

CUPERTINO SANITARY DISTRICT

SANTA CLARA COUNTY

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.

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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.

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

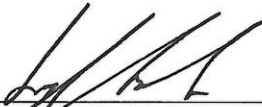
There was no reportable action.

12. ADJOURNMENT:

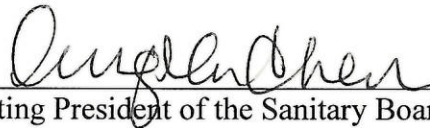
Director Chen was excused from the regular meeting to be held June 5, 2019.

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