

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, AUGUST 17, 2022**

AGENDA

The meeting will 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. AB 361

The Board of Directors makes the following findings required by AB 361 in order to continue holding meetings by teleconferencing electronically: (1) the March 4, 2020 Governor's Proclamation of a State of Emergency is still in effect, (2) the County of Santa Clara positivity rate is over 14% and the County Health Officer continues to encourage social distancing and advises people to wear masks indoors, and (3) due to room capacity limitations, meeting in person would present imminent risks to the health or safety of attendees.

3. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the board on any matter not on the agenda. Speakers are limited to three (3) minutes.

All statements requiring a response will be referred to staff for further action. In most cases, state law will prohibit the board from making any decisions with respect to a matter not listed on the agenda.

4. 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.

5. MINUTES & BILLS

- A. APPROVAL OF THE REGULAR MEETING MINUTES OF AUGUST 3, 2022
- B. APPROVED REVISED MINUTES OF JULY 20, 2022
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENTS
- D. DIRECTOR'S MONTHLY TIMESHEETS

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6. CORRESPONDENCE

- A. LETTER FROM LAFCO – ADOPTED FY22-23 LAFCO BUDGET

7. MEETINGS

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) TO BE HELD ON MONDAY, SEPTEMBER 5, 2022
- B. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD ON THURSDAY, SEPTEMBER 8, 2022

8. REPORTS

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD ON MONDAY, AUGUST 8, 2022
- B. CASSE TELECONFERENCE MEETING HELD AUGUST 10, 2022
- C. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) HELD ON THURSDAY, AUGUST 11, 2022
- D. CSRMA TRAINING HELD AUGUST 10, 2022 IN OLYMPIC VALLEY, CA
- E. CASA CONFERENCE HELD AUGUST 10-12, 2022 IN OLYMPIC VALLEY, CA
 - 1. CSRMA Board of Directors meeting
 - 2. Attorneys Committee meeting
 - 3. Other conference sessions

9. UNFINISHED BUSINESS

- A. VTA UTILITY AGREEMENT - WOLFE ROAD SEWER RELOCATION PROJECT
- B. CONFLICT OF INTEREST REVIEW
- C. ETHICS CERTIFICATE RENEWAL
- D. COVID-19 UPDATES

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10. NEW BUSINESS

- A. PURCHASE OF NEW MULTIQUIP TRAILER MOUNTED GENERATOR

11. STAFF REPORT

- A. FUTURE DEVELOPMENT PROJECTS
- B. MAINTENANCE SUMMARY

12. CALENDAR ITEMS

- A. NEXT REGULAR DISTRICT BOARD MEETING IS SCHEDULED TO BE HELD ON WEDNESDAY, SEPTEMBER 7, 2022

13. ADJOURNMENT

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, AUGUST 3, 2022

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:04 p.m. This meeting was conducted via teleconferencing in accordance with AB 361. The District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino was closed.

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: Angela S. Chen, Taghi S. Saadati, William A. Bosworth, Patrick S. Kwok, and David A. Doyle.

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

District Consultant: Richard K. Tanaka

Public: None

2. AB 361:

The Board of Directors makes the following findings required by AB 361 in order to continue holding meetings by teleconferencing electronically: (1) the March 4, 2020 Governor's Proclamation of a State of Emergency is still in effect, (2) the County of Santa Clara positivity rate is over 14% and the County Health Officer continues to encourage social distancing and advises people to wear masks indoors, and (3) due to room capacity limitations, meeting in person would present imminent risks to the health or safety of attendees.

On a motion by President Bosworth, seconded by Director Chen, by a vote of 5-0-0 the Board approved.

3. PUBLIC COMMENTS:

There were none.

4. CLOSED SESSION:

President Bosworth adjourned the regular meeting session and opened the closed session at 7:06 p.m. Manager Porter, and Deputy Manager Woodhouse were excused from the closed session.

A. Conference with legal counsel – Existing Litigation in accordance with government code section Paragraph (1) of Subdivision (d) of Section 54956.9, existing litigation. Name of Case: County Sanitation District 2-3, West Valley Sanitation District, Cupertino Sanitary District, Burbank Sanitary District, and the City of Milpitas v. The City of San Jose, The City of Santa Clara, and Does 1 through 50 inclusive.

Board action: There was no reportable action.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, AUGUST 3, 2022

President Bosworth adjourned the closed session at 7:28 p.m. and the regular meeting was called to order. District Manager Porter, and Deputy District Manager Woodhouse rejoined the regular meeting.

5. MINUTES:

- A. On a motion by Director Saadati, seconded by President Bosworth, by a vote of 4-0-1, the minutes of Wednesday, July 20, 2022, were approved with revision. Director Kwok abstained as he was excused and did not attend the July 20, 2022, meeting.
- B. By consensus, the Amended Minutes of Wednesday, June 28, 2022, are to be Noted & Filed.
- C. By consensus, the Amended Minutes of Wednesday, June 15, 2022, are to be Noted & Filed.

6. CORRESPONDENCE:

There was none.

7. MEETINGS:

- A. Manager Porter and District Consultant Tanaka both plan to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held on August 8, 2022.
- B. Director Kwok plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held on August 11, 2022.
- C. Four Directors, District Counsel, and Staff plan to attend the CASA Conference to be held August 10-12, 2022, in Olympic Valley, CA. Director Doyle will not attend.

8. REPORTS:

- A. Deputy Manager Woodhouse reported on the Peak Flow Reduction.

9. UNFINISHED BUSINESS:

- A. Manager Porter reported on COVID-19 updates.

10. NEW BUSINESS:

- A. The Board reviewed the memo regarding Annual Renewal of GraniteNet Software. On a motion by Director Saadati, seconded by President Bosworth, by a vote of 5-0-0, the approved the annual renewal of GraniteNet software, and full reimbursement to Mark Thomas in the amount of \$2,150.
- B. The Board reviewed the California Mandatory Retirement Plan. There was no Board action.

11. STAFF REPORTS:

- A. Manager Porter reported on Current Development Projects.

CUPERTINO SANITARY DISTRICT BOARD MEETING
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12. CALENDAR ITEMS:

A. The next regular District Board meeting is scheduled to be held on Wednesday, August 17, 2022.

13. ADJOURNMENT

On a motion properly made and seconded, at 8:07 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 20, 2022
REVISED

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted via teleconferencing in accordance with AB 361. The District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino was closed.

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: William A. Bosworth, Angela S. Chen, Taghi S. Saadati, and David A. Doyle. Patrick S. Kwok was on excused absence.

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

District Consultant: Richard K. Tanaka

Public: None

2. AB 361:

The Board of Directors makes the following findings required by AB 361 in order to continue holding meetings by teleconferencing electronically: (1) the March 4, 2020 Governor's Proclamation of a State of Emergency is still in effect, (2) the County of Santa Clara Health Officer announced on May 10, 2022 that COVID-19 cases are rising again to higher levels than last summer's surge and there is a rise in hospitalizations; she continues to encourage social distancing and advises people wear masks indoors, and (3) due to room capacity limitations, meeting in person would present imminent risks to the health or safety of attendees.

On a motion by President Bosworth, seconded by Director Saadati, by a vote of 4-0-0, the Board approved.

3. PUBLIC COMMENTS:

There were none.

4. CLOSED SESSION:

President Bosworth adjourned the regular meeting session and opened the closed session at 7:09 p.m. Manager Porter, and Deputy Manager Woodhouse were excused from the closed session.

A. Conference with legal counsel – Existing Litigation in accordance with government code section Paragraph (1) of Subdivision (d) of Section 54956.9, existing litigation. Name of Case: County Sanitation District 2-3, West Valley Sanitation District, Cupertino Sanitary District, Burbank Sanitary District, and the City of Milpitas v. The City of San Jose, The City of Santa Clara, and Does 1 through 50 inclusive.

Board action: There was no reportable action.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 20, 2022
REVISED

President Bosworth adjourned the closed session at 7:15 p.m. and the regular meeting was called to order. District Manager Porter, and Deputy District Manager Woodhouse rejoined the regular meeting.

5. MINUTES & BILLS:

- A. On a motion by Director Chen, seconded by Director Doyle, by a vote of 4-0-0, the minutes of special meeting held Wednesday, June 28, 2022, were approved.
- B. On a motion by Director Chen, seconded by Director Doyle, by a vote of 4-0-0, the minutes of regular meeting held Wednesday, June 15, 2022, were approved.
- C. By consensus, the Minutes of Monday, June 1, 2022, are to be Noted & Filed.
- D. The Board reviewed May payable warrants and financial statements. On a motion by Director Saadati, seconded by Director Chen, by a vote of 4-0-0, the financial statements and payment of bills were approved as written.
- E. Board members will submit their July timesheets to Manager Porter.

6. CORRESPONDENCE:

- A. The Board reviewed correspondence from City of San Jose titled Revised 2022-2023 San Jose-Santa Clara Regional Wastewater Facility Operating and Maintenance Estimated Cost Distribution. It is to be Noted & Filed.
- B. The Board reviewed emailed correspondence from the Rotary Club of Cupertino titled September 24 – Silicon Valley Fall Festival. It is to be Noted & Filed.

7. MEETINGS:

- A. Manager Porter plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Committee (TAC) to be held on Monday, August 8, 2022.
- B. Director Kwok plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held on Thursday, August 11, 2022.
- C. CASA Annual Conference is to be held August 10-12, 2022 in Olympic Valley, CA.

8. REPORTS:

- A. Director Chen reported on the CSRMA – Board of Directors meeting held June 23, 2022 via teleconference.
- B. Deputy Manager Woodhouse reported on the CASSE teleconference held on Thursday, July 13, 2022.

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REVISED

- C. Deputy Manager Woodhouse reported on the CASA Collection System Workgroup teleconference held on Wednesday, July 20, 2022.
- D. The teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held on Monday, July 11, 2022 was canceled.
- E. The teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held Thursday, July 14, 2022 was canceled.

9. UNFINISHED BUSINESS:

- A. Manager Porter reported on COVID-19 updates.

10. NEW BUSINESS:

- A. The Board discussed Ethics Training renewal.

11. STAFF REPORTS:

- A. Manager Porter reported on Current Development Projects.
- B. Manager Porter reported on the Monthly Maintenance Report.

12. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, August 3, 2022.

13. ADJOURNMENT:

On a motion properly made and seconded, at 8:15 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JUNE 2023
(1st Month of Operations - 8% into FY Operations)
 FISCAL YEAR: July 1, 2022 to June 30, 2023

EXPENSE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
JUL SERVICES								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,063	\$0.00	\$0.00	\$0.00	\$1,200,063.00	0.0%	None this month
Directors Fees	41030	\$38,000	\$0.00	\$2,643.86	\$2,643.86	\$35,356.14	7.0%	On Target
Gasoline, Oil & Fuel	41060	\$4,000	\$0.00	\$0.00	\$0.00	\$4,000.00	0.0%	None this month
Insurance	41060	\$170,000	\$0.00	\$9,147.48	\$9,147.48	\$160,852.52	5.4%	ACIP, AMVP, and APIP prepaid in June; Dooley Insurance (Group Life and Dental - September Coverage)
Memberships	41080	\$57,000	\$0.00	\$16,510.23	\$16,510.23	\$40,489.77	29.0%	LAFCO Membership; CWEA Renewal for Inspectors
Office Rent	41090	\$4,800	\$0.00	\$400.00	\$400.00	\$4,400.00	8.3%	On Target
Operating Expenses - General	41100	\$3,000	\$0.00	\$49.90	\$49.90	\$2,950.10	1.7%	CuSD Website Domain Name Renewal
Operating Expenses - Credit Card Transaction Fees	41100-1	\$6,000	\$0.00	\$586.06	\$586.06	\$5,413.94	9.8%	Credit Card Processing Fees - July
Contractual Services:								
Outfall Maintenance	41113	\$71,000	\$0.00	\$46,535.89	\$46,535.89	\$24,464.11	65.5%	O&M Cost Sharing for FY2021-2022 (July 2021 - June 2022)
T.P. Operations & Maintenance	41114	\$6,902,554	\$0.00	\$1,725,639.00	\$1,725,639.00	\$5,176,915.00	25.0%	FY2022-2023 Q1
Professional Services:								
Management Services	41121	\$575,000	\$0.00	\$29,314.87	\$29,314.87	\$545,685.13	5.1%	On Target
SSMP Certification and Implementation	41121	\$100,000	\$0.00	\$0.00	\$0.00	\$100,000.00	0.0%	None this month
Engineering Services	41122	\$1,365,000	\$0.00	\$105,756.08	\$105,756.08	\$1,259,243.92	7.7%	On Target
Inflow/Infiltration Reduction	41122	\$500,000	\$0.00	\$12,284.40	\$12,284.40	\$487,715.60	2.5%	Peak flow reduction program: Staff (model calibration) and V&A Consulting Fees for July
Plan Checking & Inspection	41123	\$300,000	\$0.00	\$29,543.63	\$29,543.63	\$270,456.37	9.8%	On Target
Legal - Consultant Services	41124	\$36,000	\$0.00	\$2,500.00	\$2,500.00	\$33,500.00	6.9%	Richard Tanaka - Consulting Services for July 2022
Legal - District Counsel	41124	\$60,000	\$0.00	\$1,845.00	\$1,845.00	\$58,155.00	3.1%	District Legal Services for July 2022
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$1,404,000	\$0.00	\$141,840.25	\$141,840.25	\$1,262,359.75	10.1%	Hunton Andrews Kurth (June Legal Services)
Legal - Common Interest Group (CuSD Share)	41124	\$396,000	\$0.00	\$39,949.81	\$39,949.81	\$356,050.19	10.1%	Hunton Andrews Kurth (June Legal Services)
Audit	41125	\$12,600	\$0.00	\$0.00	\$0.00	\$12,600.00	0.0%	None this month
Printing & Publications	41130	\$28,000	\$0.00	\$3,376.40	\$3,376.40	\$24,623.60	12.1%	Legal Publication (Ordinance 129)
Repairs and Maintenance								
Repairs	41150	\$300,000	\$0.00	\$9,175.51	\$9,175.51	\$290,824.49	3.1%	On Target
Maintenance	41151	\$3,725,000	\$0.00	\$287,138.92	\$287,138.92	\$3,437,861.08	7.7%	On Target
Travel & Meetings Staff	41170	\$15,000	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None this month
Travel & Meetings BOD	41170	\$18,000	\$0.00	\$0.00	\$0.00	\$18,000.00	0.0%	None this month
Utilities	41190	\$70,000	\$0.00	\$5,623.20	\$5,623.20	\$64,376.80	8.0%	On target
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$0.00	\$0.00	\$0.00	\$50,000.00	0.0%	None this month
Connection Fees	41202	\$2,000	\$0.00	\$0.00	\$0.00	\$2,000.00	0.0%	None this month
Checking & Inspection	41203	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None this month
Emergency Funds	48000	\$250,000	\$0.00	\$5,245.70	\$5,245.70	\$244,754.30	2.1%	AB/JDD (1); Able (1); Mark Thomas stoppage response
Consolidated Election	48001	\$150,000	\$0.00	\$0.00	\$0.00	\$150,000.00	0.0%	None this Fiscal Year
TOTAL OPERATING EXPENSES		\$17,816,017	\$0.00	\$2,474,906.19	\$2,474,906.19	\$15,341,110.81	13.9%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$2,500,000	\$0.00	\$33,765.18	\$33,765.18	2,466,234.82	1.4%	I-280/Wolfe Road Sewer Relocation, Significant Defect Repair, and Sewer Master Plan - Mark Thomas
Treatment Plant Capital	46042	\$3,789,547	\$0.00	\$628,474.00	\$628,474.00	3,161,073.00	16.6%	FY2022-2023 Q1
Outfall Capital	46042	\$95,000	\$0.00	\$0.00	\$0.00	\$95,000.00	0.0%	None this month
District Equipment	46043	\$150,000	\$0.00	\$3,966.20	\$3,966.20	146,033.80	2.6%	Signa - new pump for Serra Street Pump Station
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	
TOTAL CAPITAL EXPENSES		\$6,834,547	\$0.00	\$666,205.38	\$666,205.38	\$6,168,341.62	9.7%	
TOTAL EXPENSES		\$24,650,564	\$0.00	\$3,141,111.57	\$3,141,111.57	\$21,509,452.43	12.7%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JUNE 2023
(1st Month of Operations - 8% into FY Operations)
 FISCAL YEAR: July 1, 2022 to June 30, 2023

REVENUE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts July Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges								
Handbilling	31010	\$618,711.00	\$0.00	\$0.00	\$0.00	\$618,711.00	0.0%	None this month
Tax Roll	31010	\$20,395,721.00	\$0.00	\$0.00	\$0.00	\$20,395,721.00	0.0%	None this month
Permit Fees	31020	\$75,000.00	\$0.00	\$5,528.28	\$5,528.28	\$69,471.72	7.4%	Seventeen payments received this month
Connection Fees	31031	\$600,000.00	\$0.00	\$0.00	\$0.00	\$600,000.00	0.0%	None this month
Capacity Fees	31032	\$450,000.00	\$0.00	\$0.00	\$0.00	\$450,000.00	0.0%	None this month
Pump Zone Fees	31033	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00	0.0%	None to date
Checking & Inspection Fees	31040	\$300,000.00	\$0.00	\$7,800.00	\$7,800.00	\$292,200.00	2.6%	Twenty payments received this month
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None this month
Interest	32050	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00	0.0%	None this month
City of San Jose Credit(s)	32091	\$500,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00	0.0%	None this month
Legal - Common Interest Group (Tributaries)	32092.1	\$1,404,000.00	\$0.00	\$448,633.07	\$448,633.07	\$955,366.93	32.0%	Received from BSD, WVSD, and City of Milpitas (April-June)
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$36,000.00	\$0.00	\$9,155.78	\$9,155.78	\$26,844.22	25.4%	Received from BSD, WVSD, and City of Milpitas (April-June)
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00	0.0%	None this month
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None this month
TOTAL OPERATING REVENUE		\$24,526,932.00	\$0.00	\$471,117.13	\$471,117.13	\$24,055,814.87	1.92%	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$24,526,932.00	\$0.00	\$471,117.13	\$471,117.13	\$24,055,814.87	1.92%	

CASH ACCOUNT SUMMARY

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
June 30, 2022	\$18,765,721.45	\$3,000,000.00	\$15,765,721.45	\$762,082.82	\$1,058,859.55	\$20,586,663.82
July 31, 2022	\$18,057,733.71	\$3,000,000.00	\$15,057,733.71	\$770,283.34	\$1,058,923.08	\$19,886,940.13

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 7/31/2022

Cal Bank Activities				Total Interest Earned or Refund Received from CSJ	Interest or Refund Prorated to Loan Balance	Loan Balance w/Interest	Interest or Refund Prorated to \$600K District Savings	District Portion of Savings Balance	Total Savings balance	Checking Acct Balance (Credit Card Payments Received)	TOTAL AT CAL BANK
No.	Payee	Date	Check Amount			\$10,000,000.00			\$10,000,000.00		\$10,000,000.00
1001	San Jose	10/16/19	\$2,180,309.00			\$7,819,691.00			\$7,819,691.00		\$7,819,691.00
1002	San Jose	10/16/19	\$29,515.44			\$7,790,175.56			\$7,790,175.56		\$7,790,175.56
1003	Tesco	11/20/19	\$17,707.00			\$7,772,468.56			\$7,772,468.56		\$7,772,468.56
1004	Shape	11/20/19	\$108,814.78			\$7,663,653.78			\$7,663,653.78		\$7,663,653.78
1005	Tesco	12/18/19	\$169,018.00			\$7,494,635.78			\$7,494,635.78		\$7,494,635.78
1006	Con Quest	12/18/19	\$385,242.58	\$30,683.35	\$30,683.35	\$7,140,076.55			\$7,140,076.55		\$7,140,076.55
1007	San Jose	01/15/20	\$6,966,355.00			\$173,721.55			\$173,721.55		\$173,721.55
Interest through 3/31/20				\$6,823.36	\$6,823.36	\$180,544.91			\$180,544.91		\$180,544.91
Deposit						\$180,544.91		\$600,000.00	\$780,544.91	\$2,996.28	\$783,541.19
Balance as of 5/30/2020				\$179.37	\$41.50	\$180,586.41	\$137.87	\$600,137.87	\$780,724.28	\$5,744.81	\$786,469.09
Balance as of 6/30/2020				\$197.98	\$45.80	\$180,632.21	\$152.18	\$600,290.05	\$780,922.26	\$31,953.57	\$812,875.83
Balance as of 7/31/2020				\$191.84	\$44.37	\$180,676.58	\$147.47	\$600,437.52	\$781,114.10	\$37,732.75	\$818,846.85
Balance as of 8/31/2020				\$154.53	\$35.74	\$180,712.33	\$118.79	\$600,556.30	\$781,268.63	\$48,220.05	\$829,488.68
Balance as of 9/30/2020				\$25.62	\$5.93	\$180,718.25	\$19.69	\$600,576.00	\$781,294.25	\$56,059.22	\$837,353.47
Balance as of 10/31/2020				\$25.62	\$5.93	\$180,724.18	\$19.69	\$600,595.69	\$781,319.87	\$67,713.45	\$849,033.32
Balance as of 11/30/2020				\$26.47	\$6.12	\$180,730.30	\$20.35	\$600,616.04	\$781,346.34	\$80,097.89	\$861,444.23
Balance as of 12/31/2020				\$26.47	\$6.12	\$180,736.42	\$20.35	\$600,636.39	\$781,372.81	\$89,436.48	\$870,809.29
Balance as of 1/31/2021				\$24.83	\$5.74	\$180,742.17	\$19.09	\$600,655.47	\$781,397.64	\$99,672.14	\$881,069.78
Balance as of 2/28/2021				\$23.98	\$5.55	\$180,747.71	\$18.43	\$600,673.91	\$781,421.62	\$108,211.86	\$889,633.48
Balance as of 3/31/2021				\$28.26	\$6.54	\$180,754.25	\$21.72	\$600,695.63	\$781,449.88	\$121,953.35	\$903,403.23
Balance as of 4/30/2021				\$22.27	\$5.15	\$180,759.40	\$17.12	\$600,712.75	\$781,472.15	\$135,672.77	\$917,144.92
Balance as of 5/31/2021				\$11.99	\$2.77	\$180,762.18	\$9.22	\$600,721.96	\$781,484.14	\$153,926.10	\$935,410.24
Deposit - CSJ Refund				\$1,415,647.00	\$926,889.61	\$1,107,651.79	\$488,757.39	\$1,089,479.35	\$2,197,131.14		
Balance as of 6/30/2021				\$20.34	\$10.25	\$1,107,662.04	\$10.09	\$1,089,489.44	\$2,197,151.48	\$168,561.21	\$2,365,712.69
1008 Voided - CSJ											
Balance as of 7/31/2021				\$36.12	\$18.21	\$1,107,680.25	\$17.91	\$1,089,507.35	\$2,197,187.60	\$190,143.43	\$2,387,331.03
Balance as of 8/31/2021				\$38.53	\$19.42	\$1,107,699.67	\$19.11	\$1,089,526.46	\$2,197,226.13	\$200,919.93	\$2,398,146.06
Balance as of 9/30/2021				\$36.12	\$18.21	\$1,107,717.88	\$17.91	\$1,089,544.37	\$2,197,262.25	\$215,257.91	\$2,412,520.16
1009 Co-Mingled Fund				\$690,453.00			(\$480,000.00)	(\$480,000.00)		(\$210,453.00)	
1010 C2R Engineering				\$49,030.00		(\$49,030.00)					
Balance as of 10/20/2021						\$1,058,687.88		\$609,544.37	\$1,668,232.25	\$4,804.91	\$1,673,037.16
Balance as of 10/31/2021				\$31.44	\$19.95	\$1,058,707.83	\$11.49	\$609,555.86	\$1,668,263.69	\$25,242.07	\$1,693,505.76
Balance as of 11/30/2021				\$29.25	\$18.56	\$1,058,726.40	\$10.69	\$609,566.54	\$1,668,292.94	\$38,319.76	\$1,706,612.70
Balance as of 12/31/2021				\$28.34	\$17.99	\$1,058,744.38	\$10.35	\$609,576.90	\$1,668,321.28	\$55,958.38	\$1,724,279.66
Balance as of 1/31/2022				\$28.34	\$17.99	\$1,058,762.37	\$10.35	\$609,587.25	\$1,668,349.62	\$65,691.28	\$1,734,040.90
Balance as of 2/28/2022				\$25.60	\$16.25	\$1,058,778.61	\$9.35	\$609,596.61	\$1,668,375.22	\$85,965.01	\$1,754,340.23
Balance as of 3/31/2022				\$28.34	\$17.99	\$1,058,796.60	\$10.35	\$609,606.96	\$1,668,403.56	\$106,346.21	\$1,774,749.77
Balance as of 4/30/2022				\$26.51	\$16.82	\$1,058,813.42	\$9.69	\$609,616.65	\$1,668,430.07	\$119,004.80	\$1,787,434.87
Balance as of 5/31/2022				\$29.25	\$18.56	\$1,058,831.98	\$10.69	\$609,627.34	\$1,668,459.32	\$132,240.88	\$1,800,700.20
Balance as of 6/30/2022				\$43.43	\$27.56	\$1,058,859.55	\$15.87	\$609,643.20	\$1,668,502.75	\$152,439.62	\$1,820,942.37
Balance as of 7/31/2022				\$100.11	\$63.53	\$1,058,923.08	\$36.58	\$609,679.78	\$1,668,602.86	\$160,603.56	\$1,829,206.42
TOTAL OR BALANCE AMOUNT			\$10,596,444.80	\$1,454,594.66	\$964,914.88	\$1,058,923.08	\$9,679.78	\$609,679.78	\$1,668,602.86	\$160,603.56	\$1,829,206.42

**CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - August 16, 2022**

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 2,643.86	ADP	Directors' Salary	
19482	M&O	\$1,181.58	Dooley Insurance Services	Insurance - Group Life & Dental	
19483	M&O	\$ 202.00	CWEA	Memberships	
19484	M&O	\$ 8,680.19	LAFCO	Memberships	
19485	M&O	\$ 10,572.52	Underground Service Alert	Memberships	7,628.04
				Maintenance	2,944.48
N/A	M&O	\$ 586.06	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
19486	M&O	\$ 2,400,648.89	City of San Jose	Outfall Maintenance	46,535.89
				Treatment Plant Operations & Maintenance	1,725,639.00
				Treatment Plant Capital	628,474.00
19487	M&O	\$ 353,686.30	Mark Thomas	Office Rent	400.00
				Operating Expenses - General	49.90
				Management Services	29,314.87
				Engineering Services	105,756.08
				Peak Flow Reduction	5,346.90
				Plan Checking & Inspection	29,543.63
				Repairs	4,160.20
				Maintenance	141,019.07
				Utilities	1,052.70
				Emergency Funds	3,277.77
				District Sewer Capital & Support	33,765.18
19488	M&O	\$ 6,937.50	V&A Consulting Engineers, Inc.	Peak Flow Reduction	
19489	M&O	\$ 2,500.00	Richard K. Tanaka	Legal - Consultant Services	
19490	M&O	\$ 1,845.00	Armento & Hynes LLP	Legal - District Counsel	
19491	M&O	\$ 181,590.06	Hunton Andrews Kurth	Legal - Common Interest Group (Advance Pay)	141,640.25
				Legal - Common Interest Group (CuSD Share)	39,949.81
19492	M&O	\$ 3,376.40	Bay Area News Group	Printing & Publications	
19493	M&O	\$ 3,295.00	St. Francis Electric	Repairs	
19494	M&O	\$ 1,720.31	Tesco Controls, Inc	Repairs	
19495	M&O	\$ 6,164.00	Du-All Safety, LLC	Maintenance	
19496	M&O	\$ 177.04	Home Depot	Maintenance	
19497	M&O	\$ 160.42	Vivax-Metrotech	Maintenance	
19498	M&O	\$ 3,146.84	Weco Industries	Maintenance	
19499	M&O	\$ 20,540.52	RotoRooter	Maintenance	
19500	M&O	\$ 66,145.00	AB/JDD Plumbing Heating & AC	Maintenance	65,620.00
				Emergency	525.00
19501	M&O	\$ 48,809.48	Able Underground Construction	Maintenance	47,366.55
				Emergency	1,442.93
19502	M&O	\$ 59.93	City of Santa Clara Utilities	Utilities	
19503	M&O	\$ 4,510.57	PG&E	Utilities	
19504	M&O	\$ 3,966.20	Signa Mechanical	District Equipment	
TOTAL WARRANTS		\$ 3,133,145.67			

NOTE: Delta of \$7,965.90 between Total Warrants and Total July Expenses due to FY22-23 Insurances prepaid last month

<u>Pk Flow Red. Total:</u>	\$ 12,284.40	Mark Thomas, V&A
<u>Maintenance Total:</u>	\$ 287,138.92	Mark Thomas, Underground, Du-All, Home Depot, Vivax, Weco, Roto Rooter, ABLE, AB/JDD
<u>Utilities Total:</u>	\$ 5,623.20	Mark Thomas, Santa Clara Utilities, PG&E
<u>Emergency Total:</u>	\$ 5,245.70	Mark Thomas, AB/JDD, Able

EMERGENCY DETAILS:

Roto-Rooter - No emergencies this month

Able - One emergency this month

AB/JDD Plumbing - One emergency this month



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777 North First Street
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SantaClaraLAFCO.org

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Mike Wasserman
Susan Vicklund Wilson

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Cindy Chavez
Matt Mahan
Russ Melton
Terry Trumbull

Executive Officer
Neelima Palacherla

June 6, 2022

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

FROM: Neelima Palacherla, LAFCO Executive Officer

SUBJECT: LAFCO BUDGET FOR FISCAL YEAR 2022-2023

At its public hearing on June 1, 2022, the Local Agency Formation Commission (LAFCO) adopted its Final Budget for Fiscal Year 2022-2023. The adopted Final Budget and the staff reports are attached for your information.

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

Should you have any questions regarding the LAFCO budget or cost apportionment, do not hesitate to contact me at (408) 993-4713 / neelima.palacherla@ceo.sccgov.org.

Thank you.

Attachments: Fiscal Year 2022-2023 Budget approved by LAFCO on June 1, 2022
June 1, 2022 Staff Report: Final LAFCO Budget for FY 2022-2023
April 6, 2022 Staff Report: Proposed Work Plan and Budget for FY 2022-2023

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

FINAL LAFCO BUDGET FISCAL YEAR 2022- 2023

ITEM # TITLE	APPROVED BUDGET FY 2022	ACTUALS Year to Date 2/28/2022	PROJECTIONS Year End FY 2022	FINAL BUDGET FY 2023
EXPENDITURES				
Object 1: Salary and Benefits	\$844,239	\$412,232	\$691,414	\$810,419
Object 2: Services and Supplies				
5255100 Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800 Legal Counsel	\$75,896	\$48,562	\$75,000	\$78,326
5255500 Consultant Services	\$150,000	\$25,239	\$100,000	\$150,000
5285700 Meal Claims	\$750	\$56	\$100	\$750
5220100 Insurance	\$8,500	\$8,590	\$8,590	\$9,237
5250100 Office Expenses	\$5,000	\$1,098	\$2,000	\$5,000
5270100 Rent & Lease	\$47,784	\$35,838	\$47,784	\$53,182
5255650 Data Processing Services	\$22,048	\$10,665	\$22,048	\$28,038
5225500 Commissioners' Fee	\$10,000	\$1,300	\$7,000	\$10,000
5260100 Publications and Legal Notices	\$1,000	\$551	\$1,000	\$1,000
5245100 Membership Dues	\$12,500	\$12,316	\$12,316	\$12,887
5250750 Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800 Business Travel	\$10,000	\$0	\$0	\$10,000
5285300 Private Automobile Mileage	\$1,000	\$7	\$150	\$1,000
5285200 Transportation&Travel (County Car Usage)	\$600	\$0	\$100	\$600
5281600 Overhead	\$49,173	\$24,587	\$49,173	\$30,041
5275200 Computer Hardware	\$3,000	\$0	\$1,000	\$3,000
5250800 Computer Software	\$5,000	\$853	\$4,000	\$5,000
5250250 Postage	\$1,000	\$3	\$500	\$1,000
5252100 Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000 Reserves	-\$50,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,210,990	\$581,897	\$1,033,675	\$1,222,980
REVENUES				
4103400 Application Fees	\$30,000	\$24,077	\$30,000	\$30,000
4301100 Interest: Deposits and Investments	\$6,000	\$4,283	\$6,000	\$6,000
TOTAL REVENUE	\$36,000	\$28,360	\$36,000	\$36,000
3400150 FUND BALANCE FROM PREVIOUS FY	\$288,660	\$312,351	\$312,351	\$201,006
NET LAFCO OPERATING EXPENSES	\$886,330	\$241,186	\$685,324	\$985,974
3400800 RESERVES Available	\$200,000	\$200,000	\$200,000	\$200,000
COSTS TO AGENCIES				
5440200 County	\$295,443	\$295,443	\$295,443	\$328,658
4600100 Cities (San Jose 50% + Other Cities 50%)	\$295,443	\$295,443	\$295,443	\$328,658
4600100 Special Districts	\$295,443	\$295,443	\$295,443	\$328,658



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Linda J. LeZotte
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ITEM # 6

Alternate Commissioners

Helen Chapman
Cindy Chavez
Matt Mahan
Russ Melton
Terry Trumbull

Executive Officer

Neelima Palacherla

LAFCO MEETING: June 1, 2022

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: FINAL BUDGET FOR FY 2023

FINANCE COMMITTEE / STAFF RECOMMENDATIONS

1. Adopt the Final Budget for Fiscal Year 2022-2023.
2. Find that the Final Budget for Fiscal Year 2023 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.
4. Direct the County Auditor-Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

NO CHANGES TO THE DRAFT/PRELIMINARY BUDGET

On April 6, 2022, the Commission adopted its preliminary budget for Fiscal Year 2022-2023. No changes are recommended to the preliminary budget adopted by the commission.

LAFCO ANNUAL BUDGET PROCESS REQUIREMENTS

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

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

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

COST APPORTIONMENT TO CITIES, DISTRICTS AND THE COUNTY

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

Since the City of San Jose has permanent membership on LAFCO, as required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. Therefore in Santa Clara County, the City of San Jose pays one sixth and the remaining cities pay one sixth of LAFCO's operational costs. Per the CKH Act, the remaining cities' share must be apportioned in proportion to each city's total revenue, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county. Each city's share is therefore based on the 2019/2020 Report – which is the most recent edition available.

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

The estimated apportionment of LAFCO's FY 2023 costs to the individual cities and districts is included as Attachment B. The final costs will be calculated and invoiced to the individual agencies by the County Controller's Office after LAFCO adopts the final budget.

ATTACHMENTS

- Attachment A: Final LAFCO Budget for Fiscal Year 2023
- Attachment B: Costs to Agencies Based on the Final Budget

**FINAL LAFCO BUDGET
FISCAL YEAR 2022- 2023**

**ITEM # 6
Attachment A**

ITEM # TITLE	APPROVED BUDGET FY 2022	ACTUALS Year to Date 2/28/2022	PROJECTIONS Year End FY 2022	FINAL BUDGET FY 2023
EXPENDITURES				
Object 1: Salary and Benefits	\$844,239	\$412,232	\$691,414	\$810,419
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5701000 Reserves	-\$50,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,210,990	\$581,897	\$1,033,675	\$1,222,980
REVENUES				
4103400 Application Fees	\$30,000	\$24,077	\$30,000	\$30,000
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COSTS TO AGENCIES				
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4600100 Cities (San Jose 50% + Other Cities 50%)	\$295,443	\$295,443	\$295,443	\$328,658
4600100 Special Districts	\$295,443	\$295,443	\$295,443	\$328,658

LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS
Estimated Costs to Agencies Based on the Final FY 2023 LAFCO Budget

Net Operating Expenses for FY 2023				\$985,974
JURISDICTION	REVENUE PER 2019/2020 REPORT	PERCENTAGE OF TOTAL REVENUE	ALLOCATION PERCENTAGES	ALLOCATED COSTS
County	N/A	N/A	33.3333333%	\$328,658.00
Cities Total Share			33.3333333%	\$328,658.00
San Jose	N/A	N/A	50.0000000%	\$164,329.00
Other cities share			50.0000000%	\$164,329.00
Campbell	\$64,253,019	1.7539391%		\$2,882.23
Cupertino	\$123,486,910	3.3708692%		\$5,539.32
Gilroy	\$124,499,405	3.3985077%		\$5,584.73
Los Altos	\$58,920,260	1.6083688%		\$2,643.02
Los Altos Hills	\$18,781,680	0.5126907%		\$842.50
Los Gatos	\$51,842,412	1.4151621%		\$2,325.52
Milpitas	\$200,526,874	5.4738585%		\$8,995.14
Monte Sereno	\$4,295,543	0.1172571%		\$192.69
Morgan Hill	\$108,189,286	2.9532842%		\$4,853.10
Mountain View	\$423,194,503	11.5521016%		\$18,983.45
Palo Alto	\$703,037,932	19.1910943%		\$31,536.53
Santa Clara	\$1,109,294,952	30.2808470%		\$49,760.21
Saratoga	\$33,333,495	0.9099171%		\$1,495.26
Sunnyvale	\$639,698,827	17.4621026%		\$28,695.30
Total Cities (excluding San Jose)	\$3,663,355,098	100.0000000%		\$164,329.00
Total Cities (including San Jose)				\$328,658.00
Special Districts Total Share		(Fixed %)	33.3333333%	\$328,658.00
Aldercroft Heights County Water District		0.06233%		\$204.85
Burbank Sanitary District		0.15593%		\$512.48
Cupertino Sanitary District		2.64110%		\$8,680.19
El Camino Healthcare District		4.90738%		\$16,128.50
Guadalupe Coyote Resource Conservation District		0.04860%		\$159.73
Lake Canyon Community Services District		0.02206%		\$72.50
Lion's Gate Community Services District		0.22053%		\$724.79
Loma Prieta Resource Conservation District		0.02020%		\$66.39
Midpeninsula Regional Open Space District		5.76378%		\$18,943.12
Purissima Hills Water District		1.35427%		\$4,450.92
Rancho Rinconada Recreation and Park District		0.15988%		\$525.46
San Martin County Water District		0.04431%		\$145.63
Santa Clara Valley Open Space Authority		1.27051%		\$4,175.63
Santa Clara Valley Water District		81.44126%		\$267,663.21
Saratoga Cemetery District		0.32078%		\$1,054.27
Saratoga Fire Protection District		1.52956%		\$5,027.02
South Santa Clara Valley Memorial District		0.03752%		\$123.31
Total Special Districts		100.00000%		\$328,658.00
Total Allocated Costs				\$985,974.00

* Based on the FY 2019-2020 Annual Cities Report:

https://www.sco.ca.gov/Files-ARD-Local/LocRep/2019-20_Cities_Revenues_LAFCO_Fee_CalculationsADA.pdf



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Executive Officer

Neelima Palacherla

ITEM # 9

LAFCO MEETING: April 6, 2022

TO: LAFCO

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

SUBJECT: PROPOSED WORK PLAN AND BUDGET FOR FY 2023

FINANCE COMMITTEE / STAFF RECOMMENDATIONS

1. Adopt the Proposed Work Plan for Fiscal Year 2022-2023.
2. Adopt the Proposed Budget for Fiscal Year 2022-2023.
3. Find that the Proposed Budget for Fiscal Year 2023 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorize staff to transmit the Proposed Budget adopted by the Commission including the estimated agency costs as well as the LAFCO public hearing notice for the adoption of the Fiscal Year 2023 Final Budget to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.

ANNUAL BUDGET PROCESS REQUIREMENTS

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

FISCAL YEAR 2022-2023 BUDGET DEVELOPMENT TIMELINE

Dates	Staff Tasks / LAFCO Action
March 14 - April 6	Notice of this public hearing was advertised in a local newspaper, posted on the LAFCO website and distributed to local agencies. The agenda and a link to the posted agenda packet are also distributed to local agencies, interested persons and organizations. The proposed Workplan and Budget are posted on the LAFCO website and available for public review and comment.
April 6	LAFCO public hearing on adoption of Proposed Workplan and Budget
April 7	Proposed Work Plan and Budget, preliminary apportionments and LAFCO public hearing notice for Final Budget Hearing transmitted to agencies
June 1	LAFCO public hearing and adoption of Final Budget
June 1 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

LAFCO FINANCE COMMITTEE

At its February 2, 2022 LAFCO meeting, the Commission reappointed Commissioner Jimenez, Commissioner Kremen and Alternate Commissioner Melton to serve on the Finance Committee for FY 2023.

At its special meeting held on March 14, 2022, the Finance Committee discussed the progress on the current year work plan and the status of the current year budget; and recommended the proposed FY 2023 work plan and budget for consideration and adoption by the full commission.

CURRENT YEAR IN REVIEW

PROGRESS REPORT ON FY 2021-2022 WORK PLAN

LAFCO's current fiscal year workplan was adopted at a noticed public hearing held on April 7, 2021. **Attachment A** depicts the current status (through the third quarter of the year) of the 2021-2022 Work Program.

A major work focus during the past year has centered on the Countywide Fire Service Review including project kick-off and management, and stakeholder and public outreach. Staff prepared outreach material and coordinated with the Technical Advisory Committee and partner agencies to conduct three community meetings and a community survey to gather feedback on fire issues. The project has been on hold since January 2022 when LAFCO's consultant contract was terminated.

Staff is working on a process to retain a new consultant and proceed with the service review.

LAFCO has seen a relatively higher application workload during this period – staff is currently processing three major applications and an inactive district dissolution; and has held several other pre-application meetings with local agencies and entities. Staff has also received and responded to many requests for assistance and expertise from local and regional agencies on a variety of matters in support of local or shared goals such as island annexations, environmental review activities, regional plans, housing needs allocations, city general plan updates and other topics that affect local agency boundaries and services. Similarly, responding to public inquiries is another significant and growing area of the workplan and staff has seen an increase in the volume and complexity of such inquiries particularly requests for information under the Public Records Act.

In accordance with the Commission’s directive, as opportunities arise and time permits, staff has conducted targeted outreach to various local entities (special districts, County, cities and other community organizations/individuals) on LAFCO’s role in promoting sustainable growth and good governance.

Other notable administrative activities and projects that have been completed or are underway include among others, the annual financial audit, the annual report, new commissioners onboarding, required staff training, bylaws revision, and office space lease negotiation and extension.

Notwithstanding the preceding progress on various work plan items, some important, high priority projects such as the comprehensive review and update of LAFCO policies and scanning of LAFCO records have fallen behind and will not be completed by the end of the fiscal year. The delays are partly due to the application workload, increased demand for LAFCO services and staff’s efforts to prioritize and meet the needs of the local agencies and the public; and staffing issues including a vacant analyst position since January 2021. The projects in the current workplan that will not be completed by the end of the fiscal year have been added to the proposed FY 2023 workplan.

The Finance Committee discussed this situation and its impact on the accomplishment of the work plan items and recommended that staff consider the option of recruiting temporary staff or an intern to assist with certain work plan items such as the scanning of LAFCO records.

The LAFCO Annual Report for FY 2022 will be published at the end of the current fiscal year and will document all the applications reviewed and processed by LAFCO in Fiscal Year 2022; and will summarize the various accomplishments, activities/projects that LAFCO has engaged in or completed during the period.

STATUS OF FY 2021-2022 ADOPTED BUDGET

Attachment D includes the FY 2022 final budget adopted by the Commission at a noticed public hearing on June 2, 2021, the status of LAFCO’s expenditures and revenues as of February 28, 2022 and expenditure and revenue projections for FY

2022 year end. The adopted LAFCO budget for FY 2022 is \$886,330 and reflects a 10% reduction compared to the previous fiscal year's (FY 2021) budgeted operating expenses. It is estimated that the total year-end projected expenditures for FY 2022 would be approximately 22% lower than the adopted budget primarily due to salary savings from the vacant analyst position and unspent Business Travel (due to the pandemic) and Consultant Services line items (due to the fire service review consultant termination, although it is expected that a portion of the Consultant Services line item amount will be encumbered for the new consultant). Staff anticipates that year end revenue for FY 2022 will tally with the amount budgeted. LAFCO has received the respective FY 2022 cost shares from the County, the cities and the independent special districts. The actual fund balance rolled over at the end of FY 2021 was higher at \$312,351, compared to the amount estimated (\$288,660) in the FY 2022 budget. The excess fund balance and the unspent FY 2022 expenditure amounts will carry over into FY 2023 and will be used to reduce net operating expenses that would in turn translate to reduced FY 2023 costs for contributing agencies.

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

Attachment C includes the proposed work plan for FY 2023, as recommended by the Finance Committee, for consideration and adoption by the full commission.

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

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

Reduced staffing levels due to a vacant analyst position since January 2021 will continue to affect work plan priorities and the accomplishment of the work plan.

Recruitment for the vacant position is pending completion of the County's classification study for LAFCO which is expected to be completed in the next few months at which time LAFCO can begin recruitment. However, actual professional staffing capabilities will be below 4.0 FTE for at least half of the upcoming fiscal year, and possibly longer considering the onboarding and training period for the new staff person.

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

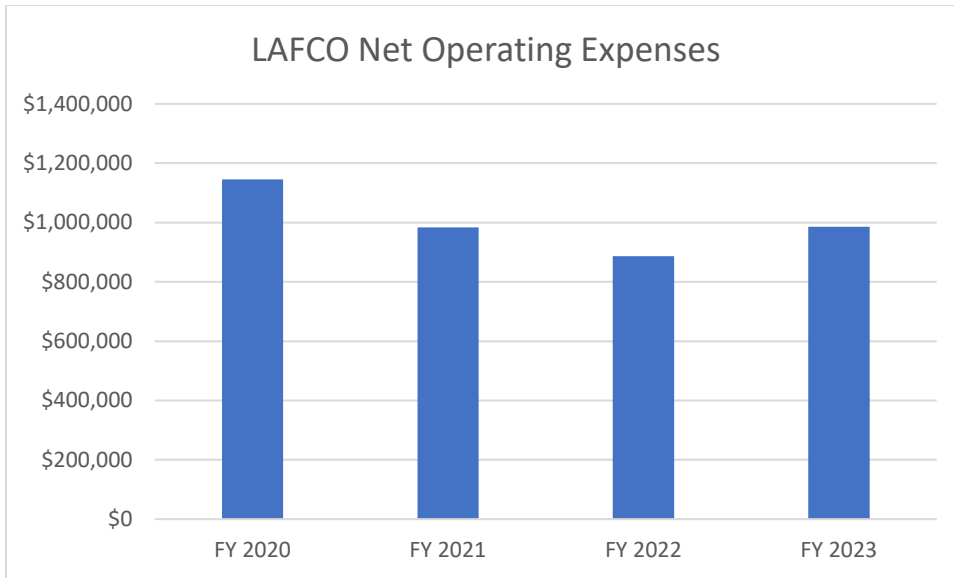
To address this reduced staffing situation, staff must actively manage the workload in order to focus on accomplishing essential activities such as processing applications, completing projects currently underway such as the Countywide Fire Service Review, maintaining core administrative functions, tracking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

PROPOSED BUDGET FOR FISCAL YEAR 2023

Attachment D includes the proposed Budget for FY 2022-2023 as recommended by the Finance Committee, for consideration and adoption by the full commission. The Finance Committee conducted a thorough review of the work plan and budget and recognized the public benefit of LAFCO's work and the high demand for LAFCO's services from local agencies and the public. The Committee maintained its commitment to ensure adequate resources that allow the Commission to fulfill its statutory responsibilities and accomplish its work plan while also limiting costs for LAFCO's funding agencies. As a result, the proposed budget maintains the overall expenditure for FY 2023 (\$1,222,980) at a substantially similar level to the current year budget (\$1,210,990).

In addition to managing expenses to limit net operating expenses, projected current year cost savings (from salary savings, unspent travel, and other reduced operational costs), and a larger than estimated fund balance from FY 2021 are expected to result in a \$312,351 fund balance at the end of the current year – and will be used to further reduce net operating expenses in FY 2023.

LAFCO's proposed net operating expense for FY 2023 is 11% higher than the current year budgeted amount which was 10% lower than FY 2021 which in turn was 14% lower than the FY 2020 operating expenses. Thus, the proposed 11% increase follows two years of reduced local agencies' apportionments and is needed to meet state mandates and LAFCO work plan objectives.



DESCRIPTION OF FY 2022-2023 BUDGET LINE ITEMS

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

The following is a detailed itemization of the proposed budget.

EXPENDITURES

Expenditures are divided into two main sections: Staff Salary and Benefits (Object 1) which comprise 66% of the total expenditures, and Services and Supplies (Object 2).

OBJECT 1. SALARIES AND BENEFITS \$810,419

This line item supports the salary and benefits for the 4.0 FTE positions including the Executive Officer position, the two Analyst positions and the Clerk position. One Analyst position is currently vacant. Recruitment for the position is on hold until the County’s classification study for LAFCO staff positions is completed. LAFCO contracts with the County of Santa Clara for staffing and services and in accordance with the MOU between the County and LAFCO, all four positions are staffed through the County Executive’s Office. The proposed amount is based on the best available projections from the County at this time for salary and benefits for the 4 positions. Changes to the projections for the four positions that occur within the next couple of months will be reflected in the Final LAFCO budget.

OBJECT 2. SERVICES AND SUPPLIES

5255100 Intra-County Professional \$10,000

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

5255800 Legal Counsel \$78,326

This item covers the cost for general legal services.

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

The monthly retainer for FY 2023 increases to \$6,278, based on a 3.2% increase in the Consumer Price Index for the prior calendar year (2021). This item covers the annual retainer fees and includes additional monies to cover approximately 10 hours of work outside the retainer at the current hourly rate of \$299.

5255500 Consultant Services \$150,000

This item is budgeted for hiring consultants to assist LAFCO with special projects such as for conducting service reviews and special studies, facilitating a strategic planning workshop, scanning LAFCO's hardcopy records into the existing electronic document management system, meeting broadcast services for LAFCO meetings and for conducting the annual financial audit, among others. The Commission must take action to authorize such special projects prior to expending funds. This item also includes costs associated with ongoing existing contracts such as costs for maintenance and hosting of the LAFCO website by an outside provider.

5285700 Meal Claims \$750

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

5220200 Insurance \$9,237

This item is for the purpose of purchasing general liability insurance and workers' compensation coverage for LAFCO. In 2010, LAFCO switched from the County's coverage to the Special District Risk Management Authority (SDRMA), for the provision of general liability insurance. Additionally, LAFCO also obtains workers'

compensation coverage for its commissioners from SDRMA. Workers' compensation for LAFCO staff is currently covered by the County and is part of the payroll charge. SDRMA has recently provided estimated FY 2023 contribution amounts for use in the budgeting process: Property Liability (\$8,137) and Workers' Compensation (\$1,100). SDRMA is in the process of negotiating rates on behalf of its program membership and expects to confirm rates in mid-May. The Final budget will reflect any major revisions to these estimates.

5270100 Rent & Lease \$53,132

This item includes monthly rent for LAFCO office space during the FY 2023. The current lease term expires on May 5, 2022. At its February 2, 2022 Meeting, the Commission authorized the extension of the lease for a five year period through April 30, 2027.

5250100 Office Expenses \$5,000

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

5255650 Data Processing Services \$28,038

This item includes estimated costs associated with County Technology Solutions & Services Department (TSS) providing IT services to the LAFCO program. According to TSS, the projected costs cover Telecom services for 5 phones- VOIP/Landline (\$3,300), Wireless Carrier Service (\$550), MS Adobe special order, Acrobat Pro and MS Visio monthly subscription (\$2,535), and other services (\$21,653) comprising Enterprise Content Management services and solutions, Kronos support, Architecture and Innovation Services, Claranet services, Data Analytics and Visualizations, digital print and sccLearn. Any further revised cost estimates received from the County will be reflected in the Final LAFCO budget.

5225500 Commissioner's Fees \$10,000

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

5260100 Publications and Legal Notices \$1,000

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

5245100 Membership Dues \$12,887

This item includes CALAFCO – the California Association of LAFCOs membership dues. As approved at the CALAFCO Annual Membership Business meeting on October 31, 2019, the FY 2023 membership dues for Santa Clara LAFCO is \$11,287.

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

5250750 Printing and Reproduction \$1,500

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

5285800 Business Travel \$10,000

This item includes funding for staff and commissioners to attend conferences and workshops. It would cover costs of air travel, accommodation, conference registration and other expenses at the conferences. CALAFCO annually holds a Staff Workshop (April 2023) and an Annual Conference (October 2022) that is attended by commissioners as well as staff.

5285300 Private Automobile Mileage \$1,000

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

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

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

5281600 Overhead \$30,041

This overhead charge is established by the County Controller's Office, for service rendered by various County departments that do not directly bill LAFCO. The overhead includes LAFCO's share of the County's FY 2023 Cost Allocation Plan which is based on actual overhead costs from FY 2021 – the most recent year for which actual costs are available.

The overhead amount includes the following charges from:

County Executive's Office:	\$11,036
Controller-Treasurer:	\$10,131
Employee Services Agency:	\$6,550
OBA:	\$330
BHS-MH - Employee:	\$211
TSS Intragovernmental Service:	\$912
Technology Services & Solutions:	\$3,496
Procurement:	\$137

Further, a "roll forward" is applied which is calculated by comparing FY 2021 Cost Plan estimates with FY 2021 actuals. The FY 2021 cost estimates were lower than the actuals by \$2,736; this amount is added to the FY 2023 Cost Plan. This is a state requirement.

5275200 Computer Hardware \$3,000

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

5250800 Computer Software \$5,000

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

5250250 Postage \$1,000

This amount covers postage costs for mailing notices, agendas, agenda packets and general correspondence. This budgeted amount has been maintained at the same level as the current year.

5252100 Training Programs \$2,000

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

REVENUES

4103400 Application Fees \$30,000

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

4301100 Interest \$6,000

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

3400150 Fund Balance from Previous Fiscal Year (FY 2022) \$201,006

It is projected that there will be a savings or fund balance of approximately \$201,006 at the end of the current year, which will be carried over to reduce the proposed Fiscal Year 2023 costs for LAFCO's funding agencies (cities, independent special districts and the County).

Projected Year-End [FY 2022] Fund Balance = (Projected Year-End [FY 22] Revenue + Actual Fund Balance from Previous Fiscal Year [FY 21] + Funds Received from Local Agencies in FY 22) - (Projected Year-End [FY 22] Expenses)

$$= (\$36,000 + \$312,352 + \$886,330) - \$1,033,675$$

$$= \$201,006$$

The fund balance excludes the reserves.

RESERVES

3400800 Reserves Available \$200,000

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

The Reserves amount was held at \$250,000 since FY 2020 to timely implement potential recommendations from the Comprehensive Organizational Assessment, and as a tentative measure in recognition that LAFCO operates in an increasingly complex and controversial environment. The implementation of the Comprehensive Organizational Assessment Study is currently pending the completion of the Classification Study by the County, which is expected soon.

In FY 2022, LAFCO reduced the Reserves to \$200,000, in order to further reduce costs to local agencies given the COVID -19 related economic hardships. The Finance Committee recommends maintaining the current level of reserves for FY 2023. This places the proposed Reserve amount at approximately 16% of the total FY 2023 expenditures. LAFCO has not adopted a Reserves policy, however as an independent agency, LAFCO should maintain sufficient reserves for flexibility and stability in the event of unanticipated needs.

FY 2023 NET OPERATING EXPENSES

FY 2023 Net Operating Expenses = (Proposed FY 2023 Expenditures) - (Proposed FY 2023 Fee & Interest Revenues + Projected Fund Balance from FY 2022)
= (\$1,222,980) - (\$36,000 + \$201,006)
= \$985,974

The projected operating expense for FY 2023 is based on projected expenditures and revenues as well as on estimated fund balance for the current year. Further revisions may be needed as we get a better indication of current year expenses/revenues towards the end of this fiscal year. Additionally, a more accurate projection of costs/revenues for the upcoming fiscal year could become available, particularly for employee salary and benefits. This could result in changes to the proposed net operating expenses for FY 2023 which could in turn impact the costs for each of LAFCO's funding agencies.

COST APPORTIONMENT TO CITIES, INDEPENDENT SPECIAL DISTRICTS AND COUNTY

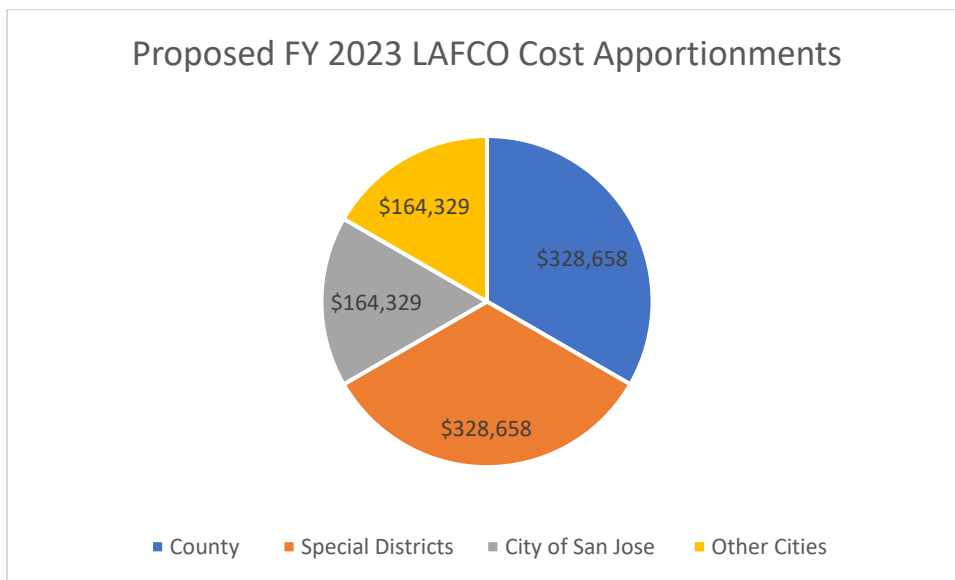
In January 2013, independent special districts were seated on LAFCO. Government Code §56381(b)(1)(A) provides that when independent special districts are represented on LAFCO, the county, cities and independent special districts must each provide a one-third share of LAFCO's operational budget.

The City of San Jose has permanent membership on LAFCO pursuant to Government Code Section 56327. As required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. The remaining cities' share must be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

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

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

The following is a draft apportionment to the agencies based on the proposed net operating expenses for FY 2023.



Apportionment of the costs among the 14 cities and among the 17 independent special districts will be calculated by the County Controller's Office after LAFCO adopts the final budget in June. In order to provide each of the cities and districts with a general indication of their costs in advance, **Attachment E** includes draft estimated apportionments, based on the proposed FY 2023 net operating expenses and the 2018/2019 Cities Annual Report. The final apportionments will be prepared by the County Controller's Office based on the latest available Cities Annual Report.

ATTACHMENTS

- Attachment A: Status of FY 2022 Work Plan
- Attachment B: LAFCO Financials 2008-2021
- Attachment C: Proposed Work Plan for Fiscal Year 2023
- Attachment D: Proposed LAFCO Budget for Fiscal Year 2023
- Attachment E: Estimated FY 2023 Costs to Agencies Based on the Proposed Budget

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

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

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal Conduct pre-agenda meetings with County Depts to obtain Assessor & Surveyor reports, as needed Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H	Several pre-application meetings held (San Jose / Cupertino, San Jose / Milpitas, NASA Moffett Field / Mountain View, etc.) 3 applications in progress
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H	Ongoing (RHNA, Coyote Valley)
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H	In progress
	Dissolution of inactive special districts	Work with State Controller's Office to identify County Library Services Area as inactive	Staff	M	Identification completed. Processing dissolution.
	Prepare flowcharts for LAFCO processes and update application packets for current requirements and ease of public use	Upon completion of policies update	Staff	L	Internal application processing checklists' updates completed.

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L	Working with cities upon request (Los Gatos, Monte Sereno)3
	Facilitate interagency discussions to support remaining island annexations	Ongoing discussion with San Jose, Los Altos Hills	Staff	H	In progress
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H	3 finalized.
OUTREACH, GOVERNMENT / COMMUNITY RELATIONS & CUSTOMER SERVICE	Conduct outreach to increase awareness of LAFCO's role	Presentations to cities, other agencies on LAFCO, as relevant	Staff	L	Presentations provided upon request (Grand Jury, Leadership Sunnyvale,)
		Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County		M	
		Seek exhibit opportunities at public spaces / events		L	
		Maintain website as the primary information resource on LAFCO		H	
		Increase social media presence (Twitter)		L	Website updated
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly) Small water systems issues / legislation Collaborate with agencies and entities with goals common to LAFCO	Staff	M M M	Ongoing
	Track LAFCO related legislation	EO is voting member of the CALAFCO Legislative Committee and attends regular meetings	Staff	M M	EO served on the Legislative Committee until October 2021.

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
		Commission takes positions and submit letters on proposed legislation			
	Respond to public enquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries Update the PRA form for the website Document research on complex inquiries Report to Commission on complex inquiries	Staff	H L L H	Ongoing. High volume of enquiries and PRA requests.
SERVICE REVIEWS, SPECIAL STUDIES & SPHERE OF INFLUENCE UPDATES	Countywide Fire Service Review	Participate in consultant selection, negotiate contract Manage consultant's work and contract Coordinate TAC meetings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process Prepare current maps of service provider agencies Attend stakeholder interviews with consultant Work with consultant on any data collection issues Review and comment on administrative draft reports Distribute Public hearing notices and coordinate community workshops and public hearings	Staff / Consultant	H	Retained consultant. Prepared stakeholder and public outreach material and conducted community meetings. Consultant contract terminated in January 2022. Working on next steps and retaining a new consultant.

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

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

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
		off-agenda emails, as needed			
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training. Update LAFCO letterhead, directory, and website Set up vendor accounts, provide parking permits Conduct new Commissioner orientation Recognize outgoing commissioners for service on LAFCO	Staff	H	New commissioner: Linda LeZotte
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria Convene ISDSC committee meeting, as necessary Coordinate public member selection process, as necessary	Staff	H	As needed
	Conduct a Strategic Planning Workshop	2018 Workshop re. LAFCO Communications and Outreach Plan	Staff / Consultant	L	On hold
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L	On hold
ADMINISTRATIVE PROJECTS	Prepare LAFCO annual work plan	March –June	Staff	H	In progress
	Prepare LAFCO annual budget	March –June	Staff	H	In progress
	Prepare LAFCO Annual Report	August 2021	Staff	H	Completed
	Prepare LAFCO Annual Financial Audit	October 2021 (Contract with Chavan Associates ends after FY 2021 Audit)	Consultant / Staff	H	Completed.

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
					Contract extended for FY 2023 and FY 2024
	Office / facility management	Coordinate with Building Manager on facilities issues Coordinate with County re. computers/network, phone, printers, office security, procurement , installation & maintenance Order and manage office supplies Make travel arrangements and process expense reimbursements. Process mileage reimbursements Negotiate office space lease (current lease ends May 5, 2022)	Staff	H	Ongoing
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische) Maintain LAFCO's hard copy records Maintain and enhance the LAFCO Website Maintain LAFCO database	Staff/ Consultant Staff	H H H H	On hold Ongoing
	Contracts and payments & receivables	Track consultant contracts and approve invoices Approve vendor invoices / process annual payments for various services/ memberships	Staff	H	Ongoing

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2022)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ADMINISTRATIVE PROJECTS		Coordinate with County Controller's Office and track annual collection of payments from member agencies			
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H	Ongoing
	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M	CALAFCO Workshop cancelled
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H	Ongoing
	Staff performance evaluation	April - October 2021	Staff/Commission	H	Completed in 2021. In progress
	Comprehensive Organizational Assessment Study – implementation	As needed	Staff/Commission	H	Pending result of County study in progress
	Recruitment and training of LAFCO staff	One LAFCO Analyst position currently vacant –recruitment pending County Classification study results	Staff	H	Pending result of County study in progress
	Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H	Ongoing

FY 2008 - FY 2021 LAFCO FINANCIALS
March 2022

ITEM # 9
Attachment B

ITEM NO.	TITLE	ACTUALS FY 2008	ACTUALS FY 2009	ACTUALS FY 2010	ACTUALS FY 2011	ACTUALS FY 2012	ACTUALS FY 2013	ACTUALS FY 2014	ACTUALS FY 2015	ACTUALS FY 2016	ACTUALS FY 2017	ACTUALS FY 2018	ACTUALS FY 2019	ACTUALS FY 2020	ACTUALS FY 2021
EXPENDITURES															
	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$466,755	\$484,216	\$514,381	\$628,534	\$713,900	\$744,439	\$730,716
Object 2: Services and Supplies															
5255100	Intra-County Professional	\$66,085	\$57,347	\$13,572	\$4,532	\$6,118	\$5,260	\$5,663	\$4,379	\$18,523	\$1,292	\$703	\$3,593	\$346	\$201
5255800	Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$52,854	\$57,498	\$71,131	\$59,400	\$72,276	\$69,975	\$65,791
5255500	Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$37,250	\$39,625	\$0	\$45,000	\$52,650	\$106,709	\$41,966
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$367	\$50	\$901	\$257	\$166	\$0
5220100	Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$4,338	\$4,135	\$4,679	\$4,893	\$5,296	\$5,893	\$10,452
1151	Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$783	\$6,266	\$48,632	\$15,412	\$4,702	\$2,544	\$1,151
5270100	Rent and Lease											\$41,120	\$39,360	\$44,478	\$46,254
5255650	Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$9,024	\$1,519	\$6,869	\$877	\$11,894	\$15,500	\$21,223
5225500	Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$4,900	\$6,700	\$5,300	\$5,400	\$5,000	\$4,600	\$6,100
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$487	\$191	\$145	\$192	\$44	\$90
5245100	Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,577	\$8,107	\$8,674	\$9,615	\$11,822	\$12,144
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$703	\$0	\$0	\$0	\$799	\$0
5285800	Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$4,042	\$5,811	\$3,877	\$13,091	\$4,260	\$6,908	\$0
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$1,009	\$1,264	\$590	\$689	\$696	\$61
5285200	Transportation&Travel (County Car Us	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$559	\$605	\$0	\$328	\$256	\$0
5281600	Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$34,756	\$49,452	\$0	\$28,437	\$69,944	\$4,505	\$30,917
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$106	\$0	\$0	\$773	\$0	\$0
5250800	Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$1,833	\$2,079	\$754	\$4,505	\$3,012	\$1,200	\$4,708
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$411	\$209	\$183	\$117	\$73	\$184
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$0	\$0	\$0	\$350	\$525	\$70
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES		\$516,530	\$633,691	\$636,478	\$604,238	\$640,540	\$613,895	\$612,816	\$633,929	\$687,043	\$667,342	\$857,865	\$998,208	\$1,021,478	\$972,028
REVENUES															
4103400	Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$27,386	\$146,168	\$20,436	\$29,864	\$33,049	\$7,587	\$34,622
4301100	Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$2,844	\$6,073	\$10,830	\$12,620	\$12,141	\$18,176	\$10,488
3400150	Fund Balance from Previous FY	\$271,033	\$368,800	\$334,567	\$275,605	\$209,987	\$208,219	\$160,052	\$226,111	\$187,310	\$293,489	\$331,177	\$314,693	\$352,123	\$312,351
TOTAL REVENUE		\$342,048	\$426,711	\$376,831	\$329,023	\$251,661	\$257,092	\$226,287	\$256,341	\$339,551	\$324,755	\$373,661	\$359,883	\$377,886	\$357,461
NET LAFCO OPERATING EXPENSES		\$174,482	\$206,980	\$259,648	\$275,215	\$388,879	\$356,802	\$386,529	\$377,588	\$347,492	\$342,587	\$484,204	\$638,325	\$643,592	\$983,785
3400800 RESERVES AVAILABLE					\$100,000	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$250,000
COSTS TO AGENCIES															
5440200	County	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$281,780	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928
4600100	Cities (San Jose 50% +other cities 50%)	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$282,625	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928
4600100	Special Distrctcs							\$296,892	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

ITEM # 9
Attachment C

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

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

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

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

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

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

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

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

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
ADMINISTRATIVE PROJECTS	Prepare LAFCO annual work plan	March -June	Staff	H
	Prepare LAFCO annual budget	March -June	Staff	H
	Prepare LAFCO Annual Report	August 2022	Staff	H
	Prepare LAFCO Annual Financial Audit	October 2022 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H
	Office / facility management	Coordinate with Building Manager on facilities issues Coordinate with County re. computers/network, phone, printers, office security, procurement, installation & maintenance Order and manage office supplies Make travel arrangements and process expense reimbursements. Process mileage reimbursements Office space lease extended (lease extended through April 30, 2027)	Staff	H
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische) Maintain LAFCO's hard copy records Maintain and enhance the LAFCO Website Maintain LAFCO database	Staff/ Consultant	H
			Staff	H
				H
			H	
Contracts and payments & receivables	Track consultant contracts and approve invoices Approve vendor invoices / process annual payments for various services/ memberships Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H	
Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H	

PROPOSED WORK PLAN FOR FISCAL YEAR 2023

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
ADMINISTRATIVE PROJECTS	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H
	Staff performance evaluation	April - October 2022	Staff/Commission	H
	Comprehensive Organizational Assessment Study – implementation	As needed	Staff/Commission	H
	Recruitment and training of LAFCO staff	One LAFCO Analyst position currently vacant – recruitment pending County Classification study results	Staff	H
	Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2022- 2023**

**ITEM # 9
Attachment D**

ITEM # TITLE	APPROVED BUDGET FY 2022	ACTUALS Year to Date 2/28/2022	PROJECTIONS Year End FY 2022	PROPOSED BUDGET FY 2023
EXPENDITURES				
Object 1: Salary and Benefits	\$844,239	\$412,232	\$691,414	\$810,419
Object 2: Services and Supplies				
5255100 Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800 Legal Counsel	\$75,896	\$48,562	\$75,000	\$78,326
5255500 Consultant Services	\$150,000	\$25,239	\$100,000	\$150,000
5285700 Meal Claims	\$750	\$56	\$100	\$750
5220100 Insurance	\$8,500	\$8,590	\$8,590	\$9,237
5250100 Office Expenses	\$5,000	\$1,098	\$2,000	\$5,000
5270100 Rent & Lease	\$47,784	\$35,838	\$47,784	\$53,182
5255650 Data Processing Services	\$22,048	\$10,665	\$22,048	\$28,038
5225500 Commissioners' Fee	\$10,000	\$1,300	\$7,000	\$10,000
5260100 Publications and Legal Notices	\$1,000	\$551	\$1,000	\$1,000
5245100 Membership Dues	\$12,500	\$12,316	\$12,316	\$12,887
5250750 Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800 Business Travel	\$10,000	\$0	\$0	\$10,000
5285300 Private Automobile Mileage	\$1,000	\$7	\$150	\$1,000
5285200 Transportation&Travel (County Car Usage)	\$600	\$0	\$100	\$600
5281600 Overhead	\$49,173	\$24,587	\$49,173	\$30,041
5275200 Computer Hardware	\$3,000	\$0	\$1,000	\$3,000
5250800 Computer Software	\$5,000	\$853	\$4,000	\$5,000
5250250 Postage	\$1,000	\$3	\$500	\$1,000
5252100 Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000 Reserves	-\$50,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,210,990	\$581,897	\$1,033,675	\$1,222,980
REVENUES				
4103400 Application Fees	\$30,000	\$24,077	\$30,000	\$30,000
4301100 Interest: Deposits and Investments	\$6,000	\$4,283	\$6,000	\$6,000
TOTAL REVENUE	\$36,000	\$28,360	\$36,000	\$36,000
3400150 FUND BALANCE FROM PREVIOUS FY	\$288,660	\$312,351	\$312,351	\$201,006
NET LAFCO OPERATING EXPENSES	\$886,330	\$241,186	\$685,324	\$985,974
3400800 RESERVES Available	\$200,000	\$200,000	\$200,000	\$200,000
COSTS TO AGENCIES				
5440200 County	\$295,443	\$295,443	\$295,443	\$328,658
4600100 Cities (San Jose 50% + Other Cities 50%)	\$295,443	\$295,443	\$295,443	\$328,658
4600100 Special Districts	\$295,443	\$295,443	\$295,443	\$328,658

March 14, 2022

LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS
Estimated Costs to Agencies Based on the Preliminary FY 2023 LAFCO Budget

Preliminary Net Operating Expenses for FY 2023				\$985,974
JURISDICTION	REVENUE PER 2018/2019 REPORT	PERCENTAGE OF TOTAL REVENUE	ALLOCATION PERCENTAGES	ALLOCATED COSTS
County	N/A	N/A	33.33333333%	\$328,658.00
Cities Total Share			33.33333333%	\$328,658.00
San Jose	N/A	N/A	50.00000000%	\$164,329.00
Other cities share			50.00000000%	\$164,329.00
Campbell	\$64,536,222	1.7980522%		\$2,954.72
Cupertino	\$108,060,680	3.0106928%		\$4,947.44
Gilroy	\$125,345,516	3.4922679%		\$5,738.81
Los Altos	\$57,463,937	1.6010103%		\$2,630.92
Los Altos Hills	\$16,800,340	0.4680765%		\$769.19
Los Gatos	\$51,214,203	1.4268856%		\$2,344.79
Milpitas	\$216,026,300	6.0187372%		\$9,890.53
Monte Sereno	\$3,758,600	0.1047188%		\$172.08
Morgan Hill	\$110,550,245	3.0800549%		\$5,061.42
Mountain View	\$407,506,157	11.3535827%		\$18,657.23
Palo Alto	\$701,560,301	19.5462638%		\$32,120.18
Santa Clara	\$1,078,173,133	30.0391235%		\$49,362.98
Saratoga	\$34,095,585	0.9499416%		\$1,561.03
Sunnyvale	\$614,138,449	17.1105921%		\$28,117.66
Total Cities (excluding San Jose)	\$3,589,229,668	100.0000000%		\$164,328.98
Total Cities (including San Jose)				\$328,657.98
Special Districts Total Share		(Fixed %)	33.33333333%	\$328,658.00
Aldercroft Heights County Water District		0.06233%		\$204.85
Burbank Sanitary District		0.15593%		\$512.48
Cupertino Sanitary District		2.64110%		\$8,680.19
El Camino Healthcare District		4.90738%		\$16,128.50
Guadalupe Coyote Resource Conservation District		0.04860%		\$159.73
Lake Canyon Community Services District		0.02206%		\$72.50
Lion's Gate Community Services District		0.22053%		\$724.79
Loma Prieta Resource Conservation District		0.02020%		\$66.39
Midpeninsula Regional Open Space District		5.76378%		\$18,943.12
Purissima Hills Water District		1.35427%		\$4,450.92
Rancho Rinconada Recreation and Park District		0.15988%		\$525.46
San Martin County Water District		0.04431%		\$145.63
Santa Clara Valley Open Space Authority		1.27051%		\$4,175.63
Santa Clara Valley Water District		81.44126%		\$267,663.24
Saratoga Cemetery District		0.32078%		\$1,054.27
Saratoga Fire Protection District		1.52956%		\$5,027.02
South Santa Clara Valley Memorial District		0.03752%		\$123.31
Total Special Districts		100.00000%		\$328,658.03
Total Allocated Costs				\$985,974.01

Item 9.A.

Dist.	County	Route	P.M.	Project ID	Project E.A.
04	SCL	280	8.0/8.9	0416000226	04-1K300
Federal Aid No.: N/A					
Owner's File: PM xxxxx Dated MM DD, YYYY					
Federal Participation/Federally Eligible/NEPA Document					
On the Project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No On the Utilities <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					

DATE: TBD

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

UTILITY AGREEMENT NO. 2180-01

The City of Cupertino, hereinafter referred to as "CITY", in cooperation with the Santa Clara Valley Transportation Authority ("VTA") and California Department of Transportation ("CALTRANS"), proposes to construct modifications to the I-280 / Wolfe Road interchange in the City of Cupertino in accordance with VTA's Project No. EA-04-1K300, hereinafter referred to as "PROJECT" and Cupertino Sanitary District hereinafter referred to as "OWNER", owns and maintains a 15" sanitary sewer facility and related appurtenances, hereinafter referred to collectively as "FACILITY", within the construction limits of the PROJECT which requires relocation and/or replacement to accommodate the PROJECT.

It is hereby mutually agreed that:

I. SCOPE OF WORK

In accordance with Notice to Owner No. 2180-01 dated March 9, 2021, OWNER shall relocate OWNER's 15" vitrified clay pipe (VCP) sanitary sewer line in concrete casing and OWNER's four (4) sanitary manholes. All work must be performed in accordance with CITY's and CALTRANS' standards of construction incorporated into VTA's Plan No. 04-1K300 dated November 10, 2020 consisting of eight (8) sheets, a copy of which is on file in the VTA's Office's at 3331 N. 1st Street, San Jose, CA. 95134.

Deviations from the VTA's plan described above initiated by either VTA or the OWNER, must be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notice to Owner, approved by VTA and agreed to/acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and made a part hereof. No work under said deviation may commence prior to written execution by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner.

VTA will include the work of installing six (6) sanitary manholes as part of PROJECT highway construction contract. OWNER shall have access to all phases of the work to be performed by VTA for the purpose of inspection to ensure that the work being performed for the OWNER is in accordance with the specifications contained in the highway contract. Upon completion for the work

performed by VTA, OWNER will accept ownership and maintenance for the constructed facilities and the replaced facilities, except in the case of liability determined pursuant to Water Code 7034 or 7035.

II. LIABILITY FOR WORK

The cost of the FACILITY relocation described in Section I above will be relocated at VTA expense pursuant to rights superior to those of the VTA.

Estimated work to be performed by OWNER:	\$6,823,680.00
Estimated work to be performed by VTA's CONTRACTOR:	\$0.00
VTA's TOTAL Estimated Liability @ 100%:	\$6,823,680.00

III. PERFORMANCE OF WORK

OWNER shall have access to all phases of OWNER's relocation work and relocation work to be performed by VTA, as described in Section 1 above, for the purpose of inspection to ensure that the work is in accordance with the specifications contained in the highway construction contract. All questions regarding work being performed will be directed to VTA's Resident Engineer for their evaluation and final disposition.

Use of personnel requiring lodging and meal "per diem" expenses shall not exceed the per diem expense amounts allowed under the California Department of Human Resources travel expense guidelines. Accounting Form FA-1301 must be completed and submitted for all non-State personnel travel per diem. OWNER shall also include an explanation why local employee or contract labor is not considered adequate for the relocation work proposed.

- (a) Work performed by OWNER'S contractor is a public work under the definition of Labor Code Section 2720 (a) and is therefore subject to prevailing wage requirements.
- (b) Work performed directly by OWNER's employees and their sub-consultants falls within the exception for Labor Code Section 1720 (a)(1) and does not constitute a public work under section 1720(a)(2) and is not subject to prevailing wages. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above.

IV. PAYMENT FOR WORK

Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit detailed itemized progress bills for costs incurred not to exceed OWNER'S recorded costs as of the billing date less estimated credits applicable to completed work. The OWNER'S cost shall include OWNER'S employees and the costs of the OWNER'S sub-consultants, construction contractor and sub-contractors. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment of progress bills which exceed the amount of this Agreement may be made after receipt and approval by VTA of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement.

OWNER shall submit a final bill to VTA within 360 days after the completion of the work described in Section I above. If VTA has not received a bill within 360 days after notification of completion of OWNER's work described in section I of this Agreement, and VTA has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements for OWNER's facility (if required), VTA will provide written notification to OWNER of its intent to close its file within 30 days. OWNER hereby acknowledges, to the extent allowed by law, that all remaining costs will be deemed to have been abandoned. If VTA processes a final bill for payment more than 360 days after notification of completion of OWNER's work, payment of the late bill may be subject to VTA's discretion.

In any event if the final bill exceeds 125% of the estimated cost of this Agreement, an Amended Agreement must be executed by the parties to this Agreement prior to the payment of the OWNER'S final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement shall have the prior concurrence of VTA.

Detailed records from which the billing is compiled must be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit by State and/or Federal auditors. In performing work under this Agreement, OWNER agrees to comply with the Uniform System of Accounts for Public Utilities found at 18 CFR, Parts 101, 201, et al., to the extent that are applicable to OWNER doing work on the project that is the subject of this agreement, the contract cost principles and procedures as set forth in 48 CFR, Chapter 1, Subpart E, Part 31, et seq., 23 CFR, Chapter 1, Part 645 and 2 CFR, Part 200, et al. If a subsequent State and/or Federal audit determines payments to be unallowable, OWNER agrees to reimburse VTA upon receipt of VTA billing. If OWNER is subject to repayment due to failure by VTA to comply with applicable laws, regulations and ordinances, then VTA will ensure that OWNER is compensated or actual cost in performing work under this agreement.

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of VTA's request of March 9, 2021 to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement. Payments made by VTA to OWNER under any encroachment permit issued as part of PROJECT will be rejected as duplicate billing for work under this Agreement.

If PROJECT which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, VTA will notify OWNER in writing and VTA reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of VTA and OWNER under the terms of this Agreement are subject to the acceptance of the Agreement by OWNER or the Delegated Authority (as applicable).

OWNER shall submit a Notice of Completion to VTA within 60 days of the completion of the work described herein.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

If, in connection with OWNER's performance of the Work hereunder, VTA provides to OWNER, materials that are subject to the Buy America Rule, VTA acknowledges and agrees that VTA shall be solely responsible for satisfying any and all requirements relative to the Buy America Rule concerning the materials thus provided (including, but not limited to, ensuring and certifying that said materials comply with the requirements of Buy America Rule.

VTA further acknowledges that OWNER, in complying with the Buy America Rule, is expressly relying upon the instructions and guidance (collectively, "Guidance") issued by Caltrans and its representatives concerning Buy America Rule requirements for utility relocations within the State of California. Notwithstanding any provision herein to the contrary, OWNER shall not be deemed in breach of this Agreement for any violations of the Buy America Rule if OWNER's action are in compliance with the Guidance.

THE ESTIMATED COST TO VTA FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$6,823,680.00

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

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

Approval Recommended:

By _____
Neil Oettinger
VTA Utility Coordination Manager

By _____
Carolyn M Gonot
General Manager/CEO

By _____
William Bosworth
Director of Cupertino Sanitary District

By _____
Nicole Chapman
Chief Procurement Officer

By _____
Shannon Smyth-Mendoza
Sr. Assistant Counsel

RESOLUTION NO. 1285

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CUPERTINO
SANITARY DISTRICT, ADOPTING BY REFERENCE THE MODEL CONFLICT
OF INTEREST CODE SET FORTH IN TITLE 2, SECTION 18730 OF THE
CALIFORNIA CODE OF REGULATIONS**

WHEREAS, District last adopted Resolution 1258, "Conflict of Interest Code" on October 22, 2014 pursuant to Section 87300 *et seq.* of the California Government Code; and

WHEREAS, pursuant to Government Code Section 87302, the Conflict of Interest Code must specifically enumerate the positions within the District, other than those specified in Government Code Section 87200, that involve the making or participating in making decisions that may foreseeably have a material effect on any financial interest, and, for each such enumerated position, the Conflict of Interest Code must state the specific types of investments, business positions, interests in real property and sources of income that are reportable; and

WHEREAS, Title 2, Section 18730 of the California Code of Regulations contains the terms of a Model Conflict of Interest Code developed by the Fair Political Practices Commission ("FPPC") that agencies can incorporate by reference, which may be amended from time to time by the FPPC after public notice and hearing to conform to amendments in the Political Reform Act; and

WHEREAS, incorporation by reference of the terms of the FPPC's Model Conflict of Interest Code set forth in the California Code of Regulations, and amendments thereto, along with a district-specific appendix designating positions and disclosure categories, may constitute the Conflict of Interest Code of the Cupertino Sanitary District to meet the statutory requirements for adopting such a code and save the District time and resources by minimizing the actions required to keep the Code in conformity with the Political Reform Act; and

WHEREAS, Exhibit A attached to this Resolution (No. 1285) has been updated to more accurately reflect position titles;

NOW, THEREFORE, the Board of Directors of the Cupertino Sanitary District does resolve as follows:

Section 1: The Model Conflict of Interest Code set forth in Title 2, Section 18730 of the California Code of Regulations and any amendments to the Model Conflict of Interest Code subsequently adopted by the Fair Political Practices Commission are hereby incorporated by reference. This resolution and the attached "Exhibit "A," enumerating the positions within the District (in addition to any of those set forth in Government Code Section 87200) that are subject to the provisions of the Conflict of Interest Code and their disclosure categories, together constitute the Conflict of Interest Code of the Cupertino Sanitary District.

Section 2: Designated positions shall file statements of economic interests with the District's Filing Official. If statements are received in signed paper format, the District Filing Official shall make and retain a copy and forward the original of this statement to the Santa Clara County Clerk of the Board of Supervisors. If statements are electronically filed using the County of Santa Clara's Form 700 e-filing system, both the Santa Clara County Clerk of the Board of Supervisors and the District Filing Official will receive access to the filed statement simultaneously.

Section 3: Statements of Economic Interest shall be made on forms prescribed by the Fair Political Practices Commission. Statements for all public officials and designated employees will be retained by the District. Statements of Economic Interests are public records subject to Government Code section 81008, available for public inspection and reproduction not later than the second business day following the day on which the Statement was received.

Section 4: The effective date of the Conflict of Interest Code shall be the date the Code is approved by the code reviewing body. Notwithstanding the effective date, the adoption of this Conflict of Interest Code shall not be considered an original adoption as to those designated officials or employees who have already been filing statements of economic interests for their position with the District; those persons shall not be required to file an additional statement based on the adoption of the amended code. All designated officials and employees shall continue to file statements upon assuming or leaving office.



President, Cupertino Sanitary District

I hereby certify that the foregoing is a true and correct copy of a Resolution duly and regularly passed and adopted by the Board of Directors of the Cupertino Sanitary District at a meeting held on the 16th day of November, 2016, by the following vote:

AYES: Gatto, Bosworth, Chen, Kwok and Saadati

NOES: None

ABSTAIN: None

ABSENT: None



Secretary, Cupertino Sanitary District

APPROVED AS TO FORM:



Cupertino Sanitary District Counsel

EXHIBIT A

CUPERTINO SANITARY DISTRICT DESIGNATED POSITIONS/DISCLOSURE CATEGORIES

Designated Positions	Disclosure Category
Member of the Board of Directors	1
District Manager	1
District Engineer	1
District Clerk	1
District Counsel	1
Consultant	2
Newly Created Position	*

***Newly Created Positions**

A newly created position that makes or participates in the making of decisions that may foreseeably have a material effect on any financial interest of the position-holder, and which specific position title is not yet listed in the District's conflict of interest code is included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The District Manager may determine in writing that a particular newly created position, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the broadest disclosure requirements, but instead must comply with more tailored disclosure requirements specific to that newly created position. Such written determination shall include a description of the newly created position's duties and, based upon that description, a statement of the extent of disclosure requirements. The District Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

As soon as the District has a newly created position that must file statements of economic interests, the District's filing official shall contact the County of Santa Clara Clerk of the Board of Supervisors Form 700 division to notify it of the new position title to be added in the County's electronic Form 700 record management system, known as eDisclosure. Upon this notification, the Clerk's office shall enter the actual position title of the newly created position into eDisclosure and the District's filing official shall ensure that the name of any individual(s) holding the newly created position is entered under that position title in eDisclosure.

Additionally, within 90 days of the creation of a newly created position that must file statements of economic interests, the District shall update this conflict-of-interest code to add the actual position title in its list of designated positions, and submit the amended conflict of interest code to the County of Santa Clara Office of the County Counsel for code-reviewing body approval by the County Board of Supervisors. (Gov. Code Sec. 87306.)

DISCLOSURE CATEGORIES

Disclosure Category 1: Persons in this category shall disclose:

(1) all investments, business positions, and income (including gifts, loans and travel payments) from:

(a) all sources subject to the regulatory, permit or licensing authority of the District; and

(b) all sources that provide, plan to provide, or have provided in the last two years, facilities, goods, software, hardware, or related technology, equipment, vehicles, machinery, or services, including training or consulting services, to the District; and

(c) all sources that are engaged in any real estate activity including, but not limited to real estate appraisal, development, construction, planning/architectural design, engineering, sales, brokerage, leasing, lending, insurance, rights of way, and/or studies; and/or property or facilities management/maintenance/custodial and utility services as used by the District or provides capital for the purchase of property used or sold by the District; and

(2) all interests in real property in the District located entirely or partly within the District, or within two miles of the District boundaries, or of any land owned or used by the District.

Disclosure Category 2: Consultants, as defined for purposes of the Political Reform Act, shall disclose pursuant to the broadest disclosure category in the conflict of interest code subject to the following limitation: The District Manager may determine in writing that a particular consultant, although a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements of the broadest category but instead must comply with more tailored disclosure requirements specific to that consultant. Such a determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. All such determinations are public records and shall be retained for public inspection along with this conflict of interest code.



Memo

Item 10A

To: Board of Directors
From: Benjamin Porter, District Manager-Engineer
Date: August 17, 2022
Re: Purchase of New MultiQuip Trailer Mounted Generator

Background:

At our Homestead 1 pump station, District had a 50kVA stationary generator installed the same year (1971) the Homestead 1 pump station was installed. During weekly inspections this generator was determined to be too old and costly to maintain and repair. On March 04, 2022, District hired C&D Power to perform an assessment of this onsite generator. Initially, C&D Power was called out to check an issue with the transfer switch that did not function properly and kept shutting off the motor. At first diagnostic inspection, the technician determined the radiator was clogged.

C&D technician performed a cleaning and replaced several components of the generator he believed to be the problem, which included a transfer switch, fluids, filter and the radiator. He then tested the generator and noticed water in the engine oil. The technician then explained he needs to open the engine motor and look inside to further diagnose the engine problem. Given the age of the generator and the wear and tear over the years, it will be more work to rebuild the engine, plus parts might not be available, and lead time to look for component parts of this generator might take longer if we are planning to restore and fix it. To compare the cost to have contractor perform further diagnostics on the generator vs. replacing it with a new one, staff requested that C&D power provide a cost proposal to purchase a new generator, for District's review. In addition to purchasing a new 45KVA generator, staff will need to hire an electrician to help add four (4) cam plugs and a 60 Amp receptacle with a controller box to the end of the generator so that this generator can be used to connect and power up the three pumps at this pump station in the event of a power failure.

To date, there has not been a sewer overflow due to power failure. To minimize and eliminate sewer overflow due to power failure/wet weather flow, it would be beneficial to have this trailer mounted temporary permanent onsite backup generator available.

Recommendation:

Staff recommends the Board approve the purchase of the new 45kVA temporary permanent onsite generator, approval to hire an electrician to help install cam plugs and receptable, and a contractor to remove District's old 50kVA stationary generator at a total cost of approximately \$71,800.00

Attachment:

1. C&D Power Sales Quote
2. St. Francis Electric Quote



July 27, 2022

QUOTE # QMARKT072722JK-DCA45

Cupertino Sanitary District
Attn : Rick Almondia, Lead Inspector
Phone:(408)253-7863 Office, 408-483-0497 Mobile
Email : ralmondia@markthomas.com

RE: Trailer Mounted 45kVA Generator

Thank you for the opportunity to provide pricing for the generator set and system accessories on the above referenced project. We are pleased to quote as follows:

ITEM 1: Equipment

One(1) MultiQuip DCA45SSIU4F Trailer Mounted Generator

- o ISUSU 4LE2T Diesel Engine
- o EPA Tier4 Final, Certified
- o Water Cooled, 1800 RPM
- o 40Kw Standby Rating, 36kw Prime Rating
- o Multi Voltage, 139/240V 3ph, 277/480V 3ph, 120/240V 1 ph, 60 Hz
- o ECU750 Controller
- o Block Heater, 1000W
- o Battery Charger, 6A
- o Sub-base Fuel Tank, 79.2 gal, 27 hr run @full load
- o Sound Attenuated Enclosure, 65 dba @23 ft
- o Main Line Circuit Breaker 125 Amp
- o Tandem Axle Trailer, 7000lb GAWR
- o Tongue Mounted Swivel Jack, rated 5000lb
- o Coupler Options available, can be selected later – 3” pintle eye, 2” ball, 2-5/16” ball
- o Test and Training 30 minutes at delivery
- o Fuel 20 gal for test and training

Price, Deliver to Cupertino, CA----- \$56,743.13 (tax included)

Lead time : Mid 2023

**Optional Adder: Camlock connect ----- \$695.00

Alternative Proposal 1.

One(1) Shindaiwa DGK45F, 45kVA Trailer mounted Generator, compatible with MQ

Price, Deliver to Cupertino, CA ----- \$49,679.69(tax included)

****Lead Time : May-June 2023****

Alternative Proposal 2.

One(1) Airman SDG45, 45kVA Trailer mounted Generator, compatible with MQ

Price, Deliver to Cupertino, CA ----- \$47,413.88(tax included)

****Lead Time : 2 – 3 weeks**

Quotation Notes:

- o Delivery time is an estimate and subject to change
- o Any other work except stated above not included

Corporate Headquarters:

150 Nardi Lane
Martinez, California 94553
Phone 925.229.2700
Fax 925.229.2702
Contractor License #757162

Sacramento Branch:

4372 Pinell Street
Sacramento, California 95838
Phone 916.564.2622
Fax 916.564.1083

Clarifications:

1. Upon review, additional charges may be required and thus requested, if engineering or city inspectors require changes to the initial design we've proposed.
2. Air quality permit fees and compliance are excluded. Local air quality authorities may require a health risk study or environmental quality assessment. The cost for a health risk study is excluded.
3. OSHPD paperwork and certification are excluded. This is the responsibility of the customer.
4. **All permits must be obtained prior to installation of the equipment.**
5. For Diesel Engine Generators. **Do not fuel until pressurized Tank Testing is complete** and signed off by local Hazmat authority.
6. "Engines located on or near school grounds: New Stationary emergency standby diesel-fueled engines (>50 bhp) located on school grounds or 100m or less from a school which exists at the date the application for Permit to Construct or Permit to Operate is deemed complete, whichever is earlier shall emit diesel PM at a rate less than or equal to 0.01 g/bhp-hr" which means that a PM Filter will be necessary. If the generator is within 100 meters of a Kindergarden-12th grade school and there is not a price for a PM Filter on this quote please contact us immediately.

Possible Adder:

-
- Pricing: Valid 30-Days from date on quote. Pricing may be adjusted after submittals and air quality acceptance. Any material pricing increase of 10% or more from date of quote will result in charge order for additional material cost.
- Restocking: A restocking fee of 15% will apply for cancellation after receipt of purchase order and up to 60 days prior to scheduled order shipment date. Cancellation 60 days or less before scheduled shipment date will result in full PO charges.
- Storage: CD & Power will not be held responsible for damage, burglary or vandalism that may occur while equipment is stored at our facility. Storage for more than one month will result in a \$100.00/week storage fee. A secondary shipping and/or crane charge to jobsite may also apply.
- Supply chain: Delays due to supply chain issues can be expected and any associated cost with delays in supply chain are not included in the quoted price. Material cost increases incurred during contract period of more than 3% will be added to the cost of the project.

Please do not hesitate to give us a call with questions or concerns.

Sincerely,

James Kim
925-229-2700 X128

CONDITIONS OF SALE

The Terms and Conditions of Sale below constitute an Agreement between CD & Power and Customer. The provisions of this agreement supersede all prior agreements, negotiations, representations and warranties whether written, oral or otherwise, and no waiver, alteration, or modification of this agreement shall be binding unless agreed to in writing and signed by both CD & Power and customer.

QUOTATIONS are valid for thirty (30) days from the date of quotation unless agreed to in writing by CD & Power. Any material pricing increase of 10% or more from date of quote will result in charge order for additional material cost. A Quotation is not a valid acceptance of an offer to sell unless (1), a Purchase Order signed by an authorized representative of the Customer is received by CD & Power or (2), approved by CD & Power Credit Department. Equipment in stock is subject to prior sale.

A recent California Air Resources Board rule requires that a particulate trap be added to generators for jobs located at or within 100 meters of a school grades K through 12 or day care centers. If your jobsite is within these requirements we will be glad to provide you price adders for the installation of a particulate filter.

SPECIAL ORDERS - A nonrefundable deposit is required for all special order equipment and accessories. The deposit will be applied against the balance of the equipment invoice and cancellation charges, if any.

CHANGES AND MODIFICATIONS - Customer agrees to pay for any changes in scope, design or work plan from that ordered. CD & Power shall have the right to subcontract any or all work covered by the sale. Sale is non-assignable by the Customer without prior written approval of CD & Power.

TERMS - All billings are net fifteen (15) days from the date of invoice upon credit approval. Retention is not acceptable. Customers not adhering to payment terms agree to pay delinquency charges of 1.5% per month or the maximum allowable by law, whichever is greater, on the unpaid balance. If CD & Power commences an action to collect amount due the Customer agrees to reimburse CD & Power all collection costs, attorney fees and court costs.

FINAL ACCEPTANCE - Final acceptance shall occur at time of delivery. Offloading is the Customer's responsibility unless otherwise provided for. Storage and interest charges will result when equipment and accessories ready for shipment to the Customer are held in CD & Power inventory due to Customer's inability to accept delivery.

WARRANTY - All implied warranties including without limitation merchantability and fitness for a particular purpose are excluded from this Agreement. CD & Power disclaims all liability for special, incidental, and consequential damages. The only warranty for equipment sold to the Customer shall be the Manufacturer's warranty. CD & Power obligation is limited to rework or replacement of materials necessary to correct any condition of the equipment resulting from defects in material.

On stationary units, Manufacturer's warranty is not effective until Start Test is performed by CD & Power. Start and Test must be paid in advance.

RETURNED MERCHANDISE - Equipment, accessories and parts cannot be returned without CD & Power written approval. Equipment, accessories and parts must be in salable condition. Customer must pay transportation costs and restocking charge of twenty-five percent (25%) of invoice amount.

SECURITY INTEREST - CD & Power retains and Customer hereby grants CD & Power a Security Interest in equipment sold, including all accessions to and replacements of the equipment, until the Customer has made payment in full in accordance with the provisions herein. Customer shall cooperate fully with CD & Power in executing such documents as CD & Power may deem necessary for the protection of such Security Interest.

TAXES, LICENSES, PERMITS AND INSURANCE - Customer shall pay to CD & Power the amount of any sales, use, excise, duty or similar tax attributable to the sale covered hereby, whether or not included in the purchase or quotation price. CD & Power will assume no responsibility for obtaining permits or licenses other than those specifically provided for. Customer shall reimburse CD & Power for the cost of providing any insurance related rights or waivers associated with CD & Power existing insurance policies. Where taxes do not apply upon sale or resale, Customer shall provide CD & Power with appropriate exemption certificates.

Customer acknowledges that he has not relied on CD & Power skill or judgment in the selection of equipment and that any technical advice or specifications solicited regarding the equipment shall be used at Customer's own risk. Any noncertified drawings provided are descriptive in nature and not warranties of performance.

Except as expressly provided herein, the Agreement shall be governed, construed, and interpreted by the laws of the State of California. The United Nations Convention on Contracts for the International Sales of Goods (CISG) shall not apply. CD & Power elects to opt out of the CISG. Waiver by CD & Power of any breach of the Terms and Conditions of Sale included herein or on any attachment shall not be construed as a waiver of any other breach. Waiver by CD & Power of any breach must be in writing.

CUSTOMER'S REMEDIES - CD & Power shall not be in default and shall not be liable for delays by equipment manufacturers or suppliers or any other circumstances beyond CD & Power **reasonable control**. **Customer's exclusive** and sole remedy on account or in respect of any breach, or to any express or implied warranty, shall be to secure replacement. Correction of any nonconformity shall constitute complete fulfillment of all liabilities of CD & Power. CD & Power aggregate liability in any customer claim shall not, under any circumstances, exceed the payment received by CD & Power for the equipment and services furnished. CD & Power liability shall be limited to those claims arising solely from the acts of the CD & Power. CD & Power shall not be liable whether in contract or in tort or under any other legal theory for loss of revenue, use, or profit or for the cost of any labor expended. Customer agrees to indemnify, save and hold CD & Power harmless for any special, direct, indirect, incidental, accidental or consequential damages to anyone by reason of any breach of contract or of any express or implied warranty.

Payment Intervals upon Acceptance of Proposal:
50% - Mobilization/Equipment Ordered
50% - Upon Pick up or Delivery at Site

The authorized purchaser identified below accepts this proposal and agrees, upon acceptance by CD & Power, to purchase and pay for this equipment, accessories and service in accordance with the CD & Power Conditions of Sale and Standard Terms & Conditions.

Company Name: _____

Contact Name: _____

Purchaser Authorized Signature: _____

Contact Title: _____

Date: _____

Purchase Order: _____

Item 10.A. Attachment 2.



Contractors License No. 1003811
A-General Engineering
C-10 Electrical
Union Contractor

PO Box 2057, San Leandro, CA 94577
Office: (510) 639-0639
Fax (510) 639-4655

QUOTE

DATE:	6/23/2022	TO:	Rick Almondia
FROM:	Monica Kint	FROM:	Cupertino Sanitary
PHONE:	(510) 725-5185	PHONE:	(408) 483-0497
FAX:	(510) 639-9116	EMAIL:	ralmondia@markthomas.com
EMAIL:	mkint@sfe-inc.com		

BID/PROJECT: Florence Generator

We are pleased to offer our proposal for the above referenced project as follows:

Add 60amp receptacle on existing 45KVA generator

TOTAL: \$3,295.00

Thank you for this opportunity! Quoted during normal business hours M-F 9-3:00

Accepted by: _____
Name: _____
Title: _____
Date: _____

The confidential data and information contained in SFE's proposals/offers, any and all oral discussion or comment relating to the confidential data and information and any information derived therefrom shall be maintained in the strictest confidence and shall not be released, sold, disseminated, transferred or otherwise disclosed by any means to any person, firm, corporation, or third party without the prior written approval of SFE.

Please feel free to contact Monica Kint regarding any questions

DAILY EXTRA WORK REPORT

Cupertino Sanitary District Contractor Job: 19-1047 - Homestead & Barranca Generator Work Performed By: St. Francis Electric, Inc. Description of Work: Homestead 1 & 2 Generator Swap						Contract: .	Change Order 999 Billing Number 44.0 Report Date 6/06/2022 Perform Date 6/05/2022				
Labor Charges						Labor Charges					
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended			
L01	ELC S Ducato	11.00			139.120			1,530.320			
Equipment Charges						Labor Charges					
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	20088	TRUCK	T&TT	20-28		11.00		39.410			433.510
Material/Specialist Work/Lump Sum or Unit Price Payment						Labor Charges					
Number	Date	Vendor Name and Description				Units	Unit Price	Extended			
M01		Rexel Pacific / Misc Materials				1.000 LS	1,173.95000	1,173.95			
<p style="color: red; margin: 0;">Scope:</p> <p style="color: red; margin: 0;">#1 - Remove 200A hardwired cord at Homestead #2, change cord/plug to match rear recept on 25KVA units (HBL 560 P9W)</p> <p style="color: red; margin: 0;">#2 - Using cord from #1 above, add (4) cam plugs at rear box of 45KVA generator for use @ Homestead #1</p> <p style="color: red; margin: 0;">District stock of cam plugs furnished.</p>						Labor Charges					
						RT Labor 1,530.32 SC 10.00% 153.03 OT Labor 0.00 Subtotal Labor 1,683.35 Subsistence 0.00 Other Expenses 0.00 MU 35.00% <u>589.17</u> Labor Total 2,272.52					
						Equipment Charges					
						Subtotal 433.51 MU 15.00% <u>65.03</u> Equipment Total 498.54					
						Material Charges					
						Subtotal 1,173.95 MU 15.00% <u>176.09</u> Material Total 1,350.04					
						Activity Total 4,121.10					
						Work Total 4,121.10					
						Bill Subtotal 4,121.10					
For Owner/Resident Engineer's Use Only						Accepted:					
<input type="checkbox"/> New Bill		<input type="checkbox"/> Approved for Payment		Date of Action:		Customer: _____ Date: _____					
<input type="checkbox"/> Resubmittal		<input type="checkbox"/> Returned for Correction		Date Received:		Contractor: _____ Date: _____					
						Bill Total + 4,121.10					

Cupertino Sanitary District - Monthly Maintenance Summary - July 2022

Item 11.B.

SSOs

Start Date	Location	Cause of SSO	Cat	Main/Lat	Spill Volume (Gal)	Spill Recovered (Gal)	Volume of Wash Water Used (Gal)
7/28/2022	10129 Lockwood Dr, Cup	Grease	3	Lat	7.31	7.31	30

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	2	Root Intrusion	0	Root Intrusion	0
Onsite	1	Onsite	3	Onsite	0
Grease	1	Grease	0	Offset	0
Offset	1	Offset	0	Grease	0
Other	1	Others	1	Others	0
Debris	0	Pump Station	0	Pump Station	1
Total:	6	Total:	4	Total:	1

Repairs

Address	Main/Lat	Description of Work
Pierce PS	PS	Repaired generator block heater
Homestead 1 PS	PS	Repaired variable frequency device for pump 3 due to tripping issue
Florence PS	PS	Added 60 AMP receptacle to existing 45KVA generator

Mainline Maintenance

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2022-23 YTD	FY2022-23 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	21,084	81,654	5,064	8,607	0	4,882	0	4,213	1,276	126,780	126,780	1,673,032	8%
Easement Cleaning (ft)	0	1,961	12,985	268	463	0	2,120	0	2,903	285	20,985	20,985	217,684	10%
CCTV (ft)	0	4,260	12,862	0	0	0	0	0	0	0	17,122	17,122	207,880	8%

Lateral Maintenance

Activity	# of Laterals	FY2022-23 YTD	FY2022-23 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	530	530	6,436	8%
CCTV	9	9		
Inspection	24	24		

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

	# of Inspections	YTD FY2022-23	FY2022-23 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	20	20		
Completed	16	16	265	6%
Follow up Needed	1			

**CUPERTINO SANITARY DISTRICT
MEETING/EVENT SCHEDULE**

Item 12.A.

AUGUST 2022

08/03: 1st Regular Meeting
 08/08: TAC
 08/10: CASSE
 08/11: TPAC
 08/10-12: CASA Conference
 08/17: 2nd Regular Meeting

AUGUST 2022							
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
	1	2	3 1 st Regular Meeting	4	5	6	
7	8 TAC	9	CASSA CONFERENCE				13
14	15	16	17 2 nd Regular Meeting	18 TPAC	19	20	
21	22	23	24	25	26	27	
28	29	30	31				

SEPTEMBER 2022

09/05: TAC
 09/07: 1st Regular Meeting
 09/08: TPAC
 09/21: 2nd Regular Meeting
 09/21: CASA CSW

SEPTEMBER 2022						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 TAC	6	7 1 st Regular Meeting	8 TPAC	9	10
11	12	13	14	15	16	17
18	19	20	21 2 nd Regular Meeting CASA CSW	22	23	24
25	26	27	28	29	30	

OCTOBER 2022

10/05: 1st Regular Meeting
 10/10: TAC
 10/13: TPAC
 10/19: 2nd Regular Meeting

OCTOBER 2022						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 1 st Regular Meeting	6	7	8
9	10 TAC	11	12	13 TPAC	14	15
16	17	18	19 2 nd Regular Meeting	20	21	22
23	24	25	26	27	28	29
30	31					