

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MAY 15, 2019**

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 MAY 01, 2019
- B. APPROVED MINUTES OF APRIL 17, 2019
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENT
- D. DIRECTORS' MONTHLY TIMESHEETS

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:

NONE

5. MEETINGS:

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD MAY 16, 2019
- B. SANTA CLARA COUNTY SPECIAL DISTRICTS ASSOCIATION REGULAR MEETING TO BE HELD JUNE 3, 2019

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MAY 15, 2019**

6. REPORTS:

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD MAY 14, 2019

7. UNFINISHED BUSINESS:

- A. LINE OF CREDIT
- B. MAIN STREET PROJECT

8. NEW BUSINESS:

- A. AMENDMENT NO. 1 TO THE FORUM INSTALLER'S AGREEMENT
- B. JOINT INTERCEPTOR CAPITAL COST FROM CITY OF SAN JOSE

9. STAFF REPORT:

- A. PROSPECT PUMP STATION STATUS AND RUNNING TOTAL COST
- B. MONTHLY MAINTENANCE REPORT

10. 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.

11. ADJOURNMENT:

CUPERTINO SANITARY DISTRICT MEETING/EVENT SCHEDULE

MAY 2019

05/03: 1st Regular Meeting-Public Hearing
deferred (*President Kwok absent, Counsel Baird attending in place of Counsel Hynes*)

05/14: TAC

05/15: 2nd Regular Meeting (*Director Bosworth absent*)

05/16: TPAC (*Director Bosworth absent, Director Gatto plans to attend*)

05/27: Holiday - Closed

MAY 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 st Regular Meeting	2	3	4
5	6	7	8	9	10	11
12	13	TAC	15 2 nd Regular Meeting	16 TPAC	17	18
19	20	21	22	23	24	25
26	27 Memorial Day Holiday	28	29	30	31	

JUNE 2019

06/03: SCCSDA Meeting

06/05: 1st Regular Meeting (*Director Chen absent*)

06/11: TAC

06/13: TPAC

06/19: 2nd Regular Meeting

JUNE 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 SCCSDA	4	5 1 st Regular Meeting	6	7	8
9	10	11 TAC	12	13 TPAC	14	15
16	17	18	19 2 nd Regular Meeting	20	21	22
23	24	25	26	27	28	29
30						

JULY 2019

07/03: 1st Regular Meeting

07/04: Holiday – Closed

07/09: TAC

07/11: TPAC

07/17: 2nd Regular Meeting

JULY 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3 1 st Regular Meeting	4 HOLIDAY	5	6
7	8	9 TAC	10	11 TPAC	12	13
14	15	16	17 2 nd Regular Meeting	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, MAY 1, 2019

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:

Acting President Chen 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, and John M. Gatto. President Patrick S. Kwok was on excused absence.

Staff present: District Manager Richard K. Tanaka, Deputy District Manager Benjamin Porter, and Counsel Steve Baird.

2. MINUTES:

- A. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 4-0-0, the minutes of Wednesday, April 17, 2019 were approved as written.
- B. By consensus, the Minutes of Wednesday, March 27, 2019 are to be Noted & Filed.

3. PERSONAL PRESENTATIONS:

There were none.

4. PUBLIC HEARING:

- A. Due to miscommunication between counsel and staff, public notices were not mailed out to customers for a public hearing and staff recommended sending out public notices and rescheduling public hearing. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 4-0-0, the public hearing on proposed sanitary sewer service charge increase for fiscal year 2019-2020 was rescheduled for Wednesday, July 3, 2019.

5. CORRESPONDENCE:

- A. The Board reviewed CSDA Board Member Handbook. It was to be Noted & Filed.

6. MEETINGS:

- A. Staff plans to attend the Regular Meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held May 14, 2019.
- B. Director Gatto plans to attend the Regular Meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held May 16, 2019.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MAY 1, 2019

7. REPORTS:

There were none.

8. UNFINISHED BUSINESS:

- A. Manager Tanaka and the Board discussed line of credit and loan terms. Manager Tanaka discussed that Cal Bank is a revolving line of credit, and the CSDA loan must be used for capital projects. The Board directed staff to obtain an additional loan quote from Cal Bank and ask CSDA to extend duration of offer until second meeting in June.

9. NEW BUSINESS:

There was none.

10. STAFF REPORTS:

- A. Manager Tanaka reported on Prospect Pump Station update. The electrical modifications have been complicated by the requirement to conform to Class 1, Division 2. Because of this extensive electrical work, staff recommends that the electrical work be combined with mechanical work and constructed as one project. Staff anticipates the cost in the range of \$800k-\$1M and construction is expected to begin in October 2019.
- B. Manager Tanaka reported on The Forum update. The Installer's Agreement requires Forum to pay up to \$250K to reduce I/I. To date, smoke testing and CCTV inspections were performed, and some minor defects were found. Forum will repair these minor defects. Staff and Forum are in agreement to amend the Installers' Agreement to have Forum pay the balance in the amount of \$200K and remove this I/I reduction mitigation requirement for Forum.
- C. Manager Tanaka reported on the Main Street project update. One parcel was subdivided into five parcels without District consultation. This subdivision resulted in the Main Street Project becoming non-compliant with the District's Operations Code, which requires each legal parcel to be served with separate lateral. In order to have Main Street Project in compliance, staff indicated that one solution is for the District to own part of sewer mains located within the Main Street Project. Director Gatto expressed concerns with this additional ownership and requested that staff explore for other possible options, such as variance to allow the project "as is".

11. CLOSED SESSION:

Acting President Chen adjourned the regular meeting session and opened the closed session at 8:04 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.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MAY 1, 2019

Acting President Chen adjourned the closed session and the regular meeting was called to order at 8:09 p.m.

There was no reportable action.

12. ADJOURNMENT:

Director Chen was excused from the regular meeting to be held June 5, 2019.

Director Bosworth was excused from the regular meeting to be held May 15, 2019.

On a motion properly made and seconded, at 8:10 p.m. the meeting was adjourned.

Secretary Pro-Tem of the Sanitary Board

Acting President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 17, 2019

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:

Acting President Chen 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: Angela S. Chen, Taghi S. Saadati, John M. Gatto, and William A. Bosworth. President Patrick S. Kwok arrived at 7:30 p.m. (delayed by traffic)

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

Guests: Kyle Tanaka and Colleen Haley with California Special Districts Association, Nouman Tarabichi with Pacific Catch, and Sasha Dansky with Mark Thomas.

9. A. UNFINISHED BUSINESS:

Director Chen motioned to move item 9.A. up on the agenda, Director Saadati seconded the motion, and all approved. Mr. Tarabichi, owner of Pacific Catch, addressed the Board regarding District development fee for Pacific Catch. The Board discussed Mr. Tarabichi's points and unanimously agreed that the fee is required per Ordinance No. 123. Staff is to bring Ordinance No. 123 back to the Board for consideration to change/clarify fee payment requirements in approximately one month.

2. MINUTES & BILLS:

- A. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 4-0-0, the minutes of Wednesday, March 27, 2019 were approved as written.
- B. By consensus, the Minutes of Wednesday, March 6, 2019 are to be Noted & Filed.
- C. Director Gatto motioned to add new item 2.C. - Bills on the Agenda, Director Bosworth seconded the motion, and all approved. The Board reviewed the March financials for payment. Board instructed Staff to revise analysis to include net cash. The Board discussed Hunton Andrews invoice rounding error and business cards receipt. On a motion by Director Saadati, seconded by Director Gatto, by a vote of 4-0-0, the payment of bills was approved.
- D. The Directors submitted their March 2019 timesheets to Staff.

3. PERSONAL PRESENTATIONS:

There were none.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 17, 2019

4. SPECIAL - TRANSPARENCY CERTIFICATION:

These items were deferred to after item 7.B.

5. CORRESPONDENCE:

There was none.

6. MEETINGS:

There were none.

President Kwok arrived at 7:30 p.m. and resumed the meeting as President.

7. REPORTS:

- A. Deputy Manager Porter reported on the Regular Meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held April 9, 2019.
- B. Director Gatto reported on the Regular Meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held April 11, 2019. Kerri Romanov committed that City of San Jose will not sign a contract for biosolids until the disposal issue is resolved.

4. SPECIAL - TRANSPARENCY CERTIFICATION: (These items were deferred to occur later in the meeting)

- A. Colleen Haley, representing Special District Leadership Foundation (SDLF), presented the Board with SDLF District Transparency Certificate of Excellence.
- B. Kyle Tanaka, representing California Special District Association (CSDA), gave a presentation to the Board about the benefits of becoming a member of CSDA.

8. UNFINISHED BUSINESS:

- A. Manager Tanaka presented an update on the line of credit request for proposal for the District. The District is close to getting a term sheet for a line of credit from the bank and is also expecting to receive loan terms from CSDA soon.

9. NEW BUSINESS:

- A. Pacific Catch development fee moved up to after roll call.
- B. The Board submitted Form 470 to Deputy Manager Porter for filing.
- C. The Board discussed abandonment of sewer easement at The Forum at Rancho San Antonio. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved Resolution No. 1309, Vacating a Portion of a Sanitary Sewer Easement and Authorizing Execution of a Quitclaim Deed. The Quitclaim deed was signed and notarized.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 17, 2019

- D. The Board discussed a request of reimbursement to St. Jude Church for overcharge of sewer inspection fees. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0, reimbursement in the amount of \$400.00 was approved.
- E. The Board discussed attendance of ESRI User Conference to be held July 8-12 in San Diego, CA. The Board agreed with staff recommendation for attendance by one engineering level staff member and one management level staff member and appreciated the communication. The management staff member will attend the Engineering Summit, and the engineering level staff member will attend the Preconference Seminar.
- F. The Board discussed attendance of Advanced Management & Supervisory Leadership Training Program to be held May 20-22, 2019 in Santa Clara, CA. The Board agreed with staff recommendation Deputy District Manager Porter to attend and appreciated the communication.
- G. The Board discussed Staff's recommendation to purchase three generators and one trasher pump for District pump stations. On a motion by Director Gatto, seconded by Director Chen, by a vote of 5-0-0, the Board approved purchase of three New MultiQuip trailer mounted generators at a total cost of \$90,958.30 and the purchase of a 6-inch trasher pump with hose and fittings at a cost of \$49,116.03.

10. STAFF REPORTS:

- A. District Counsel Hynes discussed transitioning of District Manager-Mark Thomas & Co. Agreement. The Board received memo from District Counsel Hynes, and it is to be Noted & Filed. On a motion by Director Gatto, seconded by Director Chen, by a vote of 5-0-0, the Board agreed with recommendation from District Counsel that a contract amendment is not required..
- B. District Manager Tanaka reported on annual report to Riverwatch. No significant issues were reported.
- C. District Manager Tanaka gave an update on Prospect Pump Station. Discussion included costs-to-date, electrical design for new control panel, and PG&E new service point.
- D. Deputy District Manager Porter reported on the monthly maintenance report.

11. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 8:30 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 Kwok adjourned the closed session and the regular meeting was called to order at 8:38 p.m.

There was no reportable action.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 17, 2019

12. ADJOURNMENT:

President Kwok was excused from the regular meeting to be held May 1, 2019.

District Counsel Hynes reported his absence from the regular meeting to be held May 1, 2019. Steven Baird will attend in his place.

On a motion properly made and seconded, at 8:39 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

**CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - MAY 15, 2019**

<u>WARRANT</u>					
<u>NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 1,360.95	ADP	Directors' Salary	
18619	M&O	\$ 287,598.87	Mark Thomas & Company, Inc.	Office Rent	400.00
				Utilities	776.35
				Operating Expense	44.66
				District Sewer Capital & Support	13,616.95
				Plan Checking & Inspection	13,568.16
				Management Services	36,889.02
				Engineering Services	53,681.74
				Repairs	23,878.48
				Maintenance	136,786.53
				Emergency	7,956.98
18620	M&O	\$ 1,077.74	Dooley Insurance Services	Insurance - Group Life & Dental	
18621	M&O	\$ 400.00	St. Jude The Apostle Episcopal Church	Refunds & Reimbursement - Misc.	
18622	M&O	\$ 271.00	CWEA	Membership Dues	
18623	M&O	\$ 5,000.00	Radman Aerial Surveys	District Sewer Capital & Support	
18624	M&O	\$ 4,383.03	St. Francis Electric	Repairs	
18625	M&O	\$ 1,455.00	Peninsula Pump & Equipment Inc.	Emergency	
18626	M&O	\$ 70.57	City of Santa Clara	Utilities	
18627	M&O	\$ 68.36	San Jose Water Company	Utilities	
18628	M&O	\$ 3,932.34	PG&E	Utilities	
18629	M&O	\$ 135.00	Jose Silva Gardening	Maintenance	
18630	M&O	\$ 292.32	Home Depot Credit Services	Maintenance	
18631	M&O	\$ 725.00	IMS, Inc.	Maintenance	
18632	M&O	\$ 320.00	Mission Communications	Maintenance	
18633	M&O	\$ 230.00	Signa Mechanical	Maintenance	
18634	M&O	\$ 139.58	WECO Industries	Maintenance	
18635	M&O	\$ 21,403.75	AB/JDD Plumbing Heating & AC	Maintenance	21,216.25
				Emergency	187.50
18636	M&O	\$ 49,341.60	Able Underground Construction	Maintenance	48,826.80
				Emergency	514.80
18637	M&O	\$ 31,720.59	Roto-Rooter	Maintenance	
TOTAL		\$ 409,925.70			

EMERGENCY DETAILS:

AB/JDD Plumbing - one emergency this month
Able - one emergency this month
Roto-Rooter - no emergencies this month

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH APRIL 2019
(10th Month of Operations - 83% into FY Operations)
 FISCAL YEAR: July 1, 2018 to June 30, 2019
EXPENSE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
OPERATING EXPENSES								
Directors Fees	41030	\$35,000	\$23,412.33	\$1,360.95	\$24,773.28	\$10,226.72	70.8%	April Payroll
Gasoline, Oil & Fuel	41060	\$3,000	\$1,495.78	\$0.00	\$1,495.78	\$1,504.22	49.9%	None this month
Insurance	41070	\$125,000	\$125,178.47	\$1,077.74	\$126,256.21	(\$1,256.21)	101.0%	BOD Group Life & Dental
Memberships	41080	\$30,000	\$33,627.07	\$271.00	\$33,898.07	(\$3,898.07)	113.0%	CWEA Certification Renewal
Office Rent	41090	\$6,000	\$3,600.00	\$400.00	\$4,000.00	\$2,000.00	66.7%	On Target
Operating Expenses	41100	\$3,000	\$2,206.17	\$44.66	\$2,250.83	\$749.17	75.0%	ID Badges for inspectors and office staff
Contractual Services:								
Outfall Maintenance	41113	\$70,000	\$46,535.89	\$0.00	\$46,535.89	\$23,464.11	66.5%	None this month
Treatment Plant Operation and Maintenance	41114	\$5,821,361	\$5,689,640.00	\$0.00	\$5,689,640.00	\$131,721.00	97.7%	None this month
Professional Services:								
Management Services	41121	\$500,000	\$331,226.29	\$36,889.02	\$368,115.31	\$131,884.69	73.6%	On target
Engineering Services	41122	\$800,000	\$753,014.17	\$53,681.74	\$806,695.91	(\$6,695.91)	100.8%	Over budget due to prior effort for Fee Study Report and to refine Flow Model per City of Santa Clara request; April expenditure on target
Plan Checking and Inspection	41123	\$140,000	\$100,014.95	\$13,568.16	\$113,583.11	\$26,416.89	81.1%	On target
Legal - District Counsel	41124	\$60,000	\$17,328.50	\$0.00	\$17,328.50	\$42,671.50	28.9%	None this month
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$1,179,360	\$187,229.47	\$0.00	\$187,229.47	\$1,012,130.53	14.2%	None this month
Legal - Common Interest Group (CuSD Share)	41124	\$332,640	\$47,167.30	\$0.00	\$47,167.30	\$285,472.70	14.2%	None this month
Audit	41125	\$11,000	\$10,775.00	\$0.00	\$10,775.00	\$225.00	98.0%	Audit is fully paid
Printing & Publications	41130	\$15,000	\$12,317.56	\$0.00	\$12,317.56	\$2,682.44	82.1%	None this month
Repairs	41150	\$800,000	\$487,788.08	\$28,261.51	\$516,049.59	\$303,950.42	62.0%	On target
Maintenance	41151	\$2,400,000	\$2,155,795.07	\$240,392.07	\$2,396,187.14	3,812.86	99.8%	Budget expended corresponds to maintenance being ahead of annual schedule
Travel & Meetings - Staff	41170	\$15,000	\$8,604.35	\$0.00	\$8,604.35	\$6,395.65	57.4%	None this month
Travel & Meetings - BOD	41170	\$15,000	\$15,466.77	\$0.00	\$15,466.77	(466.77)	103.1%	None this month
Utilities	41190	\$60,000	\$44,989.08	\$4,847.62	\$49,836.70	\$10,163.30	83.1%	On target
Refunds & Reimbursements:								
Miscellaneous	41201	\$15,000	\$42,078.22	\$400.00	\$42,478.22	(\$27,478.22)	283.2%	St. Jude The Apostolic Episcopal Church - duplicate charges for sewer inspection
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	\$719,289.46	\$10,114.28	\$729,383.74	(\$479,383.74)	291.8%	Over Budget due to Prospect Pump Station Failure in February
Consolidated Election	48001	\$20,000	\$18,308.00	\$0.00	\$18,308.00	\$1,692.00	91.5%	None this month
TOTAL OPERATING EXPENSES		\$12,711,361	\$10,837,067.98	\$391,308.75	\$11,228,376.73	\$1,482,984.27	88.3%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$2,000,000	\$246,301.87	\$18,616.95	\$264,918.82	\$1,735,081.18	13.2%	Smoke Testing and Prospect Pump Station Design
Treatment Plant Capital	46042	\$3,971,546	\$4,123,051.64	\$0.00	\$4,123,051.64	(\$151,505.64)	103.8%	None this month
Outfall Capital	46043	\$60,000	\$75,425.48	\$0.00	\$75,425.48	(15,425.48)	125.7%	None this month
District Equipment	46043	\$150,000	\$62,103.54	\$0.00	\$62,103.54	\$87,896.46	41.4%	None this month
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	
TOTAL CAPITAL EXPENSES		\$6,481,546	\$4,508,882.53	\$18,616.95	\$4,525,499.48	\$1,956,046.52	69.8%	
TOTAL EXPENSES		\$19,192,907	\$15,343,950.51	\$409,925.70	\$15,753,876.21	\$3,439,030.79	82.1%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH APRIL 2019
 (10th Month of Operations - 83% into FY Operations)
 FISCAL YEAR: July 1, 2018 to June 30, 2019

REVENUE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts	Total Amount Received	Remaining Balance to Collect	% Earned		Comments
							Received	To Date	
OPERATING									
Service Charges	31010								
Handbilling		\$466,366.00	\$394,387.74	\$20,319.91	\$414,707.65	\$51,658.35	88.9%	88.9%	One handbilling payment received this month
Tax Roll		\$15,328,805.00	\$8,908,072.62	\$0.00	\$8,908,072.62	\$6,420,732.38	58.1%	58.1%	None this month
Permit Fees	31020	\$40,000.00	\$81,180.93	\$19,484.00	\$100,664.93	(\$60,664.93)	251.7%	251.7%	Twenty-six payments: One hundred seventy-three payments received to date
Connection Fees	31031	\$25,000.00	\$28,701.92	\$79,986.96	\$108,688.88	(\$83,688.88)	434.8%	434.8%	One payment received this month; Four payments received to date
Capacity Fees	31032	\$30,000.00	\$28,718.00	\$146,236.14	\$174,954.14	(\$144,954.14)	583.2%	583.2%	Five payments received this month
Pump Zone Fees	31033	\$80,000.00	\$24,525.00	\$0.00	\$24,525.00	\$55,475.00	30.7%	30.7%	No payments received this month; Four payments received to date
Change in Use Fees	31034	\$200,000.00	\$186,708.46	\$0.00	\$186,708.46	\$13,291.54	93.4%	93.4%	No payments received this month; Seven payments to date including IA deposit
Checking & Inspection Fees	31040	\$160,000.00	\$97,281.40	\$11,500.00	\$108,781.40	\$51,218.60	68.0%	68.0%	Thirty payments this month; One hundred seventy-six received to date
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	0.0%	None to date
Interest	32050	\$160,000.00	\$194,394.08	\$0.00	\$194,394.08	(\$34,394.08)	121.5%	121.5%	None this month
City of San Jose Credit(s)	32091	\$500,000.00	\$1,434,166.00	\$0.00	\$1,434,166.00	(\$934,166.00)	286.8%	286.8%	None this month
Legal - Common Interest Group (Tributaries)	32092.1	\$1,179,360.00	\$99,453.98	\$0.00	\$99,453.98	\$1,079,906.02	8.4%	8.4%	None this month
Legal - Common Interest Group (2% Admin Fees)	32092.2	\$23,587.20	\$2,029.32	\$0.00	\$2,029.32	\$21,557.88	8.6%	8.6%	None this month
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$30,941.53	\$0.00	\$30,941.53	(\$20,941.53)	309.4%	309.4%	None this month
Lateral Construction	32093	\$15,000.00	\$3,000.00	\$0.00	\$3,000.00	\$12,000.00	20.0%	20.0%	None this month
TOTAL OPERATING REVENUE		\$18,220,618.20	\$11,513,560.97	\$277,527.01	\$11,791,087.98	\$6,429,530.22	64.71%	64.71%	
Revenue Transfer		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$18,220,618.20	\$11,513,560.97	\$277,527.01	\$11,791,087.98	\$6,429,530.22	64.71%	64.71%	

CASH ACCOUNT SUMMARY

Date	Description	Balance	Replacement Fund	Net Cash
June 30, 2018	Ending Balance	\$ 18,406,345.03	\$ 2,400,000.00	\$ 16,006,345.03
July 31, 2018	Ending Balance	\$ 16,147,971.50	\$ 2,700,000.00	\$ 13,447,971.50
August 31, 2018	Ending Balance	\$ 15,711,321.00	\$ 2,700,000.00	\$ 13,011,321.00
September 30, 2018	Ending Balance	\$ 15,238,750.76	\$ 2,700,000.00	\$ 12,538,750.76
October 31, 2018	Ending Balance	\$ 11,927,789.32	\$ 2,700,000.00	\$ 9,227,789.32
November 30, 2018	Ending Balance	\$ 11,404,415.54	\$ 2,700,000.00	\$ 8,704,415.54
December 31, 2018	Ending Balance	\$ 10,837,489.79	\$ 2,700,000.00	\$ 8,137,489.79
January 31, 2019	Ending Balance	\$ 17,608,210.37	\$ 2,700,000.00	\$ 14,908,210.37
February 28, 2019	Ending Balance	\$ 18,625,507.77	\$ 2,700,000.00	\$ 15,925,507.77
March 31, 2019	Ending Balance	\$ 17,804,001.65	\$ 2,700,000.00	\$ 15,104,001.65
April 30, 2019	Ending Balance	\$ 14,357,691.42	\$ 2,700,000.00	\$ 11,657,691.42

Running Total Expenses for Prospect Pump Station

<u>Contractor/Firm</u>	<u>TOTAL BY FIRM</u>	<u>PAYMENT MADE</u>		
		February-19	March-19	April-19
Mark Thomas & Co.	\$ 282,014.50	\$ 189,889.46	\$ 48,911.65	\$ 43,213.39
Able Underground Construction	\$ 435,066.17	\$ 232,213.55	\$ 195,282.50	\$ 7,570.12
Easy Fuel	\$ 3,231.28		\$ 3,231.28	
National Plant Services	\$ 10,317.50		\$ 10,317.50	
Pan Pacific Supply	\$ 20,857.22		\$ 20,857.22	
Pfeiffer Electric	\$ 73,559.87		\$ 73,559.87	
Rain for Rent	\$ 22,270.32		\$ 22,270.32	
Roto-Rooter	\$ 33,113.87		\$ 33,113.87	
Trinity Liquid Waste Sys	\$ 81,575.00		\$ 81,575.00	
Home Depot	\$ 412.99		\$ 412.99	
Grainger	\$ 377.11		\$ 377.11	
Testing Engineers	\$ 2,400.00		\$ 2,400.00	
CD Power	\$ 3,568.70			\$ 3,568.70
PAC Machine - adapter	\$ 99.11			\$ 99.11
Peninsula Pump & Equipment	\$ 1,455.00			\$ 1,455.00
Radman Aerial Surveys	\$ 5,000.00			\$ 5,000.00
TOTAL BY MONTHS	\$975,318.64	\$422,103.01	\$492,309.31	\$60,906.32

<u>MTCO Billing</u>	<u>Employee Labor Hours</u>		
	<u>Feb</u>	<u>March</u>	<u>April</u>
Engineering Inquiries/Investigation	4,205.21	2,799.42	1,545.36
SSMP	3,878.63	10,115.16	356.29
Repair - Pump Station	90,780.78	25,743.83	20,861.98
Emergency	73,589.54	6,198.09	7,468.39
Design (CU-19104)	0.00	4,055.15	12,981.37
Est. total charged to others	17,435.30		
	189,889.46	48,911.65	43,213.39

1056 total hours working 3 rotating shifts
 158 # of hours charged to Maintenance (15% of 1056 hours)
 110.35 Average Inspector fee per hour
 17,435.30 Est. Total charged to Maintenance - Pump Station & Mains&Manholes (15% of Inspector total hours working 3 rotating shifts)



Memo

Item 8A

To: Board of Directors

From: Richard Tanaka, District Manager-Engineer

Date: May 15, 2019

Re: APPROVAL TO AMEND FORUM INSTALLER'S AGREEMENT

Background:

Installer's Agreement with Forum was executed on July 18, 2018 between the Cupertino Sanitary District and The Forum at Rancho San Antonio.

Section 1 of this agreement required Forum to perform CCTV and Smoke Testing of their onsite facility. This work has now been completed with only minor repairs that are required to be completed.

Section 7 of this agreement required Forum to incur cost up to \$250,000 to reduce I/I per City of Cupertino Mitigation Measure UTIL-3.

Forum has incurred CCTV and smoke testing cost of approximately \$50,000 and has agreed to complete minor repairs noted from CCTV. Because CCTV and smoke testing results did not reveal significant cost is required to reduce onsite I/I, staff is in an agreement to remove this mitigation requirement to reduce onsite I/I and have Form pay the balance of \$200,000 to Cupertino Sanitary District.

This amendment also includes modifications to the ownership of sewer mains within the Forum and the requirement for Forum to pay additional administrative, engineering, and inspection fees in the amount of \$15,000.

Forum has signed the amendment and deposited a check in the amount of \$215,000.

Recommendation:

Staff recommends Board to approved attached Amendment No. 1 to the Forum Installer's Agreement.

Attachments:

- 1) Amendment No. 1 to the Forum Installer's Agreement
- 2) Check in the amount of \$215,00

THE FORUM

AT RANCHO SAN ANTONIO

RECEIVED

MAY 06 2019

CUPERTINO
SANITARY DISTRICT

May 3, 2019

Richard Tanaka
Cupertino Sanitary District
20863 Stevens Creek Blvd, Suite 100
Cupertino, CA 95014

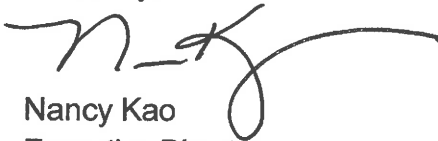
Richard,

Please find enclosed two (2) of the Amendment No. 1, dated May 3, 2019 to the Installer's Agreement dated July 18, 2018 between the CUPERTINO SANITARY DISTRICT of Santa Clara County and The Forum at Rancho San Antonio and two checks for the following:

- \$200,000 (installer's agreement)
- \$15,000 (second deposit for staff time to review plan checks)

Once signed, please return one (1) copy of the amendment to The Forum at Rancho San Antonio.

Sincerely,



Nancy Kao
Executive Director

23500 Cristo Rey Drive • Cupertino, CA 95014

650.944.0100 • ExperienceTheForum.com

COA #204 CA RCFE #435200344
Managed by  Life Care Services



I N S T A L L E R ' S
A G R E E M E N T

AMENDMENT NO. 1

This Amendment No. 1, dated May 3, 2019 to the Installer's Agreement dated July 18, 2018 between the CUPERTINO SANITARY DISTRICT of Santa Clara County and The Forum at Rancho San Antonio is agreed as follows:

1. Whereas, District is the owner and operator of a sanitary sewer system within the Forum is revised as follows:

- 110 LF 8" PVC Gravity Main from T-674 to T-673
- 105 LF 8" PVC Gravity Main from 9054-101 to 9054-101-A
- 12 LF 8" PVC Gravity Main from 9054-101-A to T-674
- 1,971 LF 6" PVC Force Main from Forum 1 Pump Station
- 2,137 LF 6" PVC Force Main from Forum 2 Pump Station
- Forum 1 Pump Station
- Forum 2 Pump Station

The District previously owned and maintained 112 LF 8" PVC Gravity Main from T-677 to T-676, 124 LF 8" PVC Gravity Main from T-676 to T-675, and 145 LF 8" PVC Gravity Main from T-675 to T-674 sanitary sewer mains in sewer easements that District has filed a quit claim deed on April 18, 2019 per District Resolution No. 1309.

2. Section 1, CCTV and Smoke Testing, Item v and vi, is amended as follows:

CCTV and Smoke Testing have now been completed to District's satisfaction. No further rehabilitation or capital improvements by the Forum is required, either onsite or offsite, to reduce inflow/infiltration.

3. Section 5, Deposit, is amended as follows:

District has now expended the initial \$15,000 deposit made to cover District Administration, Plan Checking and Inspection Fees. The Forum has deposited additional \$15,000 to cover District expenses until the project is completed. Any balance of said sum remaining on the District administration fees deposit after payment of all such charges and costs shall be refunded to Installer. No interest shall be paid by District on the money so refunded. If the deposit for District administrative fees is insufficient to pay all such charges and costs, Installer hereby agrees to pay all such charges and costs in excess of the sum so deposited prior to the acceptance of the said sanitary sewer improvements.

4. Section 6, Fee Credit; Cost Sharing; Amendment, is amended as follows:

Forum at Rancho San Antonio has paid Mitigation Measure UTIL-3 fee in the amount of \$200,000 to Cupertino Sanitary District. With this payment, Mitigation Measure UTIL-3 is now satisfied and no further rehabilitation, both onsite and offsite, is required.

This amendment includes requirement for the Forum to clean all sanitary sewer mains privately owned every even year. The Forum to notify District when a schedule is established to ensure that precautions are taken for not damaging District's pump stations. The Forum is to provide cleaning record to the District within 30 days of completion.

5. As hereby amended, the terms and conditions of the Agreement and Amendment No. 1 thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this agreement the day and year first above written.

"DISTRICT"
CUPERTINO SANITARY DISTRICT
Santa Clara County, California

By: _____
President of the Sanitary Board of said District

(SEAL)

ATTEST:

Secretary of said District

"INSTALLER"
The Forum at Rancho San Antonio

By: Mary Elizabeth O'Connor
RHC President -], Trustee
Board of Directors

I N S T A L L E R ' S
A G R E E M E N T

AMENDMENT NO. 1

This Amendment No. 1, dated May 3, 2019 to the Installer's Agreement dated July 18, 2018 between the CUPERTINO SANITARY DISTRICT of Santa Clara County and The Forum at Rancho San Antonio is agreed as follows:

1. Whereas, District is the owner and operator of a sanitary sewer system within the Forum is revised as follows:
 - 110 LF 8" PVC Gravity Main from T-674 to T-673
 - 105 LF 8" PVC Gravity Main from 9054-101 to 9054-101-A
 - 12 LF 8" PVC Gravity Main from 9054-101-A to T-674
 - 1,971 LF 6" PVC Force Main from Forum 1 Pump Station
 - 2,137 LF 6" PVC Force Main from Forum 2 Pump Station
 - Forum 1 Pump Station
 - Forum 2 Pump Station

The District previously owned and maintained 112 LF 8" PVC Gravity Main from T-677 to T-676, 124 LF 8" PVC Gravity Main from T-676 to T-675, and 145 LF 8" PVC Gravity Main from T-675 to T-674 sanitary sewer mains in sewer easements that District has filed a quit claim deed on April 18, 2019 per District Resolution No. 1309.

2. Section 1, CCTV and Smoke Testing, Item v and vi, is amended as follows:

CCTV and Smoke Testing have now been completed to District's satisfaction. No further rehabilitation or capital improvements by the Forum is required, either onsite or offsite, to reduce inflow/infiltration.

3. Section 5, Deposit, is amended as follows:

District has now expended the initial \$15,000 deposit made to cover District Administration, Plan Checking and Inspection Fees. The Forum has deposited additional \$15,000 to cover District expenses until the project is completed. Any balance of said sum remaining on the District administration fees deposit after payment of all such charges and costs shall be refunded to Installer. No interest shall be paid by District on the money so refunded. If the deposit for District administrative fees is insufficient to pay all such charges and costs, Installer hereby agrees to pay all such charges and costs in excess of the sum so deposited prior to the acceptance of the said sanitary sewer improvements.

4. Section 6, Fee Credit; Cost Sharing; Amendment, is amended as follows:

Forum at Rancho San Antonio has paid Mitigation Measure UTIL-3 fee in the amount of \$200,000 to Cupertino Sanitary District. With this payment, Mitigation Measure UTIL-3 is now satisfied and no further rehabilitation, both onsite and offsite, is required.

This amendment includes requirement for the Forum to clean all sanitary sewer mains privately owned every even year. The Forum to notify District when a schedule is established to ensure that precautions are taken for not damaging District's pump stations. The Forum is to provide cleaning record to the District within 30 days of completion.

5. As hereby amended, the terms and conditions of the Agreement and Amendment No. 1 thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this agreement the day and year first above written.

"DISTRICT"
CUPERTINO SANITARY DISTRICT
Santa Clara County, California

By: _____
President of the Sanitary Board of said District

(SEAL)

ATTEST:

Secretary of said District

"INSTALLER"
The Forum at Rancho San Antonio

By: Mary Sarah Thomas
RHC, President, Board of Directors], Trustee

Rancho San Antonio Retirement Housing Corporation
 d/b/a The Forum at Rancho San Antonio
 23600 Via Esplendor
 Cupertino, CA 95014

No. 1031

Check Date: 05/03/2019

CUPERTINO SANITARY DISTRICT, 20863 Stevens Creek Blvd Suite 100, Cupertino CA 95014

Invoice	Description	Date	Discount	Net Amount Paid
050319-1	SANITARY SEWER SYSTEM - ADDITIONAL DEPOSIT	05/03/2019	\$0.00	\$15,000.00
Grand Totals			\$0.00	\$15,000.00

Detach at Perforation Before Depositing Check

Page 1 of 1

THE FACE OF THIS DOCUMENT HAS A MULTI-COLORED BACKGROUND ON WHITE PAPER, A VOID PANTOGRAPH AND MICROPRINTING. THIS DOCUMENT CONTAINS A TRUE WATERMARK VISIBLE FROM BOTH SIDES.

Rancho San Antonio Retirement Housing Corporation
 d/b/a The Forum at Rancho San Antonio
 23600 Via Esplendor
 Cupertino, CA 95014

BBVA Compass Bank
 90-7053/3211

Check No. 1031

05/03/2019

\$ ****15,000.00

PAY Fifteen Thousand DOLLARS & 00 CENTS

TO THE ORDER OF
 Cupertino Sanitary District
 20863 Stevens Creek Blvd Suite 100
 Cupertino CA 95014

Marg Elisabeth Honnor
 Authorized Signature

Harvey S. Dizon
 Authorized Signature

134000

Rancho San Antonio Retirement Housing Corporation
 d/b/a The Forum at Rancho San Antonio
 23600 Via Esplendor
 Cupertino, CA 95014

No. 1030

Check Date: 05/03/2019

CUPERTINO SANITARY DISTRICT, 20863 Stevens Creek Blvd Suite 100, Cupertino CA 95014

Invoice	Description	Date	Discount	Net Amount Paid
050319	SANITARY SEWER SYSTEM - MITIGATION MEASURE	05/03/2019	\$0.00	\$200,000.00
Detach at Perforation Before Depositing Check			Grand Totals	\$0.00 \$200,000.00

THE FACE OF THIS DOCUMENT HAS A MULTI-COLORED BACKGROUND ON WHITE PAPER. A VOID PANTOGRAPH AND MICROPRINTING. THIS DOCUMENT CONTAINS A TRUE WATERMARK VISIBLE FROM BOTH SIDES.

Rancho San Antonio Retirement Housing Corporation
 d/b/a The Forum at Rancho San Antonio
 23600 Via Esplendor
 Cupertino, CA 95014

BBVA Compass Bank
 90-7053/3211

Check No. 1030

05/03/2019

Check Amount
 \$ ***200,000.00

PAY *Two Hundred Thousand DOLLARS & 00 CENTS*

TO THE ORDER OF
 Cupertino Sanitary District
 20863 Stevens Creek Blvd Suite 100
 Cupertino CA 95014

134000

Marg Elisabeth Plonner
 Authorized Signature

Harvey S. Lyon
 Authorized Signature





Memo

Item 8B

To: Board of Directors
From: Richard Tanaka, District Manager-Engineer
Date: May 15, 2019

Re: JOINT INTERCEPTOR COST FROM CITY OF SAN JOSE

Background:

District entered into a cost sharing agreement with City of San Jose for the use of joint interceptor on April 22, 2015. This agreement requires Cupertino Sanitary District to pay for the District's share of the capital cost of the joint interceptor.

City has informed the District that City has awarded construction contract in the amount of \$8,272,000 for rehabilitation of City of San Jose sewer main on Bollinger Road between Blaney Avenue to Lawrence Expressway. District's share of the cost will be \$1,355,567 (16%), which City anticipates billing the District in September 2019 for \$375,722 and balance in September 2020.

Recommendation:

This amount is significantly higher than the budgeted amount for this activity. District will need to re-budget and allocate sufficient funds to pay District's share of capital cost for the joint interceptor.

Attachments:

City of San Jose Cost Summary sheet for the Joint Interceptor.

Cupertino Sanitary District - Monthly Maintenance Summary - April 2019

SSOs

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

PLSDs (Private Lateral Sewage Discharge)

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

Emergency Calls - Causes

Call Recd Business Hours	# of Calls	Call Recd After Hours	# of Calls	Call Recd Weekend	# of Calls
Root Intrusion	4	Root Intrusion	1	Root Intrusion	-
Onsite	3	Onsite	3	Onsite	1
Grease	-	Others	3	Offset	1
Others	1	Pump Station	2	Pump Station	-
Total:	8	Total:	9	Total:	2

Repairs

Address	Main/Lat	Description of Work
Homestead Pump Station	Pump Station	Electrical repair for generator
Kirkbrook Pump Station	Pump Station	Electrical repair for pump

Mainline Maintenance

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2018-19 Annual Schedule	FY2018-19 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	40,396	74,422	5,211	1,040	0	406	0	0	0	121,475	786,490	882,053	89%
Easement Cleaning (ft)	0	7,960	8,710	1,254	988	0	0	0	0	0	18,912	105,594	151,772	70%
CCTV (ft)	0	4,654	11,173	1,078	530	0	2,395	0	0	0	19,830	207,592	206,765	100%

Lateral Maintenance

Activity	# of Laterals	FY2018-19 YTD	FY2018-19 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	378	3,003	2,167	139%
CCTV	16	130	(lateral maint is ahead of schedule)	
Inspection	26	207		

FOG Inspection

	# of Inspections	YTD FY2018-19	FY2018-19 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	20	389		
Completed	10	247	283	87%
Follow up Needed	7			