midpeninsula Regional Open Space District		5.76378%		\$17,160.42
Purissima Hills Water District		1.35427%		\$4,032.05
Rancho Rinconada Recreation and Park District		0.15988%		\$476.01
San Martin County Water District		0.04431%		\$131.92
Santa Clara Valley Open Space Authority		1.27051%		\$3,782.67
Santa Clara Valley Water District		81.44126%		\$242,473.98
Saratoga Cemetery District		0.32078%		\$955.05
Saratoga Fire Protection District		1.52956%		\$4,553.94
South Santa Clara Valley Memorial District		0.03752%		\$111.71
<b>Total Special Districts</b>		<b>100.00000%</b>		<b>\$297,728.66</b>
<b>Total Allocated Costs</b>				<b>\$893,186.00</b>



# Memo

Item 9C

**To: Board of Directors**  
**From: Benjamin Porter, District Manager-Engineer**  
**Date: July 19, 2023**  
**Re: CONTRACT RATE SCHEDULE INCREASE**

***Summary:***

To maintain the level of service the District is accustomed to, the District contracts with contractors who do the best work. In addition, because this is public work, prevailing wages must be paid, and extensive paperwork and documentation must be maintained. Inflation has been higher than recent history, which has impacted the cost of maintenance. The vendors have requested to adjust their rate schedules to keep pace with manufacturing, shipping, and operating costs and continue to focus on the quality of their service by working with the best suppliers and materials to get the job done right. The table below provides the increased cost for each vendor.

Name of Contractor	Service Description	FY2022-2023	FY2023-2024
		Hourly Price	Hourly Price
ABLE Septic	Main Line maintenance	\$310.00	\$310.00
	Lateral maintenance	\$185.00	\$185.00
AB/JDD	Main Line maintenance	\$310.00	\$318.00
	Lateral maintenance	\$175.00	\$185.00
Roto Rooter	Main Line maintenance		
	Lateral maintenance	\$145.60	\$173.07

***Recommendation:***

Staff has reviewed and compared these rate schedules and is confident that these prices are competitive within the sector for the quality of the service these contractors provide.

***Attachment:***

Price list from ABLE, AB/JDD and Roto Rooter.





Lic.# 677475

1020 Ruff Drive  
San Jose, California 95110  
Office (408) 377-9990  
Fax (408) 492-1008  
24 Hour Emergency Service  
(408) 398-4990

Page 1 of 2

June 28, 2023, Through January 28, 2024

ATTENTION: FRANK QUACH / BEN PORTER / RICK ALMONDIA  
COMPANY: CSD-COSD 2-3 & BURBANK  
CONTACT: 408-253-7071

Email: [FQUACH@MARKTHOMAS.COM](mailto:FQUACH@MARKTHOMAS.COM)

STANDARD PW PRICE LIST / OVERTIME AND DOUBLE TIME PW BREAK DOWNS:

HYDRO FLUSHER: \$ 310.00 HOURLY MAINTENANCE  
HYDRO FLUSHER EMERGENCY (5PM-9PM): \$ 410.00 HOURLY (4 HOUR MINI O.T.)  
HYDRO EMERGENCY (9PM-8AM): \$ 510.00 HOURLY (4 HR MINI SAT.)  
HYDRO FLUSHER SUNDAYS & HOLIDAYS: \$ 510.00 HOURLY (4 HR MINI SUN.)  
HYDRO FLUSHER UNIT COMES WITH 2 MEN PER TRUCK FOR EXTRA SAFETY AND PRODUCTIVITY. WE HAVENT RAISED OUR RATES IN 8 YEARS AND ARE BRINGING THEM UP TO THE INDUSTRY STANDARDS.

COMBO (FLUSHES & VACUUMS) (8AM-5PM): \$ 480.00 HOURLY (EXCLUDES DISP.)  
COMBO EMERGENCIES (5PM-9PM): \$ 580.00 HOURLY (4 HR MINI SAT.)  
COMBO EMERGENCIES (9PM-8AM) SUNDAY'S \$ 680.00 HOURLY (4 HR MINI SUN.)  
COMBO UNIT HAS BEEN USED PRIMARILY FOR THE CLEANING OF YOUR PUMP STATIONS. DISPOSAL COST EXCLUDED.

RODING UNIT NON MAINTENACE: \$ 185.00 HOURLY (8AM-5PM)  
RODING EMERGENCIES (5PM-9PM): \$ 225.00 HOURLY (5PM-8AM) P TO P  
RODING EMERGENCIES SUNDAYS: \$ 250.00 HOURLY (P TO P)

VACUUM TRUCK (8AM-5PM) 4K GALLONS \$ 583.00 HOURLY  
VACUUM TRUCK EMERGENCIES (5PM-9PM): \$ 683.00 HOURLY (4 HR MINI SAT.)  
VACUUM TRUCK EMERGENCIES SUNDAY'S \$ 783.00 HOURLY (4 HR MINI SUN.)  
VACUUM TRUCK RATE COMES WITH OPERATOR AND LABOR FOR EXTRA SAFETY AND PRODUCTIVITY. IF A DISPOSAL SITE IS NOT PROVIDED TO ABLE, DISPOSAL CHARGES WILL APPLY.

TRAFFIC CONTROL TECH (8AM-5PM): \$ 130.00 HOURLY PER MAN  
TRAFFIC CONTROL TECH (5PM-9PM): \$ 185.00 HOURLY PER MAN  
TRAFFIC CONTROL TECH (9PM-8AM) SUNDAYS \$ 250.00 HOURLY PER MAN  
DAILY TRUCKS: \$ 150.00 DAILY  
LIGHT BOARDS: \$ 100.00 DAILY

CONTINUE TO PAGE 2

**Underground Construction:** Septic ^ Sewer ^ Storm ^ Water ^ Excavated & Installed **Septic Systems:** Designed ^ Installed ^ Repaired Pumped ^ Inspected **Plumbing Sewer & Drain:** Line Cleaning ^ Rodding ^ Repaired ^ Replaced ^ Residential & Commercial **Vacuum:** Septic ^ Sewer Storm ^ Grease Traps/Interceptors **Hydro Flushing:** Sewer ^ Storm ^ Maintenance ^ Public Works ^ Overflow & Spill Response Main Line Stoppages **Pipeline Video Inspection:** Pipeline Inspection ^ Line Locating ^ Detailed Reports **Complete 24 Hr. Emergency Service**

# **ABLE**

**SEPTIC TANK SERVICE**

Lic.# 677475

1020 Ruff Drive  
San Jose, California 95110  
Office (408) 377-9990  
Fax (408) 492-1008  
24 Hour Emergency Service  
(408) 398-4990

**PAGE 2 OF 2**

**CONFINED SPACE UNIT AND EQUIPMENT: \$475.00 DAILY (EXCLUDES LABOR)**  
**CONFINED SPACE CONSIST OF A 3 MAN TEAM:**

**S.C.B.A. UNIT: \$1,000.00 DAILY (EXCLUDES LABOR)**  
**SAFETY SPECIALIST (8AM-5PM M-F) \$200.00 HOURLY (4 HOUR MINI)**  
**SAFETY SPECIALIST (SAT-SUN-HOLIDAYS) \$250.00 HOURLY (4 HOUR MINI OT)**  
**ALL S.C.B.A. ENTRIES MUST HAVE OUR SAFETY SPECIALIST ON-SITE THROUGH OUT THE PROJECT.**

**LABOR RATES:**

**SUPERINTENDENT RATES: \$153.00 PER HOUR PER MAN**  
**FOREMAN RATES: \$130.00 PER HOUR PER MAN**  
**LABOR RATES: \$110.00 PER HOUR PER MAN**

**RESPONSE TIME:**

**PRICES ABOVE ARE BASED UPON A 2 TO 3 HOUR RESPONSE TIME OR EARLIER TO THE EMERGENCY SITE FOR THE ABOVE 3 DISTRICTS.**

**WE DO HAVE A 4 HOUR MINIMUM ON ALL CALL OUTS AND CHARGE PORTAL TO PORTAL FOR TRAVEL.**

**SATURDAYS AND SUNDAYS HAVE 4 HOURS FOR CALL OUTS. DISPOSAL CHARGES APPLY IF OFF HAULED.**

**WE HAVE EXCLUDED THE 4 HOUR MINIMUMS ON THE ABOVE RODING COST BUT DO ADD THE PORTAL-TO-PORTAL CHARGES.**

**NOTES:**

**STANDARD OPERATING HOURS ARE FROM 8AM TO 5PM:  
MONDAY THRU FRIDAY.**

**PLEASE CALL THE ON-CALL SUPERVISER FOR DISPATCHING (GLEN 408-398-4990)**

**SECONDARY EMREGENCY NUMBER (BOB HARDESTY 408-218-0655).**

**Underground Construction:** Septic ^ Sewer ^ Storm ^ Water ^ Excavated & Installed **Septic Systems:** Designed ^ Installed ^ Repaired  
Pumped ^ Inspected **Plumbing Sewer & Drain:** Line Cleaning ^ Rodding ^ Repaired ^ Replaced ^ Residential & Commercial  
**Vacuum:** Septic ^ Sewer Storm ^ Grease Traps/Interceptors **Hydro Flushing:** Sewer ^ Storm ^ Maintenance ^ Public Works ^ Overflow & Spill Response  
Main Line Stoppages **Pipeline Video Inspection:** Pipeline Inspection ^ Line Locating ^ Detailed Reports **Complete 24 Hr. Emergency Service**  
**www.ablesewer.com • www.abledeckandfence.com • www.valleyconcrete.com**



AB/JDD Plumbing Heating & Air Conditioning, Inc.  
390 South White Rd. San Jose CA, 95127  
(408) 251-1820

[dsouza@abjddplumbing.com](mailto:dsouza@abjddplumbing.com)

[www.abjddplumbing.com](http://www.abjddplumbing.com)

### **CUPERTINO & BURBANK SANITARY DISTRICT & CSD 2-3**

Hydro Jetting Labor (Weekdays - 7:30am to 4:00pm) = \$318.00/hr (4hr Minimum)

OT Hydro Jetting Labor (After 4:00pm + Saturday) = \$477.00/hr (4hr Minimum)

DT Hydro Jetting Labor (Sunday) = \$636.00/hr

Lateral Maintenance Labor (Weekdays - 7:30am to 4:00pm) = \$185.00/hr

OT Lateral Maintenance Labor (After 4:00pm + Saturday) = \$277.50/hr

DT Lateral Maintenance Labor (Sunday) = \$370.00/hr



**2023 labor rates**

Perform routine plumbing repairs, drain/sewer cleaning, hydro-jetting, pumping and storm drain cleaning.

*We are happy to submit the following rates for your review:*

Please find below the prices for labor and equipment for 2023.

<b>Labor</b>	<b>CSD's Rate</b>
CSD Maintenance Rate	1265.00 for up to 14 Lines ran daily
Line cleaning technician	\$399.99 (Hourly Rate)
Plumber	\$399.99 (Hourly rate)
Parts	Cost of parts 1.5 Mark up

<b>Equipment</b>	<b>1<sup>st</sup> hour charge</b>	<b>Additional hours</b>
Grease trap pumping	\$1,200 1 1/2/hr. Plus \$0.33 per gallon disposal fee	\$600.00/hr. Plus \$0.33 per gallon disposal fee
Hydro-jetting	\$1,200/ 1 <sup>st</sup> hr.	\$600.00 per hr.

Should you have any questions, please do not hesitate to call us at 510-871-1673

We appreciate your business and are grateful for the opportunity to serve you.

\* There are no additional charges for nights, weekends or emergencies.

# Item 10.A.

**Future Development Projects:**

Prep. Date: 7/14/2023

Items	Descriptions:	Phase	IA	Re-Development Fees	Estimated Construction	Remarks
1	Atria Cupertino (Westport) - Senior Living	Building	Sent	1.9 Mil.	2023	
2	Canyon Crossing Redevelopment	Building	Sent	312 K	on-hold	
3	Hamptons Apartments	On-hold/Building	Drafted	*	on-hold	
4	Leon Townhomes - 7 Townhomes	Planning - Approved	IA to be updated in Building Phase	97 K	Q4 2023, 2024	2nd submittal review completed May 19, 2023.
5	Vallco - Redevelopment (RISE) - 709 residential units and 37,000 SF of commercial space	Planning - <b>Phase 1</b>	Drafted, to be updated	1.67 Mil.	*	
6	Marina Plaza (DeAnza Ventures)	Planning S3	Drafted	*	*	
7	20860 McClellan Road Lot Split - Seven new homes	Building	Drafted, to be reviewed	92K	*	
8	1655 S. DeAnza Redevelopment (2 Parcels into 34 residential units)	Planning	*	*	*	
9	10619 S De Anza Blvd - Mixed Use (2090 SF Commercial & 11 Residential Units)	Planning	*	*	*	
10	20015 SCB - 134 Housing on 2 Existing Commercial Parcels	Planning	*	*	*	Added 5/15/2023
11	20638 Cleo Avenue - Four Lot subdivision (SF)	Planning	*	*	*	Demo Permit only

\* Not enough information from developer to determine.

**Cupertino Sanitary District - Monthly Maintenance Summary - June 2023**

**Item 10.C.**

**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	2	Root Intrusion	0	Root Intrusion	0
Onsite	4	Onsite	2	Onsite	1
Grease	0	Grease	0	Offset	0
Offset	0	Offset	0	Debris	0
Others	1	Others	0	Others	1
Pump station	0	Pump Station	0	Pump Station	1
<b>Total:</b>	<b>7</b>	<b>Total:</b>	<b>2</b>	<b>Total:</b>	<b>3</b>

**Repairs**

<u>Address</u>	<u>Main/Lat</u>	<u>Description of Work</u>
None		

**Mainline Maintenance**

	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2022-23 YTD	FY2022-23 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	64,616	78,065	9,381	0	1,653	516	0	0	0	154,231	1,575,954	1,673,032	94%
Easement Cleaning (ft)	0	5,580	4,522	268	0	917	0	0	0	0	11,287	207,633	217,684	95%
CCTV (ft)	0	3,589	20,725	1,592	0	157	386	0	795	0	27,244	202,267	207,880	97%

**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	607	5,865	6,436	91%
CCTV	20	163		
Inspection	34	295		

**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	39	293		
Completed	28	241	265	91%
Follow up Needed	6			

**CUPERTINO SANITARY DISTRICT  
MEETING/EVENT SCHEDULE**

**Item 11.A.**

**JULY 2023**

07/05: 1<sup>st</sup> Regular Meeting  
 07/10: TAC-Canceled  
 07/13: TPAC- Canceled  
 07/19: 2<sup>nd</sup> Regular Meeting

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

**AUGUST 2023**

08/02: 1<sup>st</sup> Regular Meeting  
 08/07: TAC-Canceled  
 08/10: TPAC-Canceled  
 08/09-11: CASA Conference  
 08/16: 2<sup>nd</sup> Regular Meeting

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

**SEPTEMBER 2023**

09/04: TAC  
 09/06: 1<sup>st</sup> Regular Meeting  
 09/07: TPAC  
 09/11: SCCSDA  
 09/20: 2<sup>nd</sup> Regular Meeting

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