

**CUPERTINO SANITARY DISTRICT  
SANITARY BOARD MEETING  
WEDNESDAY, MAY 09, 2018**

**A\_G\_E\_N\_D\_A**

Meeting to be held at **7:00 p.m.** in the **Stevens Creek Office Center,  
Suite 100, 20863 Stevens Creek Boulevard**, Cupertino, California.

**1. ROLL CALL**

**2. MINUTES & BILLS:**

- A. APPROVAL OF THE MINUTES OF APRIL 18, 2018
- B. APPROVED MINUTES OF APRIL 4, 2018
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENT
- D. DIRECTORS MONTHLY TIMESHEET

**3. PERSONAL PRESENTATIONS:**

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.

**4. CORRESPONDENCE:**

- A. SPECIAL DISTRICT LEADERSHIP FOUNDATION TRANSPARENCY CERTIFICATE RENEWAL
- B. CALIFORNIA WATER BOARDS – STAKEHOLDER WORKSHOP
- C. COUNTY OF SANTA CLARA REGISTRAR OF VOTERS – PREPARATION FOR THE NOVEMBER 6, 2018 ELECTION

**5. MEETINGS:**

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD MAY 17, 2018

**6. REPORTS:**

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD MAY 14, 2018

**7. UNFINISHED BUSINESS:**

- A. VALLCO DEVELOPMENT

**8. NEW BUSINESS:**

- A. CASA AWARD APPLICATION
- B. CALENDAR CONFLICT – JULY 4, 2018

**9. STAFF REPORT:**

- A. PURCHASE OF NEW PUMP FOR PROSPECT PUMP STATION
- B. MONTHLY MAINTENANCE REPORT

**10. CLOSED SESSION:**

- A. CONFERENCE WITH LEGAL CONSEL – 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.

**11. ADJOURNMENT:**

**CUPERTINO SANITARY DISTRICT  
MEETING/EVENT SCHEDULE**

**MAY 2018**

05/02: 1<sup>st</sup> Regular Meeting - Canceled  
 05/08: TAC Meeting  
 05/09: 1<sup>st</sup> Regular Meeting w/ Financials  
 05/10: TPAC Meeting &  
 LAFCO Independent Special District Selection  
 Committee Meeting (*Kwok to attend*)  
 05/16: 2<sup>nd</sup> Regular Meeting - Canceled  
 05/28: Memorial Day Holiday

MAY 2018						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 1 <sup>st</sup> Regular Meeting	3	4	5
6	7	8 TAC	9 1 <sup>st</sup> Regular Meeting	10 TPAC & LAFCO	11	12
13	14	15	16 2 <sup>nd</sup> Regular Meeting	17	18	19
20	21	22	23	24	25	26
27	28 HOLIDAY	29	30	31		

**JUNE 2018**

06/04: SCCSDA Meeting  
 06/06: 1<sup>st</sup> Regular Meeting-(*Bosworth excused*)  
 06/12: TAC Meeting  
 06/14: TPAC Meeting-(*Kwok to attend*)  
 06/20: 2<sup>nd</sup> Regular Meeting & Public Hearing

JUNE 2018						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 SCCSDA	5	6 1 <sup>st</sup> Regular Meeting	7	8	9
10	11	12 TAC	13	14 TPAC	15	16
17	18	19	20 2 <sup>nd</sup> Regular Meeting	21	22	23
24	25	26	27	28	29	30

**JULY 2018**

07/04: 1<sup>st</sup> Regular Meeting & Holiday (**Conflict**)  
 07/10: TAC Meeting  
 07/12: TPAC Meeting  
 07/18: 2<sup>nd</sup> Regular Meeting

JULY 2018						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 1 <sup>st</sup> Regular Meeting	5	6	7
8	9	10 TAC	11	12 TPAC	13	14
15	16	17	18 2 <sup>nd</sup> Regular Meeting	19	20	21
22	23	24	25	26	27	28
29	30	31				

## SANITARY BOARD MEETING WEDNESDAY, APRIL 18, 2018

The Sanitary Board of the Cupertino Sanitary District convened this date at 6:57 p.m. in the Stevens Creek Office Center, 20863 Stevens Creek Boulevard, Suite 100, Cupertino, California.

### ROLL CALL:

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

Directors present: Patrick S. Kwok, William A. Bosworth, Taghi S. Saadati and John M. Gatto. Director Angela S. Chen was on excused absence.

Staff present: District Manager Richard K. Tanaka, Deputy District Manager Benjamin Porter, and Counsel Marc Hynes.

### MINUTES & BILLS:

A. The Board reviewed the Revised Minutes of April 4, 2018.

On a motion by Director Gatto, seconded by Director Kwok, by a vote of 4-0-0, the Revised Minutes of Wednesday, April 4, 2018 were approved.

B. By consensus, the Approved Minutes of March 21, 2018 were Noted & to be Filed.

C. The Board reviewed the financials. Director Saadati pointed out there does not appear to be a clear delineation between critical versus non-critical planned capital improvement cost breakdown in the City of San Jose bills. Director Gatto discussed method of payment to City of San Jose for the capital projects based on advance cash basis per approved budget (current methodology utilized by City of San Jose) vs. payment based on actual and/or encumbered basis and the need to be more proactive about requiring the City to demonstrate that they will spend the money in a timely manner that they receive from the District.

On a motion by Director Gatto, seconded by Director Saadati, by a vote of 4-0-0, the payment of Bills for the month of March were approved as written.

D. The Directors submitted their April 2018 timesheets to Staff.

### PERSONAL PRESENTATIONS:

There were none.

### CORRESPONDENCE:

A. Board reviewed notice from LAFCO re: Independent Special District Selection Committee Meeting to be held May 10, 2018.

President Bosworth will be out of town and cannot attend. Director Kwok will attend as alternate.

MEETINGS:

There are none.

REPORTS:

- A. District Manager Tanaka reported on the Regular Meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held April 9, 2018.
- B. Director Gatto reported on the Regular Meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held April 12, 2018.

UNFINISHED BUSINESS:

- A. District Manager Tanaka reported on the status of City of Cupertino Re: Vallco Development.

Staff met with the City of Cupertino staff to discuss the Vallco Development. Staff was directed to ensure that the cost to build the required facilities to accommodate Vallco is provided by the developer with a reimbursement agreement, allowing the developer to recoup the upfront costs from future users.

NEW BUSINESS:

- A. The Board reviewed staff's request to purchase a Rigid Lateral CCTV Unit.

On a motion by Director Gatto, seconded by President Bosworth, by a vote of 4-0-0, Board approved the request to purchase a Rigid Lateral CCTV Unit.

STAFF REPORTS:

- A. Deputy District Manager Porter reported on the monthly maintenance report.

CLOSED SESSION:

President Bosworth adjourned the regular meeting session and opened the closed session at 7:45 p.m. 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.

President Bosworth adjourned the closed session and the regular meeting was called to order at 7:53 p.m.

No reportable action taken at the closed session.

ADJOURNMENT:

On a motion properly made and seconded, at 7:53 p.m. the meeting was adjourned.

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Secretary of the Sanitary Board

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President of the Sanitary Board

SANITARY BOARD MEETING  
WEDNESDAY, APRIL 04, 2018  
REVISED

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. in the Stevens Creek Office Center, 20863 Stevens Creek Boulevard, Suite 100, Cupertino, California.

## 1. ROLL CALL:

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

Directors present: Patrick S. Kwok, William A. Bosworth, Angela S. Chen, Taghi S. Saadati, and John M. Gatto.

Staff present: District Manager Richard K. Tanaka, Deputy District Manager Benjamin Porter, and Counsel Marc Hynes.

## 2. MINUTES:

A. On a motion by Director Gatto, seconded by Saadati, by a vote of 5-0-0, the Minutes of Wednesday, March 21, 2018 were approved.

B. By consensus, the Approved Minutes of March 07, 2018 were Noted & to be Filed.

## 3. PERSONAL PRESENTATIONS:

There were none.

## 4. PUBLIC HEARING:

President Bosworth opened the public hearing on the proposed sanitary sewer service charge increase for FY 2018-19 at 7:01pm. There were no guests present and no oppositions on file. On a motion by Director Gatto, seconded by Director Kwok, the public hearing was closed at 7:02pm.

On a motion by Director Gatto, seconded by Director Kwok, by a vote of 5-0-0, Ordinance No. 122, Amending Article VII, Sections 7001 through 7003, of the Cupertino Sanitary District Operations Code was approved.

On a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0, Resolution No. 1304, Setting Time and Place of Public Hearing on Collection of Rates and Charges was approved. The Public Hearing is set to take place on June 20, 2018 at 7:00pm.

## 5. CORRESPONDENCE:

There was none.

## 6. MEETINGS:

- A. Manager Tanaka and Deputy Manager Porter both plan to attend the Regular Meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held April 9, 2018.
- B. Director Gatto plans to attend the Regular Meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held April 12, 2018.

## 7. REPORTS:

- A. Manager Tanaka reported on the No-Dig conference held March 24-29, 2018.

## 8. UNFINISHED BUSINESS:

There was none.

## 9. NEW BUSINESS:

- A. On a motion by Director Gatto, seconded by Director Kwok, by a vote of 5-0-0, the request to reimburse Mark Thomas & Co. 50% (\$3,160) for Innovyze Infocare (XPSWMM) annual software maintenance cost for hydraulic modelling was approved.
- B. On a motion by Director Gatto, seconded by Director Kwok, by a vote of 5-0-0, the request to renew ArcGIS was approved for a new three year term.
- C. Regional Board – Adoption of Updated SSS-WDR.

The Board and staff discussed the potential upcoming adoption of the updated SSS WDR by the State Regional Board with particular focused discussion that the State desires to add privately owned system as satellite system to each public agency's system.

## 10. STAFF REPORTS:

- A. Deputy Manager Porter reported on New Development Proposals
- B. Deputy Manager Porter reported on updating Arc/GIS and Lucity data.
- C. Board confirmed one regular Board meeting for the month of May 2018. May meeting is scheduled for May 9, 2018. May 2 & 16 meetings are canceled.

## 11. CLOSED SESSION:

President Bosworth adjourned the regular meeting session and opened the closed session at 8:01 p.m. 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.

President Bosworth adjourned the closed session and the regular meeting was called to order at 8:25 p.m. No reportable action taken at the closed session.



12. ADJOURNMENT:

On a motion properly made and seconded, at 8:26 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  
WARRANTS PAYABLE - MAY 9, 2018**

<u>WARRANT</u>					
<u>NUMBER</u>	<u>FUND</u>	<u>\$</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>
N/A	M&O	\$	2,374.98	ADP	Directors' Salary
18384	M&O	\$	270,185.83	Mark Thomas & Company, Inc.	Capital Outlay-Sewer Const. 240.00
					Plan Checking & Insp. 3,911.70
					Management Svcs 32,020.00
					Engineering Svcs 86,043.79
					Emergency 5,683.94
					Repairs & Maintenance 141,110.05
					Utilities 776.35
					Office Expense 400.00
18385	M&O	\$	1,077.74	Dooley Insurance Services	Insurance - Group Life & Dental (June)
18386	M&O	\$	3,344.84	PG&E	Utilities
18387	M&O	\$	65.87	San Jose Water Company	Utilities
18388	M&O	\$	25,000.00	Environmental Systems Research Ins	Capital Outlay - Equipment
18389	M&O	\$	265.00	CWEA	Memberships
18390	M&O	\$	153.62	Grainger	Repairs & Maintenance
18391	M&O	\$	135.00	Jose Silva Gardening Service	Repairs & Maintenance
18392	M&O	\$	15.11	Home Depot Credit Services	Repairs & Maintenance
18393	M&O	\$	41,539.91	Able Underground Construction	Repairs & Maintenance 40,457.34
					Emergency 1,082.57
18394	M&O	\$	54,429.90	Roto-Rooter	Repairs & Maintenance 53,977.47
					Emergency 452.43
18395	M&O	\$	1,673.89	Christopher Tsang	Refunds and Reimbursement
<b>TOTAL</b>		<b>\$</b>	<b><u>400,261.69</u></b>		

**EMERGENCY DETAILS:**

**Able** - one emergency for the month of April

**Roto-Rooter** - three emergencies for the month of April

**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH APRIL 2018**  
 (10th Month of Operations - 83% into FY Operations)  
 FISCAL YEAR: July 1, 2017 to June 30, 2018

**EXPENSE SUMMARY REPORT**

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
<b>OPERATING EXPENSES</b>								
Directors Fees	41030	\$40,000	\$23,475.24	\$2,374.98	\$25,850.22	\$14,149.78	64.6%	Under budget
Gasoline, Oil & Fuel	41060	\$3,000	\$1,387.09	\$0.00	\$1,387.09	\$1,612.91	46.2%	Prior expenses were fuel at flow monitoring station
Insurance	41070	\$125,000	\$122,568.76	\$1,077.74	\$123,636.50	\$1,363.50	98.9%	Directors' Insurance. Projected to be slightly over budget.
Memberships	41080	\$28,000	\$20,918.11	\$265.00	\$21,183.11	\$6,816.89	75.7%	CWEA for Inspectors
Office Expense	41090	\$6,000	\$5,409.19	\$400.00	\$5,809.19	\$190.81	96.8%	Board Room Rent this month. Projected to be slightly over budget.
Operating Supplies	41100	\$3,000	\$197.94	\$0.00	\$197.94	\$2,802.06	6.6%	None this month
<b>Contractual Services:</b>								
Outfall Maintenance	41113	\$190,000	\$301,019.89	\$0.00	\$301,019.89	(\$11,019.89)	158.4%	Paid to Santa Clara \$254,484 (last 5 FY) and \$46,536 to SJ
Treatment Plant O&M	41114	\$5,571,000	\$5,571,112.00	\$0.00	\$5,571,112.00	(\$112.00)	100.0%	FY17-18 Paid off
<b>Professional Services:</b>								
Management Services	41121	\$500,000	\$328,026.13	\$32,020.00	\$360,046.13	\$139,953.87	72.0%	On Target (under budget)
Engineering Services	41122	\$600,000	\$807,931.97	\$86,043.79	\$893,975.76	(\$293,975.76)	149.0%	Budget has been exceeded due to increased effort on Lucyly, ArcGIS, Master Plan
Plan Ckg. & Insp.	41123	\$140,000	\$68,653.38	\$3,911.70	\$72,565.08	\$67,434.92	51.8%	Under Budget
Legal District Counsel	41124	\$60,000	\$21,047.74	\$0.00	\$21,047.74	\$38,952.26	35.1%	None this month
Legal (Outside Counsel)	41124	\$200,000	\$31,368.75	\$0.00	\$31,368.75	\$168,631.25	15.7%	None this month
Audit	41125	\$11,000	\$10,775.00	\$0.00	\$10,775.00	\$225.00	98.0%	Final: Patel & Associates, LLP
Printing & Publications	41130	\$30,000	\$8,061.66	\$0.00	\$8,061.66	\$21,938.34	26.9%	None this month
Repairs & Maintenance	41150	\$3,200,000	\$2,046,673.34	\$235,848.59	\$2,282,521.93	\$917,478.07	71.3%	On Target (under budget)
Travel & Meetings	41170	\$25,000	\$23,080.56	\$0.00	\$23,080.56	\$1,919.44	92.3%	None this month
Utilities	41190	\$60,000	\$42,568.54	\$4,187.06	\$46,755.60	\$13,244.40	77.9%	On Target (under budget)
<b>Refunds &amp; Reimbursements:</b>								
Miscellaneous	41201	\$10,000	\$8,876.00	\$0.00	\$8,876.00	\$1,124.00	88.8%	None this month
Connection Fees	41202	\$7,000	\$250.00	\$0.00	\$250.00	\$6,750.00	3.6%	None this month
Checking & Inspection	41203	\$5,000	\$0.00	\$1,673.89	\$1,673.89	\$3,326.11	33.5%	Reimbursement for tax bill paid by Chris Tsang for 21820 Oakview Lane, for FY17-18
Emergency Funds	48000	\$250,000	\$91,415.25	\$7,218.94	\$98,634.19	\$151,365.82	39.5%	Four emergencies this month
Consolidated Election	48001	\$5,000	0.00	\$0.00	\$0.00	\$5,000.00	0.0%	None to Date
<b>TOTAL OPERATING EXPENSES</b>		<b>\$11,069,000</b>	<b>\$9,534,806.54</b>	<b>\$375,021.69</b>	<b>\$9,909,828.23</b>	<b>\$1,154,171.77</b>	<b>89.5%</b>	
<b>CAPITAL EXPENSES</b>								
Sewer Construction	46041	\$1,600,000	\$1,762,589.13	\$240.00	\$1,762,829.13	(\$162,829.13)	110.2%	Calabazas Construction CIP Project
T.P. & Outfall Capital Improvements	46042	\$7,220,000	\$8,010,199.82	\$0.00	\$8,010,199.82	(\$790,199.82)	110.9%	FY17-18 4th Qtr Billing and paid \$511,343 to Santa Clara (last 5 FY) for Outfall Capital
Equipment	46043	\$150,000	\$39,091.76	\$25,000.00	\$64,091.76	\$85,908.24	42.7%	ESRI ArcGIS 1-Yr. License Agreement
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00		Replacement Fund to be recorded in June 2018-Current Balance \$2,400,000
<b>TOTAL CAPITAL EXPENSES</b>		<b>\$9,270,000</b>	<b>\$9,811,880.71</b>	<b>\$25,240.00</b>	<b>\$9,837,120.71</b>	<b>(\$567,120.71)</b>	<b>106.1%</b>	
<b>TOTAL EXPENSES</b>		<b>\$20,339,000</b>	<b>\$19,346,687.25</b>	<b>\$400,261.69</b>	<b>\$19,746,948.94</b>	<b>\$592,061.06</b>	<b>97.1%</b>	Over budget due to payment to Santa Clara and increased engineering as noted.

**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH APRIL 2018**  
**(10th Month of Operations - 83% into FY Operations)**  
 FISCAL YEAR: July 1, 2017 to June 30, 2018

**REVENUE SUMMARY REPORT**

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
<b>OPERATING</b>								
Service Charges	31010							
Handbilling		\$391,562.00	\$382,825.49	\$0.00	\$382,825.49	\$8,736.51	97.8%	None this month
Tax Roll		\$13,831,326.00	\$8,058,573.44	\$0.00	\$8,058,573.44	\$5,772,752.56	58.3%	None this month
Permit Fees	31020	\$30,000.00	\$27,918.59	\$4,300.00	\$32,218.59	(\$2,218.59)	107.4%	14 payments received this month; 86 payments received to date
Acreage	31031	\$15,000.00	\$2,856.00	\$0.00	\$2,856.00	\$12,144.00	19.0%	None this month
Front Footage	31032	\$20,000.00	\$11,289.40	\$0.00	\$11,289.40	\$8,710.60	56.4%	None this month
Additional Dwelling	31033	\$80,000.00	\$0.00	\$0.00	\$0.00	\$80,000.00	0.0%	None to Date
Additional Density	31034	\$200,000.00	\$858.24	\$0.00	\$858.24	\$199,141.76	0.4%	None this month
Checking & Inspection Fees	31040	\$160,000.00	\$68,621.11	\$600.00	\$69,221.11	\$90,778.89	43.3%	Two Pmts. received this month; 160 total payments received to date
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to Date
Interest	32050	\$160,000.00	\$134,652.47	\$0.00	\$134,652.47	\$25,347.53	84.2%	None this month
City of San Jose Credit(s)	32091	\$990,000.00	\$2,088,766.00	\$0.00	\$2,088,766.00	(\$1,098,766.00)	211.0%	None this month
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$29,513.50	\$0.00	\$29,513.50	(\$19,513.50)	295.1%	None this month
Lateral Construction	32093	\$15,000.00	\$3,200.00	\$0.00	\$3,200.00	\$11,800.00	21.3%	None this month
Mann Drive	32094	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	Completed; Close out next fiscal year
<b>TOTAL OPERATING REVENUE</b>		<b>\$15,905,388.00</b>	<b>\$10,809,074.24</b>	<b>\$4,900.00</b>	<b>\$10,813,974.24</b>	<b>\$5,091,413.76</b>	<b>67.99%</b>	
Revenue Transfer		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
<b>TOTAL REVENUE</b>		<b>\$15,905,388.00</b>	<b>\$10,809,074.24</b>	<b>\$4,900.00</b>	<b>\$10,813,974.24</b>	<b>\$5,091,413.76</b>	<b>67.99%</b>	

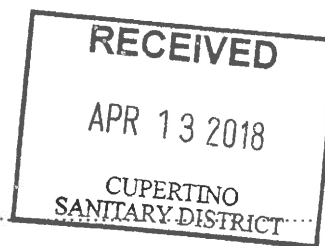
**CASH ACCOUNT SUMMARY**

Date	Description	Balance	Replacement Fund	Net Cash
June 30, 2017	Ending Balance	\$ 22,464,574.90	\$ 2,100,000.00	\$ 20,364,574.90
July 31, 2017	Ending Balance	\$ 19,612,816.78	\$ 2,400,000.00	\$ 17,212,816.78
August 31, 2017	Ending Balance	\$ 18,915,222.26	\$ 2,400,000.00	\$ 16,515,222.26
September 30, 2017	Ending Balance	\$ 17,659,566.60	\$ 2,400,000.00	\$ 15,259,566.60
October 31, 2017	Ending Balance	\$ 11,730,749.16	\$ 2,400,000.00	\$ 9,330,749.16
November 30, 2017	Ending Balance	\$ 11,376,774.29	\$ 2,400,000.00	\$ 8,976,774.29
December 31, 2017	Ending Balance	\$ 10,931,524.80	\$ 2,400,000.00	\$ 8,531,524.80
January 31, 2018	Ending Balance	\$ 16,733,499.04	\$ 2,400,000.00	\$ 14,333,499.04
February 28, 2018	Ending Balance	\$ 18,466,964.45	\$ 2,400,000.00	\$ 16,066,964.45
March 31, 2018	Ending Balance	\$ 17,703,378.79	\$ 2,400,000.00	\$ 15,303,378.79
April 30, 2018	Ending Balance	\$ 13,503,930.97	\$ 2,400,000.00	\$ 11,103,930.97



**SPECIAL DISTRICT  
LEADERSHIP FOUNDATION**

**Item 4A**



April 4, 2018

Richard Tanaka  
District Manager  
Cupertino Sanitary District  
20863 Stevens Creek Blvd Ste 100  
Cupertino, CA 95014-2110

**RE: New Opportunities for District Recognition!**

Dear Mr. Tanaka:

The Special District Leadership Foundation (SDLF) is encouraging you and your district to get recognized for your efforts!

**Is your district looking for a way to standout?**

**Show constituents and other stakeholders your commitment to implementing best practices in management, administration, transparency, and governance!**

SDLF an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs. These programs provide district staff and elected officials a way to demonstrate their dedication to local government as well as highlight the important work of special districts as a critical component of local government service delivery in California.

***We know your district has worked hard and SDLF wants to showcase those efforts!***

New this year, SDLF has developed additional ways for your district to be recognized through our District of Distinction (DoD) Accreditation program. Attached is a flyer detailing the new Accreditation levels available and what is needed to take your district to the next level.

Join many of your colleagues and districts throughout California by starting your journey through SDLF programs and reaching for Platinum Level recognition! More information and applications for each program can be found at [www.sdlf.org](http://www.sdlf.org) . If you have questions, please contact Beth Hummel at 916.231.2909 or [bethh@sdlf.org](mailto:bethh@sdlf.org).

Best Regards,

Neil McCormick  
Chief Executive Officer



# Take Your District to the Next Level! Is Your District a District of Distinction?

The District of Distinction is an accreditation program that enables districts to demonstrate to their communities, legislators, and other key stakeholders, their commitment to operate in a sound, responsible manner. Districts apply for designation as a District of Distinction by submitting financial audits, policies and procedures, and proof of training received by directors and executive staff. Showcase your district's efforts to be among the best and take your district to the next level!

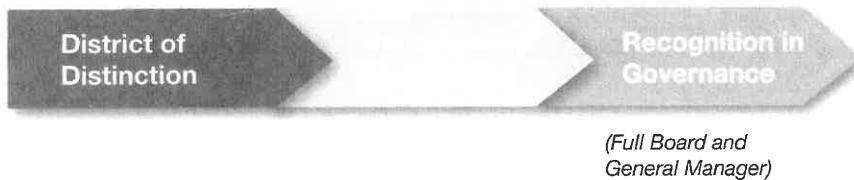
*SDLF's base level accreditation confirming core administration and governance best practices.*



*Demonstrates a district's commitment to take their district to the next level by also incorporating governance training as a core value.*



*Demonstrates a district's commitment to transparency, sound operating practices, and comprehensive governance training for the entire Board.*



*SDLF's highest level of recognition for a district. Incorporates completion of all SDLF programs demonstrating a comprehensive approach to excellence in district administration and governance.*





The Special District Leadership Foundation (SDLF) is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs. The SDLF and its activities are supported by the California Special Districts Association and the Special District Risk Management Authority.

**Recognition in Special District Governance Certificate**

Designed to honor special district board members and trustees that have taken the time to receive specific professional development training to include core governance curriculum through completion of the Special District Leadership Academy plus 10 hours of other related continuing education.



**Special District Administrator (SDA) Certification**

A voluntary professional designation that helps document and recognize an individual's knowledge, skills, experience, and capabilities as a special district Administrator/Manager.



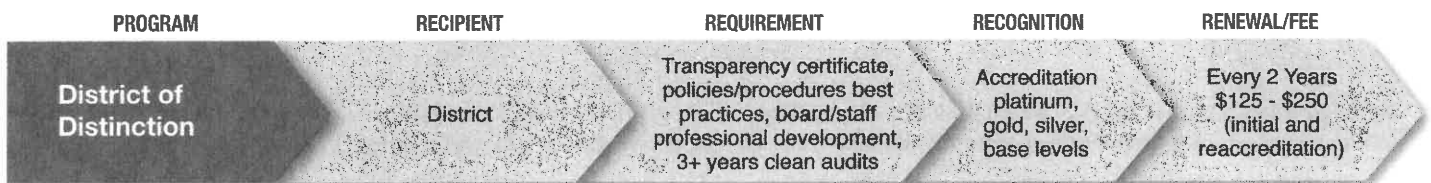
**District Transparency Certificate of Excellence**

Created in an effort to further promote transparency in the operations and governance of special districts to the public and to provide special districts with an opportunity to showcase their efforts in transparency.



**District of Distinction Accreditation (Transparency Certificate is a required component)**

Designed as a way for districts to strive to be among the best through a comprehensive approach to implementing governance, administration, transparency, and fiscal best practices.



**SDLF Scholarships**

Annually, SDLF awards thousands of dollars in professional development scholarships to individuals (board members & staff) in districts. Visit [sdlf.org](http://sdlf.org) to learn what is available and apply!

**Contact SDLF and get involved**

1112 I Street, Suite 200, Sacramento, CA 95814  
t: 916.231.2909  
[www.sdlf.org](http://www.sdlf.org)  
e: [info@sdlf.org](mailto:info@sdlf.org)

# District Transparency Certificate of Excellence

April 2016 – April 2018

This 22<sup>nd</sup> day of April 2016

The Special District Leadership Foundation is proud to present this  
District Transparency Certificate of Excellence to

## Cupertino Sanitary District

In recognition of the district's completion of all transparency program requirements  
designed to promote transparency in their operations and governance  
to the public and other stakeholders.



David Aranda, SDLF Board President



Neil McCormick, SDLF Chief Executive Officer





EDMUND G. BROWN JR.  
GOVERNOR



MATTHEW RODRIGUEZ  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

**State Water Resources Control Board**

**STAKEHOLDER WORKSHOP ANNOUNCEMENT**  
**Proposed Revisions to the**  
**Statewide General Waste Discharge Requirements**  
**for Sanitary Sewer Systems**

State Water Resources Control Board staff are conducting initial outreach workshops to discuss proposed revisions to the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems Order (Order). The goal of these outreach efforts is to obtain your input during development of an updated, improved statewide Order addressing today's sanitary sewer overflow issues. Below are proposed topics to discuss during these workshops:

- Regulation of larger private collection systems under this Order.
- Adding system-specific requirements in the Sanitary Sewer Management Plan to address climate change.
- Offering regulatory incentives for collection systems with good compliance record.
- Streamlining the spill notification process.
- Clarifying change log requirements.

The upcoming outreach workshops will be held on:

**Wednesday, May 9, 2018; 9:00 AM - 12:00 PM**  
**Central Valley Regional Water Quality Control Board-Redding office**  
364 Knollcrest Drive, #205, Redding, CA 96002

**Thursday, May 17, 2018; 9:00 AM - 12:00 PM**  
**Central Valley Regional Water Quality Control Board-Rancho Cordova office**  
11020 Sun Center Drive, #200, Rancho Cordova, CA 95670

**Tuesday, May 22, 2018; 9:00 AM - 12:00 PM**  
**Central Valley Regional Water Quality Control Board-Fresno office**  
1685 E Street, Fresno, CA 93706

**Thursday, May 31, 2018; 9:00 AM - 12:00 PM**  
**Santa Ana Regional Water Quality Control Board Office**  
3737 Main Street, Suite 500, Riverside, CA 92501

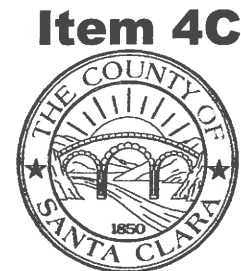
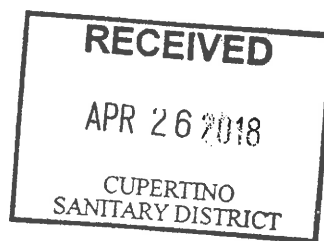
To receive up-to-date information regarding these outreach sessions, including webinar options, please sign up for our email list service on our website at:

[https://www.waterboards.ca.gov/resources/email\\_subscriptions/swrcb\\_subscribe.html](https://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html). Enter your information and select under the Water Quality header "Sanitary Sewer Overflow (SSO) Reduction Program Order Review".

# County of Santa Clara

## Registrar of Voters

1555 Berger Drive, Bldg. 2  
San Jose, CA 95112  
Mailing Address: P.O. Box 611360, San Jose, CA 95161-1360  
(408) 299-VOTE (8683) (866) 430-VOTE (8683) FAX: (408) 998-7314  
www.sccvote.org



April 23, 2018

Mr. Richard Tanaka  
District Manager/Engineer  
Cupertino Sanitary District  
20863 Stevens Creek Blvd., Ste. 100  
Cupertino, CA 95014

Dear Mr. Richard Tanaka,

As a courtesy, the Registrar of Voters (ROV) has put together the following documents to assist you in preparation for the November 6, 2018 Election:

1. Election Resolution Template for governing body (for resident-voting districts only)
2. District Information Sheet

(Please note: the enclosed sample template is drafted for governing body elections and not for ballot measures.)

In order to allow for the timely compliance with publication deadlines, **please return the completed documents to the Office of the Registrar of Voters prior to June 29, 2018\***. If you use the enclosed draft Resolution, circle the appropriate limitations, provide the requested text, and follow the instructions in the draft.

All candidates must file forms with the County Registrar of Voters, located at 1555 Berger Drive, Building #2, in San Jose. The Department is open Monday through Friday, from 8:00 am to 5:00 pm. The candidate-filing period opens on Monday, July 16 and closes on Friday, August 10, 2018. If an eligible incumbent does not qualify, the filing period may be extended through Wednesday, August 15, 2018.

The Registrar of Voters will publish the required Notice of Election in the San Jose Post Record. If the district has a preferred publication, please consult Nancy Price at 408-282-3005 leaving sufficient lead-time for publication (can be up to one week). We will also send the Notice of Election to your district for official posting at your office.

We are also inviting you to join us at a very special meeting on May 3<sup>rd</sup> to discuss important steps and deadlines leading up to the November Election. Please see the enclosed flyer, and RSVP no later than Tuesday, May 1<sup>st</sup> to Patricia Lopez at: [Patricia.Lopez@rov.sccgov.org](mailto:Patricia.Lopez@rov.sccgov.org) or by calling 408-282-3042.

We look forward to working with you during the next several months. If you have any questions or need additional information, please do not hesitate to contact our Candidate Services Division at (408) 299-8639 or me directly at (408) 282-3041.

Sincerely,  
  
Linda Tulett  
Interim Election Division Coordinator  
Candidate Services Division

*\*Please note: The statutory deadline may differ and we recommend that you independently evaluate all deadlines and legal requirements. Moreover, nothing in these materials constitutes legal advice or is intended as a substitute for the advice of counsel.*

**INFORMATION SHEET**  
*(To be returned with Resolution)*

***NAME OF DISTRICT***

Cupertino Sanitary District

***DISTRICT CONTACT***

Name/Title \_\_\_\_\_

Address \_\_\_\_\_

Phone # \_\_\_\_\_

Fax # \_\_\_\_\_

Email \_\_\_\_\_

***DISTRICT OFFICE DAYS AND HOURS OF OPERATION:***

\_\_\_\_\_

**Date** \_\_\_\_\_

**Signed** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**RESOLUTION NO. \_\_\_\_\_**

\_\_\_\_\_  
(TITLE OF RESOLUTION)

**WHEREAS**, a Biennial District General Election has been ordered to be held on Tuesday, November 6, 2018, in the Cupertino Sanitary District of Santa Clara County for the purpose of electing \_\_\_\_\_ (include number of seats, length of term, and exact title of each office to be elected) of the District; and

**WHEREAS**, pursuant to Part 3 (commencing with Section 10400) of the Elections Code, such election may be either completely or partially consolidated;

**NOW, THEREFORE, BE IT RESOLVED:**

**Section 1.** That the Board of Directors of the Cupertino Sanitary District calls for an election to be held on November 6, 2018, and requests the Board of Supervisors of Santa Clara County to completely consolidate the election with the statewide election.

**Section 2.** That the Board of Directors of the Cupertino Sanitary District requests the Board of Supervisors of Santa Clara County to hold and conduct the election in the manner prescribed in Section 10418 of the Elections Code of the State of California and to further provide that the Registrar of Voters canvass the returns of the election.

**Section 3.** That pursuant to Section 10508 of the Elections Code of the State of California, said officers are to be elected **at large / by division**;

**Section 4.** That the divisions, if any, from which said directors are to be elected, and the number of offices to be filled from each, are:

\_\_\_\_\_  
(Divisions)

\_\_\_\_\_  
(Number of Offices/Division)

**Section 5.** That pursuant to Section 10514 of the Elections Code of the State of California, the qualifications for election to said offices, as prescribed by the principal act, are:

\_\_\_\_\_

\_\_\_\_\_

**Section 6.** That pursuant to Sections 10002 and 10520 of the Elections Code of the State of California, each district involved in a district general election in an affected county shall reimburse the county for the actual costs incurred by the county elections official in conducting the district general election for that district.

**Section 7.** That the candidates' statements of qualifications shall be limited to 200 / 400 words; that the cost of printing, translating and distributing said statements shall be borne by the district / candidates who file such statements, and that each candidate who files such a statement shall / shall not be required to pay in advance his or her pro rata share of the estimated costs of printing, handling, and mailing said candidate statement, such estimated costs to be determined by the Registrar of Voters.

**Section 8.** That pursuant to Section 10522 of the Elections Code of the State of California, a current map showing the boundaries of the district and the boundaries of the divisions of the district is herewith submitted.

**Section 9.** That pursuant to Sections 10551 and 15651 of the Elections Code of the State of California, the method of determining the winner or winners in the event of a tie vote shall be by: lot / special runoff.

**Section 10.** That the names of all current Board Members & date each term ends are: *(Please indicate all members and for those who are appointed incumbents filling a vacated term, note the name of the elected incumbent who was replaced and the date elected incumbent's term would have ended if term had been fulfilled.)*

Member Name	Term End	Date Appt. to Vacancy	Replaced

PASSED AND ADOPTED this \_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

\_\_\_\_\_  
 (signed) Clerk/Secretary of the Board of Directors of the  
Cupertino Sanitary District

**YOU ARE INVITED!**  
**TO A PRE-ELECTION MEETING**  
**WITH**  
**THE REGISTRAR OF VOTERS TEAM**

It is that time of year again and our office is already thinking ahead to the November 6, 2018 Election!

We are inviting you to join us to discuss your upcoming election and our partnership in meeting important deadlines for success. Topics may include: preparation and submittal of resolutions, maps, election fees, automatic recounts, and more!

**WHERE:** Charcot Training Center

2310 North First Street  
Suite 102  
San Jose, CA 95131

Located at corner of N. First St. and Charcot Ave., entrance faces Charcot

**Parking:** Temporary "C" parking permits are available for non-employees. Parking permits will be provided.

OR

**Save Gas!** Light Rail stops: "Component" (to the N.) & "Karina" (to the S.) each are just a ½- mile walk.

**WHEN:** Thursday, May 3, 2018

9:30 am – 12 noon (approximately)

RSVP no later than Tuesday, May 1<sup>st</sup> with regrets or confirmation, including the names of attendees to:

Patricia Lopez

[PATRICIA.LOPEZ@ROV.SCCGOV.ORG](mailto:PATRICIA.LOPEZ@ROV.SCCGOV.ORG)

If you have any questions, please to call the Candidate Services Division at 408-299-8639.

DISTRICT MANAGER-ENGINEER  
 MARK THOMAS & COMPANY, INC.  
 RICHARD K. TANAKA  
 DISTRICT COUNSEL  
 ATKINSON • FARASYN, LLP.  
 MARC HYNES



BOARD OF DIRECTORS  
 JOHN M. GATTO  
 WILLIAM A. BOSWORTH  
 PATRICK S. KWOK  
 ANGELA S. CHEN  
 TAGHI S. SAADATI

20863 STEVENS CREEK BOULEVARD, SUITE 100  
 CUPERTINO, CALIFORNIA 95014-2154  
 PHONE (408) 253-7071 • Fax (408) 253-5173

April 23, 2018

Mr. Chad Mosley, P.E.  
 City Engineer  
 Public Works Department  
 City of Cupertino  
 10300 Torres Avenue  
 Cupertino, CA 95014

RE: Vallco Development Alternatives

Dear Chad:

We have reviewed the information you provided for potential redevelopment of the Vallco Shopping Mall. The information you provided included four alternatives, one of which is getting new tenants to occupy the mall. The details of the alternatives are provided in Table 1.

**Table 1 – Vallco Project Alternatives**

EIR Project Alternatives	Commercial (SF)		Office (SF)		Hotel (rooms)		Residential		Hyatt House	Civic Space
	Existing	Buildout	Existing	Buildout	Existing	Buildout	Existing	Build out		
1.Occupied/ Re-tenanted Mall (No Project Alternative)	1,207,774	1,207,774	0	0	148	148	0	0	Hotel	0
2. General Plan Buildout with Residential Allocation (Proposed Project)		600,000		2,000,000		339		800		65,000 (10,000 SF for Stem Lab)
3. General Plan Buildout w/ Maximum Residential Alternative		600,000		1,000,000		339		2,640		65,000 (10,000 SF for Stem Lab)
4.Retail and Residential Alternative		600,000		0		339		4,000		0

DISTRICT MANAGER-ENGINEER  
MARK THOMAS & COMPANY, INC.  
RICHARD K. TANAKA  
DISTRICT COUNSEL  
ATKINSON • FARASYN, LLP.  
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Page 2

The Vallco shopping mall facility is connected via its laterals to 12", 15" and 27" sewer mains running north on Wolfe Road to Homestead road and subsequently to CuSD's Flume station, where CuSD's flow enters the City of Santa Clara system to the San Jose-Santa Clara Regional Wastewater Facility for treatment.

We have estimated the average daily sewage generation rates for each of the alternatives at the Vallco site, using CuSD's standard generation rates and applying them to the use types provided. The increase in average daily flow from the three development alternatives, as compared to the design flow for the current mall, ranges from 0.72 MGD to 1.04 MGD. The design average daily flow summary is provided in Table 2.

**Table 2. Average Daily Flow Summary**

Alternative	Average Daily Flow (MGD)	Flow greater than Alternative 1 (MGD)
1	0.28	-
2	1.00	0.72
3	1.21	0.94
4	1.32	1.04

Based on our analysis, the impact of additional flows from the Vallco alternatives will have a substantial impact on CuSD's collection system. The following collection system characteristics were considered in our evaluation:

1. District Collection System-Capacity in 12", 15", and 27" sewer mains
2. Permitted peak flow through Santa Clara system (13.8 MGD)
3. CuSD allocated capacity at the San Jose-Santa Clara Regional Wastewater Facility (7.85 MGD)

*1. District Collection System-Capacity in 12", 15", and 27" Sewers*

The 12" and 15" sewers that currently serve Vallco and downstream connections are already near their design capacities without further development at the Vallco site. The depth of flow divided by pipe diameter (d/D) modeling results for peak dry weather flow (PDWF) and peak wet weather flow (PWWF) are provided in Table 3. The d/D values are given as a range because they vary throughout the length of the pipe segment.



DISTRICT MANAGER-ENGINEER  
 MARK THOMAS & COMPANY, INC.  
 RICHARD K. TANAKA  
 DISTRICT COUNSEL  
 ATKINSON • FARASYN, LLP.  
 MARC HYNES



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 PHONE (408) 253-7071 • Fax (408) 253-5173

Page 3

**Table 3-Comparison of existing 12” and 15” sewer main to future conditions**

	PDWF d/D		PWWF d/D	
	12” Segment	15” Segment	12” Segment	15” Segment
Alternative 1	0.65	0.58-0.9	0.8	0.65-1.4
Alternative 2	5-6	1-4	6-10	1-8
Alternative 3	9-10	1-7	9-10	6-7
Alternative 4	6-10	2-6	8-11	6-8

Other than Alternative 1, development alternatives 2, 3, and 4 will require upsizing both the 12” and 15” sewers. Either a parallel pipe, ranging in sizes from 18” to 21” or a new pipe would need to be installed to upsize the existing 12” and 15” sewers.

The flow modeling results for the 27” sewer under buildout conditions are provided in Table 4. The modeling results indicate that the 27” sewer would be operating beyond design capacity ( $d/D=2/3$ ) during peak dry-weather and peak wet-weather conditions. The impact of this has not yet been determined, i.e. the impact to the Apple Campus and the potential for SSOs.

**Table 4. 27” Sanitary Sewer Main under Buildout with Vallco’s Alternatives**

	ADWF (MGD)	PDWF		PWWF	
		mgd	d/D	mgd	d/D
Alt. 2	5.370	9.95	0.54-0.69	14.04	0.68-0.88
Alt. 3	5.597	10.6	0.56-0.69	14.06	0.74-0.9
Alt. 4	5.71	10.95	0.61-0.73	14.51	0.73-0.91

**2. Permitted peak flow through Santa Clara system (13.8 MGD)**

The modeling results provided in Table 4 above indicate that CuSD would exceed the peak flow of 13.8 MGD through the City of Santa Clara. If the City of Santa Clara requires the District to upsize the Santa Clara’s system to accommodate these flows, the District would expect the developer to provide these improvements within the City of Santa Clara. The District would consider an Installers’ Agreement with future reimbursements.

DISTRICT MANAGER-ENGINEER  
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Page 4

3. *CuSD allocated capacity at the San Jose-Santa Clara Regional Wastewater Facility (7.85 MGD)*

The CuSD allocation at the San Jose-Santa Clara Regional Wastewater Facility is based on average daily flow capacity of 7.85 MGD. Vallco developments will be within the allocated capacity for the treatment of the wastewater.

Project proposed under SB 35 would have similar impacts as above.

Prior to commencement of final design, Developer will be required to enter into an Installers' Agreement with the District, covering the installation of the parallel pipes, requirements of the downstream pipe capacity through City of Santa Clara and paying change in use fee, plan check engineering, inspection, and administration. in accordance with Operations Code, Chapter VII, "Permits, Fees and Service Charges". Our Operations Code are posted on our District Website.

If you have any questions, please feel free to contact Benjamin Porter or myself at (408) 253-7071.

Sincerely,

A handwritten signature in black ink, appearing to read 'RKTanka', is written over a light blue horizontal line.

Richard K. Tanka, P.E.  
District Manager/Engineer

## Award of Excellence



### Overview

The Award of Excellence is a statewide acclaimed program that recognizes excellence on the part of our members in furthering their mission and advancing wastewater into usable water, renewable energy and other rapidly-growing sustainable resources.

### Eligibility

All member agencies are eligible. Member agencies in partnership with associate members are also eligible. One award will be granted for both small and large agencies for two categories. An agency or city department is considered large or small depending upon the number of full time employees, using a threshold established by the awards committee. You can submit more than one application but cannot submit the same application in more than one category.

### Award Categories

#### Excellence in Innovation and Sustainability

Recognizes efforts of an individual agency, and associate member partners where applicable, in the innovative application of existing technology or the development of new cutting-edge technology applied to wastewater collection, treatment, wastewater and biosolids recycling, and renewable energy production. Technologies that are highly innovative constitute sustainable practices, and/or which have broad application to others in the industry will be favorably considered. (Examples eligible under this category include a program to treat digester gas can for use as a transportation fuel or implementation of a new biosolids-to-energy technology.)

#### Excellence in Public Outreach/Education

Recognizes efforts by an agency, and associate members where applicable, for development and implementation of programs intended to impact or educate a segment(s) of the local community on issues important to the agency. Encompasses on-going or special programs, including education in schools, general public awareness or select target audiences. Successful measurable results will be considered (*e.g. We made wastewater treatment presentations to 612 elementary school students during Earth Week; outreach to commercial property owners resulted in 27 new recycled water customers who will use 106 acre-feet of RW through next year.*). Unique programs, and/or ones which can be readily replicated by other agencies, will be favorably considered.

**Organizational Excellence**

Recognizes the efforts by an agency for achievement in managing the agency's division, unit, or process. Submittals may focus on leadership/management practices, strategies that promote organizational sustainability, organizational development, effective financial management, productivity, cost reductions, asset management, staffing resource utilization, labor relations, employee mentoring and development programs, or related subjects. Submittals that demonstrate quantifiable results and potential application of one or more of the strategies to other agencies will be favorably considered.

**Outstanding Capital Project**

Recognizes an agency and associate members where applicable, for an exemplary public wastewater capital project. Submittals should highlight and will be judged on their unique or innovative design and construction applications, engineering applications, technical advancements, and/or difficult challenges of the project. Other project accomplishments such as environmental protection and/or enhancement, sustainability practices (water footprint or carbon footprint reduction, renewable energy production, etc.), positive public and community relations, and impacts to others in the industry will also be considered.

## Instructions

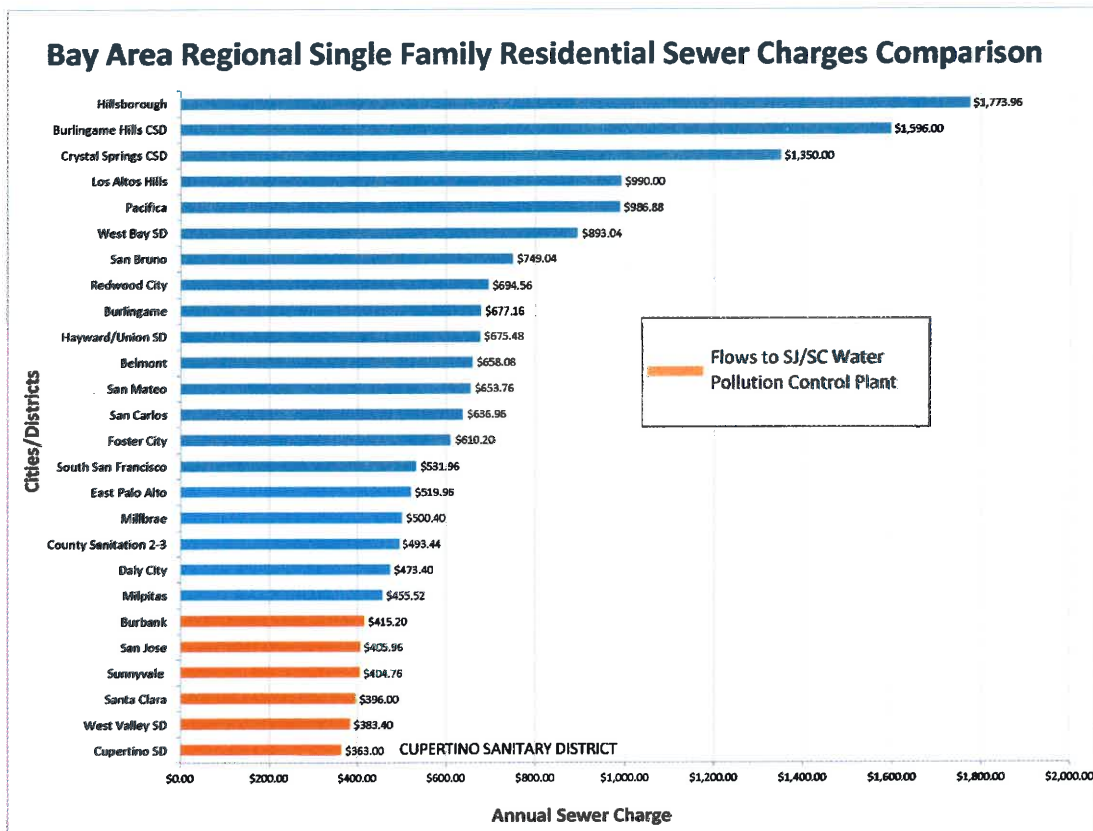
- You may apply for multiple categories, but submit each category on a separate application, and you may not submit more than one application per category.
- Complete the application in its entirety. If a question does not apply to your program or project, state “not applicable”.
- Please limit your submission to four single-sided pages of double-spaced 12-point font.
- You may include supporting information or references preferably by way of links; however, the Committee will have a limited opportunity to review such materials and will base their decisions primarily on the information included in the application.
- Save the application as a single PDF document and send it, via email to [awards@casaweb.org](mailto:awards@casaweb.org) by **Friday, May 18, 2018**.

## Award of Excellence Application



Agency name:	Cupertino Sanitary District
Name of associate member (if applicable):	Consultant: Mark Thomas & Company, Inc.
Award category <small>(please choose one. If applying for more than one category, please complete a separate application for each award category)</small>	<input type="checkbox"/> Excellence in Innovation and Sustainability <input type="checkbox"/> Public Outreach/Education <input checked="" type="checkbox"/> Organizational Excellence <input type="checkbox"/> Outstanding Capital Project
Project/program title	Successful Full-District Outsourcing at the Cupertino Sanitary District
Number of member agency or city department full time employees	Five-member Board of District Directors are the District's only employees. There are no other employees of the District. All staffing (23 managers, inspectors and technicians) are contracted to Mark Thomas & Co. Inc. for management, administration and engineering services.
Person completing application	Name: Ben Porter, Deputy District Manager Email address: <a href="mailto:bporter@cupertinosanitarydistrict.com">bporter@cupertinosanitarydistrict.com</a> Phone number: 408-477-7318
1. Describe the activity/project in 150 words or less and link a <b>high resolution</b> photo.  Since the inception of the District in 1964, the five-member board of directors overseeing the Cupertino Sanitary District has successfully outsourced the management of the District to a consulting firm, Mark Thomas, resulting in cost-effective and quality services to our rate payers. As a smaller district encompassing 22,290 connections, the ability to staff and manage for daily operations, maintenance, capital improvements and emergencies, would normally require carrying a burdensome payroll of in-house managers and professionals, along with HR and Accounting departments. The District has found that a consultant can	

manage CIP projects, engage specialists, and expand/contract its workforce appropriately to fit the work needed. The District's cost to provide sewer service charges is the lowest in the SF Bay Area (see chart below).



2. What was the time frame of the activity/project? How long has it been in operation?

The District has utilized this organizational format and consulting firm for 62 years.

3. What were the goals and objectives of the activity/project?

The District's goals were to maximize efficiency in management, operations, maintenance, and planning and implementing capital improvements to operate the district, maintain its assets, while being economical and responsive to rate payers. It was determined that outsourcing to a consultant met these goals by offering the District flexibility, expertise in district and project management, engineering and maintenance.

4. What were the results of the activity/project? Were the goals and objectives met and, if so, how were they measured?

The longevity of this arrangement speaks volumes for its success, as does the fact that rates continue to often be lower than surrounding districts. The success of the maintenance and the firm's responsiveness are evident. Over the past five years, for example, there have been four Category 1 SSOs and 85 Category 3 SSOs. CuSD owns the lower laterals and is responsible for maintenance, repair and reporting of the lateral SSOs to CIQWS. In 2017, there was only one SSO for the mainline and 14 SSOs from lower laterals. In 2016 there were two mainline SSOs. On a monthly average, the District responds to about 20 calls for potential SSOs and blockages. The consultant immediately dispatches field staff to the site to assess the situation and develop next steps. These services were delivered under budget by 22% and on-time for all tasks: Cleaned 80 miles/year; Cleaned/serviced 1,500 laterals; CCTV inspections on 40 miles/year; Repaired 20 locations last year; Raised 450 MH to grade due to AC Overlay Projects; serviced 17 pump stations; made about 30 FOG inspections/month. Capital Improvement Projects recently completed include the notable addition of the Apple "Spaceship" campus in Cupertino within the District's service area.

5. What was the extent of participation in the activity/project by nominee, and or employees of the organization?

The District Board of Directors is responsible for determining the structure of the organization, selecting and overseeing the consultant, Mark Thomas; reviewing and approving the annual budget; approving capital improvement plans, maintenance plans, and system-wide masterplans that are presented by Mark Thomas.

6. Is the activity/project replicable by others?

Certainly sanitary districts of similar size or smaller can replicate this organizational format successfully. A district could begin by opening discussions with local firms that provide similar services. A planning consultant can be hired to compare current



service responsiveness, quality of the maintenance program, etc. to the services provided and prices charged by private firms.

7. How does the program/project utilize sustainable practices?

Sustainable in its ability to go for 60 years. District has no worries/issues in term of maintaining experienced staff, job lost ratio, workers' compensation, benefit programs, training, long term debt for retirement program, and human resources needs.

8. How does this project/activity meet the criteria of this award?

**Leadership/management practices** – This arrangement allows the District Board of Directors to focus on governance and leadership, with confidence in the daily management by the consultant who brings top shelf experience and knowledge, proactive customer care, state-of-the-art software and equipment, as well as an understanding of the particular sewer system. The consultant is charged with staying abreast of innovations in the industry innovations and changes and additions to regulations.

**Strategies that promote organizational sustainability** – This 62-year-long arrangement has stood the test of time and survived term turnover in the District Board as the long-standing consultant firm provides continuity from term to term.

**Effective financial management** – This approach has allowed Cupertino Sanitary District with providing the most cost-effective services to its rate payers. The consultant has its own accounting department, human resources, benefits programs, etc. so these overhead positions are not required.

**Productivity, cost reductions** – The consulting firm staffs the District at an optimal level at all times, having the ability to reassign personnel to or from other parts of its organization. This approach allows the District to be maintained and operated with optimal productivity and reduces waste.

**Asset management** – This arrangement has allowed the District to prolong the life of its sewer infrastructure by ensuring regular maintenance. The consultant uses Lucity asset management software to schedule and document all tasks as completed. The maintenance program focuses on locating structures that contain the most amount of FOG. The consultant develops a system-wide maintenance plan. The consultant owns its own equipment and subjects it to its own asset management program.

**Staffing resource utilization, labor relations, employee mentoring and development programs** – This is where the arrangement really benefits the District. All utilization, labor relations, mentoring and development are handled by the consultant who has its own training, mentoring, professional developments, employee wellness program Human Resources Department and accounting departments.

9. Links to multi-media, sound or other files:

10. Additional information: **Please link high-resolution agency logo.**

Please save this application as a PDF and send it, along with any related materials, via email to [awards@casaweb.org](mailto:awards@casaweb.org) by **Friday, May 18, 2018**.

**Cupertino Sanitary District  
Monthly Maintenance Summary - April 2018**

**Item 9B**

<b>SSOs</b>						
<u>Start Date</u>	<u>Location</u>	<u>Cause of SSO</u>	<u>Cat</u>	<u>Main/Lat</u>	<u>SSO Volume (Gal)</u>	<u>SSO Recovered (Gal)</u>
None						

<b>Emergency Calls- Causes</b>					
<u>Call Recd Business Hours</u>	<u># of Calls</u>	<u>Call Recd After Hours</u>	<u># of Calls</u>	<u>Call Recd Weekend</u>	<u># of Calls</u>
Root Intrusion	4	Others	1	Root Intrusion	1
Others	1	<b>Total:</b>	1	Pump Station	1
On-Site	1			<b>Total:</b>	2
<b>Total:</b>	6				

<b>Repairs</b>		
<u>Address</u>	<u>Main/Lat</u>	<u>Description of Work</u>
Various Locations	Manhole	Manhole rehab for Cristo Rey Dr T-665, T-671, T-663 Clay St T-188, Mt Eden Rd 8456-4 5, Infinite Loop T-705, T-716
Hunterston Pl #2591-6 - 2591-5	Mainline	Spot repair of 8' VCP w/new SDR26 PVC + water stop & mortar for water tight finish + concrete collar concrete collar
Rollingdell Dr #2770-3 - 2770-4	Mainline	Spot repair of 8' of 10" VCP with 8" SDR 26 PVC pipe + water stop & concrete collar
Milky Wy #2558-8 - T-526	Mainline	Spot repair of 8' of 6" VCP with 6" SDR 26 PVC pipe
Prospect Pump Station	Pump Station	Repair pump1 for Prospect Pump Station.

<b>Mainline Maintenance</b>											
<u>Size of Pipe</u>	<u>4"</u>	<u>6"</u>	<u>8"</u>	<u>10"</u>	<u>12"</u>	<u>14"</u>	<u>15"</u>	<u>16"</u>	<u>18"</u>	<u>&gt;20"</u>	<u>Total</u>
<b>Mainline Cleaning (ft)</b>	0	28,785	49,333	5,953	111	0	0	0	0	0	84,182
<b>Easement Cleaning (ft)</b>	0	2,490	8,186	2,774	0	0	0	0	0	0	13,450
<b>CCTV (ft)</b>	0	2,167	16,112	0	0	0	0	0	0	0	18,279

<b>Lateral Maintenance</b>	
	<u># of Laterals</u>
<b>Cleaning</b>	176
<b>CCTV</b>	16
<b>Inspection</b>	13

<b>FOG Inspection</b>
Number Performed - 5
Completed - 1
Followed Up Needed - 4