

**CUPERTINO SANITARY DISTRICT  
SANITARY BOARD MEETING  
WEDNESDAY, OCTOBER 21, 2020**

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

**In accordance with Executive Order N-33-20, meeting to be held at 7:00 p.m. via teleconference [call 1 (866) 899 - 4679 Conference Access Code: 251566821] and anyone interested may also call in. The District Office at 20863 Stevens Creek Blvd, Suite 100, Cupertino is closed.**

**1. ROLL CALL:**

**2. MINUTES & BILLS:**

- A. APPROVAL OF THE MINUTES OF OCTOBER 7, 2020
- B. APPROVED MINUTES OF SEPTEMBER 16, 2020
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENT
- D. DIRECTOR'S 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:**

NONE

**6. REPORTS:**

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) HELD OCTOBER 8, 2020

**7. UNFINISHED BUSINESS:**

- A. COVID-19 DISCUSSION

**CUPERTINO SANITARY DISTRICT  
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WEDNESDAY, OCTOBER 21, 2020**

B. ANNUAL REPORT UPDATE

**8. STAFF REPORT:**

- A. CITY OF SUNNYVALE UPDATE
- B. PAVEMENT ISSUE ON VIA REGINA
- C. MONTHLY MAINTENANCE REPORT

**9. 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.

**10. NEW BUSINESS:**

A. CONSULTANT AGREEMENT FOR DISTRICT ADVISOR

**11. CALENDAR ITEMS:**

A. NEXT REGULAR DISTRICT BOARD MEETING IS SCHEDULED TO BE HELD ON WEDNESDAY, NOVEMBER 4, 2020

**12. ADJOURNMENT:**

**CUPERTINO SANITARY DISTRICT  
MEETING/EVENT SCHEDULE**

**OCTOBER 2020**

10/05: TAC  
 10/07: 1<sup>st</sup> Regular Meeting  
 10/08: TPAC  
 10/21: 2<sup>nd</sup> Regular Meeting

OCTOBER 2020						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 TAC	6	7 1 <sup>st</sup> Regular Meeting	8 TPAC	9	10
11	12	13	14	15	16	17
18	19	20	21 2 <sup>nd</sup> Regular Meeting	22	23	24
25	26	27	28	29	30	31

**NOVEMBER 2020**

11/04: 1<sup>st</sup> Regular Meeting  
 11/09: TAC  
 11/12: TPAC  
 11/18: 2<sup>nd</sup> Regular Meeting

NOVEMBER 2020						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 1 <sup>st</sup> Regular Meeting	5	6	7
8	9 TAC	10	11	12 TPAC	13	14
15	16	17	18 2 <sup>nd</sup> Regular Meeting	19	20	21
22	23	24	25	26 Holiday	27	28
29	30					

**DECEMBER 2020**

12/02: 1<sup>st</sup> Regular Meeting  
 12/07: TAC  
           SCCSDA  
 12/10: TPAC  
 12/16: 2<sup>nd</sup> Regular Meeting

DECEMBER 2020						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2 1 <sup>st</sup> Regular Meeting	3	4	5
6	7 TAC SCCSDA	8	9	10 TPAC	11	12
13	14	15	16 2 <sup>nd</sup> Regular Meeting	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, OCTOBER 07, 2020

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted in accordance with the Executive Order N-33-20 via teleconferencing. The District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino was closed.

### 1. ROLL CALL:

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, William A. Bosworth, and Patrick S. Kwok.

Staff present: District Manager Benjamin Porter, District Advisor Richard K. Tanaka, Deputy District Manager Robert Woodhouse, and Counsel Marc Hynes. Mark Thomas Principal, Sasha Dansky joined in progress.

Public: None

### 2. MINUTES:

A. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0 the minutes of Wednesday, September 16, 2020 were approved.

B. By consensus, the Minutes of Wednesday, September 2, 2020 are to be Noted & Filed.

### 3. PERSONAL PRESENTATIONS:

There were none.

### 4. CORRESPONDENCE:

There was none.

### 5. MEETINGS:

A. Director Gatto plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled to be held October 8, 2020.

### 6. REPORTS:

A. Manager Porter attended the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held October 5, 2020. There was., discussion of janitorial service expenses and how they are allocated to the treatment plant.

### 7. UNFINISHED BUSINESS:

A. Manager Porter reported on COVID-19 update. However, there was not much to report.

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, OCTOBER 07, 2020

B. The Board discussed Staffing update.

Advisor Tanaka announced his retirement to be effective October 31, 2020 from Mark Thomas & Co. After discussion, there was a consensus to retain Advisor Tanaka as an independent consultant to the District. A Draft agreement will be included with the next Board meeting package.

8. NEW BUSINESS:

A. The Board discussed the Rate Study Workshop No. 2-SFR vs MFR. The discussion presented good data and information, but no decision was made to have separate rate for MFR. Staff is to bring back with more detail as to its impact on the rate structure. At the end of this discussion, Sasha Dansky joined in via telephone. Manager Porter requested to return to Item 7B for Mr. Dansky to provide input.

B. The Board reviewed the draft Annual Report. Staff is to polish it up and bring back the final version at the next regular meeting.

9. STAFF REPORTS:

A. Advisor Tanaka reported on future development projects, e.g.. Vallco Development. Vallco may want to have an agenda item for discussion at the first meeting in November.

B. There was nothing to report for The Forum.

C. Deputy Manager Woodhouse presented on the Inflow Reduction Plan. On a motion by Director Saadati, seconded by Director Kwok, by a vote of 5-0-0, the Board approved to authorize V&A's contract.

10. CLOSED SESSION:

President Chen adjourned the regular meeting session and opened the closed session at 9:21 p.m. Manager Porter and Advisor Tanaka were excused from the closed session. Dansky left the meeting.

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.

Closed session was adjourned at 9:40 p.m. and the regular meeting was called to order. Manager Porter and Advisor Tanaka rejoined the regular meeting. There was no reportable action.

11. NEXT MEETING:

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, OCTOBER 07, 2020

The next regular District Board meeting is scheduled to be held on Wednesday, October 21, 2020.

12. ADJOURNMENT:

On a motion properly made and seconded, at 9:42 p.m. the meeting was adjourned.

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Secretary of the Sanitary Board

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President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, SEPTEMBER 16, 2020

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. in accordance with the Executive Order N-33-20 via teleconferencing.

1. ROLL CALL:

President Chen called the meeting to order and roll call was taken, with the following members in attendance:

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

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

Guests: None

2. MINUTES & BILLS:

A. On a motion by Director Bosworth, seconded by Director Saadati, by a vote of 5-0-0, the minutes of Wednesday, September 2, 2020 were approved.

B. By consensus, the Minutes of Wednesday, August 19, 2020 are to be Noted & Filed.

C. The Board reviewed the August financials for payment. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, payment of bills was approved. The Board agreed that an electronic board package is acceptable for all board members except for Director Kwok for the first meeting of each month. For the second board meeting of the month, the finance committee will continue to get hard copies of agenda package and the financial documents and Director Kwok will continue to receive a hard copy of the agenda package.

D. The Board members will submit their timesheets electronically.

3. PERSONAL PRESENTATIONS:

There were none.

4. CORRESPONDENCE:

There was none.

5. MEETINGS:

A. Manager Porter will attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled to be held October 5, 2020.

CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, SEPTEMBER 16, 2020

- B. Director Gatto plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled to be held October 8, 2020.

**6. REPORTS:**

- A. Manager Porter reported on the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held September 8, 2020.
- B. Director Gatto reported that he had a difficult time teleconferencing into the meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held September 10, 2020. Afterwards, he had a discussion with Kerrie Romanow, particularly related to the pond issue.
- C. Director Bosworth reported on the virtual meeting of Santa Clara County Special Districts Association held Monday, September 14, 2020.

**7. UNFINISHED BUSINESS:**

- A. Manager Porter updated the Board on San Jose Joint Interceptor.
- B. COVID-19 discussion: Manager Porter reported that all staff is healthy.
- C. Four Board members are now up-to-date on their Ethics Training. One Board member will complete training tomorrow.

**8. NEW BUSINESS:**

There was none.

**9. STAFF REPORTS:**

- A. Manager Porter and Advisor Tanaka reported on the status of future development projects including Vallco. Vallco is currently planning to secure two estimates, one for a 12” replacement and one for a 48” storage option. District has requested Vallco to pay an additional \$50,000 for district engineering and administration expenses.
- B. Manager Porter reported on The Forum update. The District received an additional deposit (\$8,000) for district administration, engineering, and inspection services. Once the generator relocation and sewer main testing are completed, the Installer’s agreement can be closed out.
- C. Manager Porter reported on the monthly maintenance report. There were no SSOs. Staff will check with CASA to see if there are more problems due to COVID-19. President Chen reported that Manager Porter’s presentation to the Asian American Business Council (AABC) went well.

**10. CLOSED SESSION:**

President Chen adjourned the regular meeting session and opened the closed session at 7:45 p.m. Manager Porter and Advisor Tanaka were excused from the closed session.



CUPERTINO SANITARY DISTRICT BOARD MEETING  
WEDNESDAY, SEPTEMBER 16, 2020

- 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.

Closed session was adjourned at 8:08 p.m. and the regular meeting was called to order. Manager Porter and Advisor Tanaka rejoined the regular meeting. There was no reportable action.

11. NEXT MEETING:

The next regular District Board meeting is scheduled to be held on Wednesday, October 7, 2020.

12. ADJOURNMENT:

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

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Secretary of the Sanitary Board

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President of the Sanitary Board

**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH SEPTEMBER 2020**  
 (3rd Month of Operations - 25% into FY Operations)  
 FISCAL YEAR: July 1, 2020 to June 30, 2021

**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>								
Loan Payments	41000	\$1,200,542	\$0.00	\$0.00	\$0.00	\$1,200,542.00	0.0%	None to date
Directors Fees	41030	\$35,000	\$7,529.47	\$2,884.02	\$10,413.49	\$24,586.51	29.8%	On Target
Gasoline, Oil & Fuel	41060	\$3,000	\$1,040.25	\$0.00	\$1,040.25	\$1,959.75	34.7%	None this month
Insurance	41070	\$135,000	\$896.00	\$732.15	\$1,628.15	\$133,371.85	1.2%	Dooley insurance - November coverage
Memberships	41080	\$57,000	\$6,179.09	\$2,458.50	\$8,637.59	\$48,362.41	15.2%	East Bay Muni - BACWA Annual Membership
Office Rent	41090	\$6,000	\$800.00	\$400.00	\$1,200.00	\$4,800.00	20.0%	On Target
Operating Expenses - General	41100	\$3,000	\$49.90	\$0.00	\$49.90	\$2,950.10	1.7%	None this month
Operating Expenses - Credit Card	41100-1	\$3,700	1,871.89	\$252.81	\$2,124.70	\$1,575.30	57.4%	September Fees
<b>Contractual Services:</b>								
Outfall Maintenance	41113	\$71,000	\$0.00	\$0.00	\$0.00	\$71,000.00	0.0%	None to date
T.P. Oper. & Maint.	41114	\$8,630,553	\$1,606,535.00	\$1,606,535.00	\$3,213,070.00	\$5,417,483.00	37.2%	FY2020-2021 2nd Quarter Billing
<b>Professional Services:</b>								
Management Services	41121	\$540,000	\$116,280.72	\$64,743.93	\$181,024.65	\$358,975.35	33.5%	On Target
Engineering Services	41122	\$1,200,000	\$268,579.05	\$133,847.10	\$402,426.15	\$797,573.85	33.5%	On Target
Plan Checking & Inspection	41123	\$200,000	\$23,336.03	\$17,040.04	\$40,376.07	\$159,623.93	20.2%	On Target
Legal - District Counsel	41124	\$60,000	\$11,520.00	\$4,149.00	\$15,669.00	\$44,331.00	26.1%	Atkinson Farasyn - September Services
Legal - Common Interest Group								
(CUSD Advance Pay)	41124	\$980,000	\$250,325.25	\$288,559.60	\$538,884.85	\$441,115.15	55.0%	Outside Legal Services- Hunton Andrews (July and August)
Legal - Common Interest Group								
(CuSD Share)	41124	\$222,000	\$70,804.56	\$81,388.60	\$151,993.16	\$70,006.84	68.5%	Outside Legal Services- Hunton Andrews (July and August)
Audit	41125	\$11,500	\$0.00	\$0.00	\$0.00	\$11,500.00	0.0%	None to date
Printing & Publications	41130	\$28,000	\$0.00	\$0.00	\$0.00	\$28,000.00	0.0%	None to date
Repairs	41150	\$800,000	\$14,986.13	\$22,984.32	\$37,970.45	\$762,029.55	4.7%	Homestead PS Flow Meter Installation; Repair materials for Florence PS
Maintenance	41151	\$3,200,000	\$628,991.73	\$305,073.19	\$934,064.92	\$2,265,935.09	29.2%	On Target
Travel & Meetings Staff	41170	\$15,000	\$0.00	\$250.00	\$250.00	\$14,750.00	1.7%	CASA - Virtual Conference Registration for Staff
Travel & Meetings BOD	41170	\$18,000	\$0.00	\$625.00	\$625.00	\$17,375.00	3.5%	CASA - Virtual Conference Registration for Board of Directors
Utilities	41190	\$65,000	\$11,470.68	\$6,257.82	\$17,728.50	\$47,271.50	27.3%	On Target
<b>Refunds &amp; Reimbursements:</b>								
Miscellaneous	41201	\$50,000	\$27,388.14	\$0.00	\$27,388.14	\$22,611.86	54.8%	None this month
Connection Fees	41202	\$2,000	\$0.00	\$0.00	\$0.00	\$2,000.00	0.0%	None to date
Checking & Inspection	41203	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None to date
Emergency Funds	48000	\$250,000	\$13,044.19	\$4,603.93	\$17,648.12	\$232,351.88	7.1%	MT September billing for Stoppage Response (CU-20101 M&O FY20-21)
Consolidated Election	48001	\$150,000	\$0.00	\$0.00	\$0.00	\$150,000.00	0.0%	None to date
<b>TOTAL OPERATING EXPENSES</b>		<b>\$17,939,295</b>	<b>\$3,061,428.08</b>	<b>\$2,542,785.01</b>	<b>\$5,604,213.09</b>	<b>\$12,335,081.92</b>	<b>31.2%</b>	
<b>CAPITAL EXPENSES</b>								
District Sewer Capital & Support	46041	\$2,000,000	\$40,631.55	\$17,054.28	\$57,685.83	\$1,942,314.17	2.9%	Florence Pump Station - Valve & Piping Update
Treatment Plant Capital	46042	\$6,392,192	\$734,439.00	\$1,039,101.00	\$1,773,540.00	\$4,618,652.00	27.7%	FY2020-2021 2nd Quarter Billing
Outfall Capital	46043	\$1,572,000	\$771,409.00	\$0.00	\$771,409.00	\$800,591.00	49.1%	None this month
District Equipment	46043	\$150,000	\$4,033.00	\$0.00	\$4,033.00	\$145,967.00	2.7%	None this month
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	None to date
<b>TOTAL CAPITAL EXPENSES</b>		<b>\$10,414,192</b>	<b>\$1,550,512.55</b>	<b>\$1,056,155.28</b>	<b>\$2,606,667.83</b>	<b>\$7,807,524.17</b>	<b>25.0%</b>	
<b>TOTAL EXPENSES</b>								
		<b>\$28,353,487</b>	<b>\$4,611,940.63</b>	<b>\$3,598,940.29</b>	<b>\$8,210,880.92</b>	<b>\$20,142,606.09</b>	<b>29.0%</b>	

**CUPERTINO SANITARY DISTRICT**  
**MONTHLY FINANCIAL REPORT THROUGH SEPTEMBER 2020**  
**(3rd Month of Operations - 25% into FY Operations)**  
 FISCAL YEAR: July 1, 2020 to June 30, 2021  
**REVENUE SUMMARY REPORT**

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts <i>Sept Receipts</i>	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
<b>OPERATING REVENUES</b>								
Service Charges								
Handbilling	31010	\$553,700.00	\$3,201.49	\$0.00	\$3,201.49	\$550,498.51	0.6%	None this month
Tax Roll	31010	\$19,220,000.00	\$0.00	\$0.00	\$0.00	\$19,220,000.00	0.0%	None to date
Permit Fees	31020	\$130,000.00	\$8,000.00	\$4,491.98	\$12,491.98	\$117,508.02	9.6%	Fourteen payments received this month, Thirty-four payments received to date
Connection Fees	31031	\$600,000.00	\$116,334.82	\$11,634.00	\$127,968.82	\$472,031.18	21.3%	One payment received this month
Capacity Fees	31032	\$600,000.00	\$151,501.36	\$13,212.00	\$164,713.36	\$435,286.64	27.5%	Two payments received this month, includes \$8K Additional Deposit from The Forum
Pump Zone Fees	31033	\$80,000.00	\$0.00	\$0.00	\$0.00	\$80,000.00	0.0%	None to date
Checking & Inspection Fees	31040	\$160,000.00	\$14,400.00	\$6,800.00	\$21,200.00	\$138,800.00	13.3%	Sixteen payments received this month, Forty-nine 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	\$220,000.00	\$31,847.94	\$30,987.63	\$62,835.57	\$157,164.43	28.6%	FY19-20 Q4 final
City of San Jose Credit(s)	32091	\$500,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00	0.0%	None to date
Legal - Common Interest Group (Tributaries)	32092.1	\$700,000.00	\$0.00	\$4,655.35	\$4,655.35	\$695,344.65	0.7%	Received from BSD - Common Interest Group Billing for Q4 FY2019-2020
Legal - Common Interest Group (2%) Admin Fees)	32902.2	\$14,000.00	\$0.00	\$95.01	\$95.01	\$13,904.99	0.7%	Received from BSD - Common Interest Group Billing for Q4 FY2019-2020
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$12,536.86	\$0.00	\$12,536.86	(\$2,536.86)	125.4%	None this month
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
<b>TOTAL OPERATING REVENUE</b>		<b>\$22,805,200.00</b>	<b>\$337,822.47</b>	<b>\$71,875.97</b>	<b>\$409,698.44</b>	<b>\$22,395,501.56</b>	<b>1.80%</b>	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
<b>TOTAL OPERATING REVENUE</b>		<b>\$22,805,200.00</b>	<b>\$337,822.47</b>	<b>\$71,875.97</b>	<b>\$409,698.44</b>	<b>\$22,395,501.56</b>	<b>1.80%</b>	

**CASH ACCOUNT SUMMARY**

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
FY 2019-20 Balance	\$18,718,534.78	\$2,700,000.00	\$16,018,534.78	\$632,243.62	\$180,632.21	\$19,350,778.40
July 31, 2020	\$15,091,707.04	\$3,000,000.00	\$12,091,707.04	\$638,170.27	\$180,676.58	\$15,910,553.89
August 31, 2020	\$14,180,940.69	\$3,000,000.00	\$11,180,940.69	\$648,776.35	\$180,712.33	\$15,010,429.37
September 30, 2020	\$13,711,877.70	\$3,000,000.00	\$10,711,877.70	\$656,635.22	\$180,718.25	\$14,549,231.17

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

**CUPERTINO SANITARY DISTRICT  
WARRANTS PAYABLE - October 21, 2020**

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 252.81	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
N/A	M&O	\$ 2,884.02	ADP	Directors' Salary	
18987	M&O	\$ 412,911.08	Mark Thomas	Office Rent	400.00
				Utilities	1,052.70
				District Sewer Capital & Support	607.28
				Plan Checking & Inspection	17,040.04
				Management Services	64,743.93
				Engineering Services	133,847.10
				Repairs	14,758.27
				Maintenance	174,982.83
				Emergency Funds	4,603.93
				Travel and Meetings (BOD)	625.00
				Travel and Meetings (Staff)	250.00
18988	M&O	\$ 4,149.00	Atkinson Farasyn LLP	Legal - District Counsel (September)	
18989	M&O	\$ 369,948.20	Hunton Andrews	CIG/Tribs - July & Aug. (CuSD Advance Pay)	288,559.60
				CIG/Tribs - July & Aug. (CuSD Share)	81,388.60
18990	M&O	\$ 732.15	Dooley Insurance Services	Insurance - Group Life & Dental	
18991	M&O	\$ 49.86	City of Santa Clara Utilities	Utilities	
18992	M&O	\$ 5,155.26	PG&E	Utilities	
18993	M&O	\$ 135.00	Jose Silva Gardening	Maintenance	
18994	M&O	\$ 541.88	Home Depot	Maintenance	
18995	M&O	\$ 566.43	Grainger	Maintenance	
18996	M&O	\$ 187.03	Bruce Barton	Repairs - Florence PS	
18997	M&O	\$ 1,125.00	Int'l Training Rehab	Maintenance	
18998	M&O	\$ 204.00	County of SC Health Dept	Maintenance	
18999	M&O	\$ 2,361.92	Aqua Natural	Maintenance	
19000	M&O	\$ 57,350.00	AB/JDD Plumbing Heating & AC	Maintenance	
19001	M&O	\$ 13,513.50	Roto-Rooter	Maintenance	
19002	M&O	\$ 58,194.65	Able Underground Construction	Maintenance	52,655.63
				Repairs - various locations	5,539.02
19003	M&O	\$ 1,637.00	Telstar	Maintenance	
19004	M&O	\$ 18,947.00	Conquest	Repairs - Homestead PS	2,500.00
				District Sewer Capital & Support	16,447.00
19005	M&O	\$ 2,645,636.00	City of San Jose	Treatment Plant O&M	1,606,535.00
				Treatment Plant Capital	1,039,101.00
19006	M&O	\$ 2,458.50	East Bay Muni - BACWA	Memberships	
<b>TOTAL WARRANTS</b>		<b>\$ 3,598,940.29</b>			



# COVID-19 Updates

## DON'T FLUSH WIPES!



We know you're working hard to keep yourselves healthy during COVID19 Shelter-in-Place.

We have seen an increase in our sewer discharge flows during this pandemic period. This increase in peak flow currently is not a significant issue for us. However, in addition to the increased flow, we are also noticing an increase flushing of toilet paper, paper towels, rags, and disposable wipes.

Help us keep our sewers healthy. Remember to never flush wipes, paper towels or tissues because they clog our pump stations and our pipes! The District has 17 pump stations and it has become a major maintenance issue, resulting in additional costs to maintain the system (see photos below).

For more information, go to [www.cupertinosanitarydistrict.org](http://www.cupertinosanitarydistrict.org) where you will find additional information and links to recent media coverage, or contact us at (408) 477-7300.

## Our Mission

- To protect the public health and environment.
- To provide for safe and cost-efficient collection of sewage waste.
- To provide for effective conveyance to the Treatment Plant.



20863 Stevens Creek Boulevard  
Suite 100  
Cupertino, CA 95014

Phone: 408.253.7071 Fax: 408.253.5173  
[www.cupertinosanitarydistrict.org](http://www.cupertinosanitarydistrict.org)

Item 7B



Wipes and Debris trapped in Pumps



Pump failure due to clogging



Sanitary sewer spills due to pump failure



Five bags of wipes and debris from pump station cleaning



### What is Cupertino Sanitary District Doing for You?



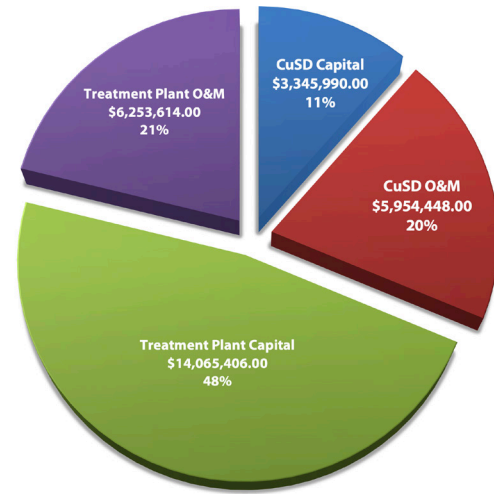
## Cupertino Sanitary District

# 2020 ANNUAL REPORT

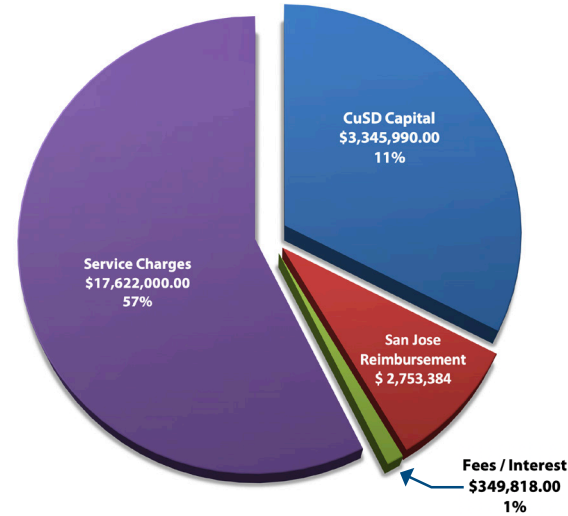


# Facts and Figures

EXPENSES FOR FY 2019-20



REVENUES FOR FY 2019-20



District total revenue was \$30.7m, which included a \$10M loan.  
Total expenses were \$29.6 m, of which major expenses were as follows:

- |                                    |           |   |          |
|------------------------------------|-----------|---|----------|
| • Payments to the City of San Jose | \$ 20.3 M | • Legal Expenses                          | \$ 0.8 M |
| • District Maintenance             | \$ 3.2 M  | • Outfalls Payments to SJ and Santa Clara | \$ 1.6 M |
| • District Operations/Management   | \$ 1.8 M  | • Loan Payment                            | \$ 3.3 M |
| • District Capital Expenses        | \$ 3.3 M  |   |          |

# Our Prospect Pump Station Rehabilitation

Traffic control in place during construction



Inside dry-well with three 1,500 gallon per minute pumps



Three new plastic wet-wells installed



Project completion with new sidewalk, pavement and landscape restored



# Notable Accomplishments

- The District has responded to COVID-19 by continuing its operations and maintenance without interruption. However, we do believe the pandemic is resulting in an increased cost to the District. Please do your share to help us keep our sewer system running smoothly.
- In spite of a significant increase in cash requirement at the San Jose/Santa Clara Wastewater Facility, District has implemented cost control measures and fiscal accountability to our rate payers. The District secured a \$10 million loan to help pay the City of San Jose.
- The District completed a complete Rehabilitation of Prospect Pump Station at a cost of \$2.4 million.
- District has now completed 100% of closed circuit television videos (CCTV) of our sewer mains, allowing us to prioritize repairs and capital projects.
- The City of San Jose continues to make improvements to the treatment plant and expects the District to pay cash for the improvements in excess of \$20 million.

# Who's Responsible for What?

## HOMEOWNER'S RESPONSIBILITY:

The owner is responsible for the "Upper Lateral" portion of the House Lateral. If a blockage occurs within the property line, then it is up to the homeowner to take responsibility.

A Property Line Clean Out is required by the District to service Lower Laterals. It is the owner's responsibility to have one installed, properly maintained, and accessible at all times.



## Lower Lateral

The District maintains the Lower Lateral from the cleanout at the property line to the main line.

## Upper Lateral

The property owner maintains the Upper Lateral.

## DISTRICT'S RESPONSIBILITY:

The District is responsible for the lower lateral portion of the house lateral. The main sewer line is serviced by the District. If a property line cleanout does not exist, the District will not be able to access our portion of the lateral. It is the responsibility of the homeowner to have a property line clean out installed.

## PSA:

Don't flush tissues - they're not the same as toilet paper!



Use the trash can instead.

Great for cleaning, Not great for flushing!!

Toss em' in the trash



**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	Main/Lat	Spill Volume (Gal)	Spill Recovered (Gal)	Volume of Wash Water Used (Gal)
None						

**Emergency Calls - Causes**

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

**Repairs**

Address	Main/Lat	Description of Work
Florence	Pump Station	Replaced sump pump
Homestead	Pump Station	Installed flow meter
Florence	Pump Station	Valve & Piping update
20192 Rodrigues Ave	Manhole	Raised manhole to grade in front of 20192 Rodrigues Ave
Various locations	Manhole	Cut roots & mortared all joints for 4 manholes on Northwood Dr, Northforde Dr & Greenwood Dr

**Mainline Maintenance**

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2020-21 YTD	FY2020-21 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	31,682	91,486	4,026	0	0	0	0	0	0	127,194	374,602	987,432	38%
Easement Cleaning (ft)	0	4,197	14,665	1,510	0	0	0	0	0	0	20,372	65,639	159,062	41%
CCTV (ft)	0	6,491	0	0	0	0	0	0	0	0	6,491	32,525	207,880	16%

**Lateral Maintenance**

Activity	# of Laterals	FY2020-21 YTD	FY2020-21 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	389	1,257	4,247	30%
CCTV	18	40		
Inspection	22	59		

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

	# of Inspections	YTD FY2020-21	FY2020-21 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	27	73		
Completed	23	55	283	19%
Follow up Needed	2			

**CONTRACT FOR CONSULTING SERVICES**

**CUPERTINO SANITARY DISTRICT**, a public agency of the State of California, (hereafter referred to as "District"), and **RICHARD K. TANAKA**, sole proprietorship (hereafter referred to as "Consultant"), hereby agree as follows:

- 1. Retention of Consultant:** District desires to retain the services of Consultant as District Advisor effective as of November 1, 2020, and continuing until either party gives notice of termination in writing to the other pursuant to Paragraph 8 below.
- 2. Services to be provided:** Consultant shall provide scope of services to include:
  - (a) Participation in all matters related to the Common Interest Group and litigation involving the members of that group against the Cities of San José and Santa Clara currently pending in the Superior Court of California, County of Santa Clara.
  - (b) Attendance at all regular, closed sessions and special meetings of the Board of Directors unless excused for good cause by the President of the Board when Consultant is unavailable.
- 3. Services related to District Management:** The scope of services related to District Management, currently being provided by Mark Thomas & Company, Inc. is not part of this agreement. Consultant will contract with Mark Thomas, Inc. for these services and will report to and take direction from the District Manager-Engineer. This scope includes providing Mark Thomas with historical knowledge of projects Consultant worked on during his tenure as District Manager.
- 4. Fees.** The District shall be billed for all services provided by the Consultant at the rate of \$200.00 per hour.
- 5. Disbursements and Expenses.** In addition to hourly fees, Consultant will be reimbursed by the District for out-of-pocket expenses incurred that are related to providing these services. These out of pocket expenses may include mileage reimbursement at the current IRS rate and photographic reproduction costs.
- 6. Billing and Payment Responsibilities.** Consultant will send monthly invoices to the District Manager-Engineer by the 5<sup>th</sup> of each month for prior month services. District will make the payments within 30 days of receipt.
- 7. Indemnification.** With respect to the performance of this Consulting Services under this Agreement, District shall indemnify, hold harmless and defend Consultant from and against any and all claims, liabilities, damages, losses and costs, including but not limited to reasonable attorney's fee and other costs of defense. Consultant will not carry a separate professional liability insurance.
- 8. Termination of Agreement.** District may terminate this Agreement at any time upon giving notice, in writing, delivered by U.S. mail to Consultant at 7024 Wooded Lake Drive, San Jose, California 95120. Consultant may terminate this Agreement upon thirty (30) days'



notice, in writing, to District Office by U.S mail at 20865 Stevens Creek Boulevard, Suite 100, Cupertino, California 95014 or email to District Manager-Engineer.

Upon termination, Consultant shall turn over to District all records on all pending matters. Surrender of such information shall be conditioned upon District furnishing to Consultant a written document relieving Consultant from all further responsibility with respect to such pending matters from and after the date of execution thereof.

**9. Entire Agreement; Full Understanding; Modifications in Writing.** This Agreement contains the entire agreement between the parties. Any modifications or additions to Agreement must be made in writing.

**WHEREFORE**, the parties hereto have executed this Agreement, effective as of November 1, 2020.

**CUPERTINO SANITARY DISTRICT**

By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
Secretary

Approved as to Form:

\_\_\_\_\_  
District Counsel

\_\_\_\_\_  
Richard K. Tanaka, Consultant  
7024 Wooded Lake Drive  
San Jose, CA 95120  
(408) 838-7463