

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, APRIL 19, 2023**

AGENDA

The meeting will be held at 7:00 p.m. in the Stevens Creek Office Center, Suite 100, 20863 Stevens Creek Boulevard, Cupertino, California and via teleconference [call 1 (866) 899 - 4679 Conference Access Code: 251566821]. Anyone interested may attend in person or call in.

1. ROLL CALL

2. 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.

3. 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.

4. MINUTES & BILLS

- A. APPROVAL OF THE MINUTES OF APRIL 5, 2023
- B. APPROVED MINUTES OF MARCH 15, 2023
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENTS
- D. DIRECTOR'S MONTHLY TIMESHEETS

5. CORRESPONDENCE

- A. LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY (LAFCO) NOTICE - ADOPTION OF PROPOSED BUDGET FOR FISCAL YEAR 2023 & NOTICE OF JUNE 7, 2023 LAFCO PUBLIC HEARING
- B. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION – CALL TO ACTION FOR AB 557 (HART) RE: REMOTE MEETINGS

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, APRIL 19, 2023**

6. MEETINGS

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) TO BE HELD ON MONDAY, MAY 8, 2023
- B. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD ON THURSDAY, MAY 11, 2023

7. REPORTS

- A. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD ON MONDAY, APRIL 10, 2023
- B. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) HELD ON THURSDAY, APRIL 13, 2023

8. UNFINISHED BUSINESS

- A. TAXROLL DISCUSSION

9. NEW BUSINESS

- A. LATERAL MAINTENANCE AND REPAIR PROGRAM
- B. AKEL ENGINEERING AMENDMENT FOR HYDRAULIC MODELING

10. STAFF REPORT

- A. FUTURE DEVELOPMENT PROJECTS
- B. MAINTENANCE SUMMARY REPORT

11. CALENDAR ITEMS

- A. NEXT REGULAR DISTRICT BOARD MEETING IS TO BE HELD ON WEDNESDAY, MAY 3, 2023

12. ADJOURNMENT

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, APRIL 5, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted at the District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino.

1. ROLL CALL:

President Kwok 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, David A. Doyle, and Patrick S. Kwok.

Staff present: District Manager Benjamin Porter, Associate Sanitary Engineer Abby Yung, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: None

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:01 p.m. Manager Porter, and Engineer Yung 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.

President Kwok adjourned the closed session at 7:18 p.m. and the regular meeting was called to order. District Manager Porter, and Engineer Yung rejoined the regular meeting.

4. MINUTES & BILLS:

A. On a motion by Director Chen, seconded by Director Saadati, by a vote of 5-0-0, the minutes of the regular meeting held on Wednesday, March 15, 2023, were approved as written.

B. By consensus, the Minutes of Wednesday, March 5, 2023, are to be Noted & Filed.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 5, 2023

5. CORRESPONDENCE:

There was none.

6. MEETINGS:

- A. Manager Porter plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held on Monday, April 10, 2023.
- B. President Kwok plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held on Thursday, April 13, 2023.

7. REPORTS:

There were none.

8. UNFINISHED BUSINESS:

There was none.

9. NEW BUSINESS:

- A. The Board discussed the budget for FY 2022-2023, which included the discussion of annual lateral maintenance cost. The Board discussed revising the budget to account for increased expenses related to litigation and corresponding increased revenue from the Tributary Agencies related to the District's role in paying the litigation expenses up front. The Board also discussed revising the revenue budget to include reimbursements. On a motion by Director Chen, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved the revised budget.
- B. The Board reviewed a memo on Significant Defect Repair Project-Phase I. On a motion by Director Doyle, seconded by President Kwok, by a vote of 5-0-0, the Board accepted job completion and authorized payment to CR2 Engineering Inc. in the amount of \$137,280.63 as first and final payment.
- C. Manager Porter presented the Progress Report for Sewer Asset Data Migration to ARCGIS. There was no Board action.

10. STAFF REPORTS:

- A. Manager Porter reported on Future Development Projects. Itemized future development projects will be included in future agendas.

11. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, April 19, 2023. Director Chen is excused from the meeting.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 5, 2023

12. ADJOURNMENT:

On a motion properly made and seconded, at 8: 19 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 15, 2023

The Sanitary Board of the Cupertino Sanitary District convened this date at 7:00 p.m. This meeting was conducted at the District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino.

1. ROLL CALL:

President Kwok 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, David A. Doyle, and Patrick S. Kwok.

Staff present: District Manager Benjamin Porter, Associate Sanitary Engineer Abby Yung, and Counsel Marc Hynes.

District Consultant: Richard K. Tanaka

Public: None

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Kwok adjourned the regular meeting session and opened the closed session at 7:01 p.m. Manager Porter, and Engineer Yung 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.

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

4. MINUTES & BILLS:

- A. On a motion by Director Bosworth, seconded by Director Saadati, by a vote of 5-0-0, the minutes of the regular meeting held on Wednesday, March 1, 2023, were approved.
- B. By consensus, the Minutes of Wednesday, February 15, 2023, are to be Noted & Filed.
- C. The Board reviewed February payable warrants and financial statements. On a motion by Director Saadati, seconded by Director Doyle, by a vote of 5-0-0, the financial statements and payment of bills for February were approved as written.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 15, 2023

D. The Board members will submit their March timesheets to Manager Porter.

5. CORRESPONDENCE:

A. The Board reviewed a memorandum from California Sanitation Risk Management Authority titled: Property Market Update. It is to be Noted & Filed.

6. MEETINGS:

A. Manager Porter plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held on Monday, April 10, 2023.

B. President Kwok plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held on Thursday, April 13, 2023.

7. REPORTS:

A. Director Bosworth reported on the Santa Clara County Special Districts Association meeting held on Monday, March 6, 2023.

8. UNFINISHED BUSINESS:

There was none.

9. NEW BUSINESS:

A. The Board discussed Ordinance Amendment to Agreement – I-280/Wolfe Road Sewer Relocation Bennett Trenchless Engineers (BTE) Agreement for Trenchless Engineering Services. On a motion by Director Bosworth, seconded by Director Saadati, by a vote of 5-0-0, the Board approved the amendment as written.

B. The Board reviewed the memo on Annual Renewal for Granite Software. On a motion by Director Bosworth, seconded by Director Saadati, by a vote of 5-0-0, the Board approved reimbursement of half the renewal cost to Mark Thomas in the amount of \$2,344.00.

C. Manager Porter presented the Preliminary Rate Study to the Board. No Board action was taken.

D. The Board reviewed Resolution No. 1341, Setting Time and Place of Public Hearing on Consideration of Rate Increase. On a motion by Director Saadati, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved Resolution No. 1341 and the public hearing date was set for May 17, 2023.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MARCH 15, 2023

10. STAFF REPORTS:

- A. Manager Porter reported on Future Development Projects.
- B. Manager Porter reported on the maintenance summary report.

11. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, April 5, 2023.

12. ADJOURNMENT:

On a motion properly made and seconded, at 8: 01 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH MARCH 2023
9th Month of Operations - 75% 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
MAR SERVICES								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,063	\$600,687.50	\$0.00	\$600,687.50	\$599,375.50	50.1%	None this month
Directors Fees	41030	\$38,000	\$23,117.17	\$2,896.22	\$26,013.39	\$11,986.61	68.5%	On Target
Gasoline, Oil & Fuel	41060	\$4,000	\$1,878.72	\$0.00	\$1,878.72	\$2,121.28	47.0%	None this month
Insurance	41060	\$170,000	\$156,468.91	\$1,185.19	\$157,654.10	\$12,345.90	92.7%	Dooley Insurance (Group Life and Dental - May Coverage)
Memberships	41080	\$57,000	\$39,116.23	\$404.00	\$39,520.23	\$17,479.77	69.3%	CWEA - Membership Renewal (Field Inspectors)
Office Rent	41090	\$4,800	\$3,200.00	\$400.00	\$3,600.00	\$1,200.00	75.0%	On Target
Operating Expenses - General	41100	\$3,000	\$2,093.49	\$65.20	\$2,158.69	\$841.31	72.0%	Stamps for Office use
Operating Expenses - Credit Card Transaction Fees	41100-1	\$6,000	\$3,043.04	\$364.71	\$3,407.75	\$2,592.25	56.8%	Credit Card Processing Fees - March
Contractual Services:								
Outfall Maintenance	41113	\$71,000	\$176,187.69	\$0.00	\$176,187.69	-\$105,187.69	248.2%	None this month
T.P. Operations & Maintenance	41114	\$6,902,554	\$5,353,199.00	\$1,901,921.00	\$7,255,120.00	-\$352,566.00	105.1%	FY2022-2023 Fourth Quarter
Professional Services:								
Management Services	41121	\$575,000	\$317,057.57	\$41,504.08	\$358,561.65	\$216,438.35	62.4%	On Target
SSMP Certification and Implementation	41121	\$100,000	\$12,870.73	\$5,258.56	\$18,129.29	\$81,870.71	18.1%	New Waste Discharge Requirements (WDR) Implementation
Engineering Services	41122	\$1,365,000	\$830,387.81	\$114,571.70	\$944,959.51	\$420,040.49	69.2%	On Target
Inflow/Infiltration Reduction	41122	\$500,000	\$25,786.12	\$1,607.34	\$27,393.46	\$472,606.54	5.5%	Flow model calibration
Plan Checking & Inspection	41123	\$300,000	\$134,656.17	\$19,179.73	\$153,835.90	\$146,164.10	51.3%	On Target
Legal - Consultant Services	41124	\$36,000	\$29,900.00	\$3,300.00	\$33,200.00	\$2,800.00	92.2%	Richard Tanaka - Consulting Services for March 2023
Legal - District Counsel	41124	\$60,000	\$26,196.00	\$5,175.00	\$31,371.00	\$28,629.00	52.3%	District Counsel - Legal Services for March 2023
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$4,004,000	\$2,891,653.36	\$0.00	\$2,891,653.36	\$1,112,346.64	72.2%	None this month
Legal - Common Interest Group (CuSD Share)	41124	\$1,136,000	\$815,594.53	\$0.00	\$815,594.53	\$320,405.47	71.8%	None this month
Audit	41125	\$12,600	\$0.00	\$13,145.00	\$13,145.00	-\$545.00	104.3%	Audit Fees for FY2021-2022
Printing & Publications	41130	\$28,000	\$13,002.66	\$10,060.82	\$23,063.48	\$4,936.52	82.4%	Ordinance 130; Notice of Public Hearing for Rate Increase
Repairs and Maintenance		\$4,025,000						
Repairs	41150	\$300,000	\$78,892.11	\$7,043.82	\$85,935.93	\$214,064.07	28.6%	On Target; \$6940 from St. Francis is for Pump Stations
Maintenance	41151	\$3,725,000	\$2,559,224.33	\$385,805.26	\$2,945,029.59	\$779,970.41	79.1%	\$84.5K is for Pump Stations (\$64.8K from Mark Thomas Staff, and \$19.6K from outside vendors)
Travel & Meetings Staff	41170	\$15,000	\$4,306.68	\$0.00	\$4,306.68	\$10,693.32	28.7%	None this month
Travel & Meetings BOD	41170	\$18,000	\$6,563.45	\$0.00	\$6,563.45	\$11,436.55	36.5%	None this month
Utilities	41190	\$70,000	\$45,237.68	\$6,671.88	\$51,909.56	\$18,090.44	74.2%	On target; electricity and water at pump stations
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$742.23	\$0.00	\$742.23	\$49,257.77	1.5%	None this month
Connection Fees	41202	\$2,000	\$0.00	\$0.00	\$0.00	\$2,000.00	0.0%	None to date
Checking & Inspection	41203	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None to date
Emergency Funds	48000	\$250,000	\$143,643.59	\$9,482.44	\$153,126.03	\$96,873.97	61.3%	AB/JDD (2 Emergencies); Mark Thomas - Stoppage Response
Consolidated Election	48001	\$150,000	\$4,281.00	\$0.00	\$4,281.00	\$145,719.00	0.0%	None this month
TOTAL OPERATING EXPENSES		\$21,156,017	\$14,298,987.77	\$2,530,041.95	\$16,829,029.72	\$4,326,987.28	79.5%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$700,000	\$294,965.65	\$158,978.22	\$453,943.87	246,056.13	64.8%	Significant Defect Repair Project
District Sewer Capital & Support - VTA	46041	\$1,800,000	\$226,162.97	\$163,370.45	\$389,533.42	1,410,466.58	21.6%	\$54.7K from Mark Thomas Staff; \$108.5K from outside vendors
Treatment Plant Capital	46042	\$3,789,547	\$1,147,786.00	\$2,636,761.00	\$3,784,547.00	5,000.00	99.9%	FY2022-2023 Fourth Quarter
Outfall Capital	46042	\$95,000	\$280,533.83	\$0.00	\$280,533.83	(185,533.83)	295.3%	None this month
District Equipment	46043	\$150,000	\$79,415.30	\$36,217.20	\$115,632.50	34,367.50	77.1%	WECO (\$21.4K - Lateral Camera); St. Francis (\$14.7K - Pump Stations)
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	300,000.00	0.0%	
TOTAL CAPITAL EXPENSES		\$6,834,547	\$2,028,863.75	\$2,995,326.87	\$5,024,190.62	\$1,810,356.38	73.5%	
TOTAL EXPENSES		\$27,990,564	\$16,327,851.52	\$5,525,368.82	\$21,853,220.34	\$6,137,343.66	78.1%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH MARCH 2023
9th Month of Operations - 75% 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 March Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges								
Handbilling	31010	\$618,711.00	\$0.00	\$490,193.00	\$490,193.00	\$128,518.00	79.2%	Eight payments received this month
Tax Roll	31010	\$20,395,721.00	\$11,611,244.47	\$0.00	\$11,611,244.47	\$8,784,476.53	56.9%	None this month
Permit Fees	31020	\$75,000.00	\$74,297.89	\$8,428.98	\$82,726.87	(\$7,226.87)	110.3%	Eighteen payments received this month; One hundred sixty-seven received to date
Connection Fees	31031	\$600,000.00	\$89,810.00	\$0.00	\$89,810.00	\$510,190.00	15.0%	None this month
Capacity Fees	31032	\$450,000.00	\$35,862.20	\$0.00	\$35,862.20	\$414,137.80	8.0%	No payment received this month; Three payments received to date
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	\$141,700.00	\$8,000.00	\$149,700.00	\$150,300.00	49.9%	Twenty payments this month; One hundred ninety-nine received to date
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to date
Interest	32050	\$100,000.00	\$160,181.52	\$0.00	\$160,181.52	(\$60,181.52)	160.2%	None this month
City of San Jose Credit(s)	32091	\$500,000.00	\$1,898,833.00	\$0.00	\$1,898,833.00	(\$1,398,833.00)	379.8%	None this month
Legal - Common Interest Group (Tributaries)	32092.1	\$3,304,000.00	\$2,183,827.38	\$583,555.38	\$2,767,382.76	\$536,617.24	83.8%	Payments from Tributary Agencies for Jan/Feb. billings
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$36,000.00	\$44,001.98	\$11,605.26	\$55,607.24	(\$19,607.24)	154.5%	Payments from Tributary Agencies for Jan/Feb. billings
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$14,482.10	\$232.57	\$14,714.67	(\$4,714.67)	147.1%	Accessing Districts Manholes for Encroachment Permits
Refunds/Reimbursements - VTA	46041	\$1,440,000.00	\$455,869.89	\$20,490.85	\$476,360.74	\$963,639.26	33.1%	Reimbursement from VTA for Mark Thomas and Benett Trenchless Invoices Paid by CuSD
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
TOTAL OPERATING REVENUE		\$27,866,932.00	\$16,710,110.43	\$1,122,506.04	\$17,832,616.47	\$10,034,315.53	63.99%	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$27,866,932.00	\$16,710,110.43	\$1,122,506.04	\$17,832,616.47	\$10,034,315.53	63.99%	

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
August 31, 2022	\$15,040,721.91	\$3,000,000.00	\$12,040,721.91	\$787,005.74	\$1,059,066.69	\$16,886,794.34
September 30, 2022	\$13,928,089.09	\$3,000,000.00	\$10,928,089.09	\$801,832.83	\$1,059,197.27	\$15,789,119.19
October 31, 2022	\$11,161,210.40	\$3,000,000.00	\$8,161,210.40	\$816,828.46	\$1,059,332.22	\$13,037,371.08
November 30, 2022	\$11,034,278.54	\$3,000,000.00	\$8,034,278.54	\$771,056.11	\$1,059,462.83	\$12,864,797.48
December 31, 2022	\$9,947,547.23	\$3,000,000.00	\$6,947,547.23	\$784,456.57	\$1,059,593.46	\$11,791,597.26
January 31, 2023	\$20,119,557.08	\$3,000,000.00	\$17,119,557.08	\$753,678.39	\$1,059,724.08	\$21,932,959.55
February 28, 2023	\$19,643,212.78	\$3,000,000.00	\$16,643,212.78	\$765,124.99	\$1,059,846.03	\$21,468,183.80
March 31, 2023	\$18,945,897.36	\$3,000,000.00	\$15,945,897.36	\$780,718.80	\$1,060,014.46	\$20,786,630.62

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 03/31/23

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	\$55,958.39	\$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
Balance as of 8/31/2022				\$226.30	\$143.61	\$1,059,066.69	\$82.69	\$609,762.47	\$1,668,829.16	\$177,243.27	\$1,846,072.43
Balance as of 9/30/2022				\$205.76	\$130.58	\$1,059,197.27	\$75.18	\$609,837.65	\$1,669,034.92	\$191,995.18	\$1,861,030.10
Balance as of 10/31/2022				\$212.64	\$134.94	\$1,059,332.22	\$77.70	\$609,915.34	\$1,669,247.56	\$206,913.12	\$1,876,160.68
1011 C2R Engineering, Inc.				\$54,058.43						-\$54,058.43	
Balance as of 11/30/2022				\$205.81	\$130.61	\$1,059,462.83	\$75.20	\$609,990.54	\$1,669,453.37	\$161,065.57	\$1,830,518.94
Balance as of 12/31/2022				\$205.84	\$130.63	\$1,059,593.46	\$75.21	\$610,065.75	\$1,669,659.21	\$174,390.82	\$1,844,050.03
1012 C2R Engineering, Inc.				\$42,585.13						\$42,585.13	
Balance as of 1/31/2023				\$188.72	\$119.76	\$1,059,724.08	\$68.96	\$610,134.71	\$1,669,858.79	\$143,543.68	\$1,813,402.47
Balance as of 2/28/2023				\$192.16	\$121.95	\$1,059,846.03	\$70.21	\$610,204.92	\$1,670,050.95	\$154,920.07	\$1,824,971.02
Balance as of 3/31/2023				\$265.40	\$168.43	\$1,060,014.46	\$96.97	\$610,301.89	\$1,670,316.35	\$170,416.91	\$1,840,733.26
TOTAL OR BALANCE AMOUNT				\$10,693,088.36	\$1,456,297.29	\$965,995.40	\$1,030,301.89	\$610,301.89	\$1,670,316.35	\$170,416.91	\$1,840,733.26

**CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - April 19, 2023**

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 2,896.22	ADP	Directors' Salary	
19650	M&O	\$ 1,185.19	Dooley Insurance Services	Insurance - Group Life & Dental	
19651	M&O	\$ 404.00	CWEA	Memberships	
N/A	M&O	\$ 364.71	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
19652	M&O	\$ 505,738.73	Mark Thomas	Office Rent	400.00
				Operating Expense-General	65.20
				Management Services	41,504.08
				SSMP Cert Update and Implementation	5,258.56
				Engineering Services	114,571.70
				Peak Flow Reduction	1,607.34
				Plan Checking & Inspection	19,179.73
				Repairs (Non-Pump Station)	103.70
				Repairs - Pump Stations	-
				Maintenance (Non-Pump Station)	172,215.25
				Maintenance - Pump Stations	64,855.92
				Utilities - Pump Stations	1,052.70
				Emergency Funds	8,432.44
				District Sewer Capital & Support	21,697.59
				District Sewer Capital & Support - VTA	54,794.52
19653	M&O	\$ 4,538,682.00	City of San Jose	T.P. Operations & Maintenance	1,901,921.00
				Treatment Plant Capital	2,636,761.00
19654	M&O	\$ 3,300.00	Richard K. Tanaka	Legal - Consultant Services	
19655	M&O	\$ 5,175.00	Armento & Hynes	Legal - District Counsel	
19656	M&O	\$ 13,145.00	Harshwal & Company LLC	Audit	
19657	M&O	\$ 9,495.02	DB, Incorporated	Printing & Publications	
19658	M&O	\$ 565.80	Bay Area News Group	Printing & Publications	
19659	M&O	\$ 401.93	Home Depot	Maintenance	
19660	M&O	\$ 27,300.00	Hadronex dba Smart Cover Systems	Maintenance	
19661	M&O	\$ 250.00	Signa Mechanical	Maintenance - Pump Stations	
19662	M&O	\$ 1,430.00	CD&Power	Maintenance - Pump Stations	
19663	M&O	\$ 3,388.75	Pioneer Research Corporation	Maintenance - Pump Stations	
19664	M&O	\$ 14,600.00	Shape Inc.	Maintenance - Pump Stations	
19665	M&O	\$ 18,378.36	RotoRooter	Maintenance	
19666	M&O	\$ 44,935.00	AB/JDD Plumbing Heating & AC	Maintenance	43,885.00
				Emergency (Non-Pump Stations)	1,050.00
19667	M&O	\$ 39,100.05	Able Underground Construction	Maintenance	
19668	M&O	\$ 72.32	City of Santa Clara Utilities	Utilities - Pump Stations	
19669	M&O	\$ 5,546.86	PG&E	Utilities - Pump Stations	
1013 Calbank	M&O	\$ 137,280.63	C2R Engineering, Inc.	District Sewer Capital & Support	
19670	M&O	\$ 571.73	Imperium First Consulting	District Sewer Capital & Support - VTA	
19671	M&O	\$ 1,163.35	Sequoia Ecological Consulting	District Sewer Capital & Support - VTA	
19672	M&O	\$ 8,990.85	Bennett Trenchless	District Sewer Capital & Support - VTA	
19673	M&O	\$ 97,850.00	Cratus, Inc.	District Sewer Capital & Support - VTA	
19674	M&O	\$ 21,489.70	WECO	District Equipment	
19675	M&O	\$ 21,667.62	St. Francis Electric	District Equipment (Pump Station)	14,727.50
				Repairs (Pump Stations)	6,940.12
TOTAL WARRANTS		\$ 5,525,368.82			

<u>Pk Flow Red. Total:</u>	\$	1,607.34	Mark Thomas	
<u>Maintenance Total:</u>	\$	385,805.26	Mark Thomas, Hadronex, Home Depot, CD&Power, Signa, Pioneer, Shape, Roto, ABLE, AB/JDD	
<u>Utilities Total:</u>	\$	6,671.88	Mark Thomas, Santa Clara Utilities, PG&E	
<u>Emergency Total:</u>	\$	9,482.44	Mark Thomas, AB/JDD	
<u>Pump Station Portion</u>	\$	112,864.17	Mark Thomas (Maintenance staff); CD&Power (Florence PS); Shape (all PS); Pioneer (all PS); Signa (all PS); St. Francis (various PS); (Electricity and Water Utilities)	
<u>VTA Portion</u>	\$	163,370.45	Mark Thomas, Imperium, Sequoia, Bennett, Cratus	

EMERGENCY DETAILS:

Roto-Rooter - No emergencies this month

Able - No emergencies this month

AB/JDD Plumbing - Two emergencies this month



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Susan Vicklund Wilson

Alternate Commissioners

Helen Chapman
Domingo Candelas
Cindy Chavez
Terry Trumbull
Mark Turner

Executive Officer

Neelima Palacherla

April 6, 2023

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

FROM: Neelima Palacherla, Executive Officer

**SUBJECT: ADOPTION OF PROPOSED BUDGET FOR FISCAL YEAR 2023 &
NOTICE OF JUNE 7, 2023 LAFCO PUBLIC HEARING**

At its public hearing on April 5, 2023, the Local Agency Formation Commission of Santa Clara County (LAFCO) adopted a Proposed Budget for Fiscal Year 2024, as recommended in the attached staff report. The attached report reviews the status of LAFCO's current year work plan and budget; and sets forth the proposed work plan and budget for Fiscal Year 2024.

LAFCO is scheduled to consider adoption of its Final Budget at a public hearing on Wednesday, June 7, 2022 at 1:15 PM. The County Auditor will apportion LAFCO costs and invoice the cities, independent special districts and the County based on the Final Budget adopted by LAFCO.

The meeting agenda, staff reports and related meeting material will be available on the LAFCO website by June 2, 2023. All interested persons may attend the meeting as provided for on the agenda. Written public comments may be submitted by email to **LAFCO@ceo.sccgov.org** prior to the date of the hearing.

Attachment:

Staff Report on the Proposed Work Plan and Budget for FY 2024 (April 5, 2023)

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



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
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San Jose, CA 95112

SantaClaraLAFCO.org

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Alternate Commissioners

Helen Chapman
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Cindy Chavez
Terry Trumbull
Mark Turner

Executive Officer
Neelima Palacherla

LAFCO MEETING: April 5, 2023

TO: LAFCO

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

SUBJECT: PROPOSED WORK PLAN AND BUDGET FOR FY 2024

FINANCE COMMITTEE / STAFF RECOMMENDATIONS

1. Adopt the Proposed Work Plan for Fiscal Year 2023-2024.
2. Adopt the Proposed Budget for Fiscal Year 2023-2024.
3. Find that the Proposed Budget for Fiscal Year 2024 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 2024 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 2023-2024 WORKPLAN & BUDGET DEVELOPMENT
TIMELINE**

Dates	Staff Tasks / LAFCO Action
March 13 - April 5	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 5	LAFCO public hearing on adoption of Proposed Workplan and Budget
April 6	Proposed Work Plan and Budget, preliminary apportionments and LAFCO public hearing notice for Final Budget Hearing transmitted to agencies
June 7	LAFCO public hearing and adoption of Final Budget
June 7 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

LAFCO FINANCE COMMITTEE

At its February 1, 2023 LAFCO meeting, the Commission appointed Commissioner Melton, Commissioner Beall and Alternate Commissioner Chapman to serve on the Finance Committee.

At its special meeting held on February 27, 2023, 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 2024 work plan and budget for consideration and adoption by the full commission.

CURRENT YEAR IN REVIEW

PROGRESS REPORT ON FY 2022-2023 WORK PLAN

LAFCO’s current fiscal year workplan was adopted at a noticed public hearing held on April 6, 2022. **Attachment A** depicts the current status (through the third quarter of the year) of the 2022-2023 Work Program.

A major component of the current work program involves the ongoing Countywide Fire Service Review. LAFCO retained a new consultant in June 2022 and relaunched its Countywide Fire Service Review. The new consultant is working with LAFCO staff and the service provider agencies to finalize / validate agency profiles after completing an extensive and challenging data collection process. To date, two Technical Advisory Committee meetings have been held to obtain feedback on key

aspects including evaluation criteria and preliminary findings. It is anticipated that another Technical Advisory Committee meeting will be held in the next few weeks and a Draft Service Review Report will be published for public review and comment by the end of this fiscal year.

LAFCO has received and /or processed major applications such as a special district sphere of influence amendment/annexation and a city urban service area amendment. Staff has held pre-application meetings and has received and responded to many requests for assistance and expertise from local and regional agencies on a variety of matters related to city service extensions, city annexations/island annexations, special district detachments, and housing element updates. 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, including requests for information under the Public Records Act, and information requests from local attorneys, appraisers, real estate agents and developers.

In accordance with the Commission's directive, as opportunities arise and time permits, staff continues to conduct targeted outreach to various local entities (special districts, County, cities, civil grand jury, and other community organizations/individuals) through informational presentations on LAFCO and its role in promoting sustainable growth and governance in the county.

The Commission has experienced major changes in its membership; in the last two months, 6 new commissioners have come on board and LAFCO will be selecting a new public member and an alternate public member to fill positions due to term expirations in May 2023. Staff conducts onboarding activities and new commissioner orientations for all new appointees.

Other notable administrative activities and projects that have been completed or are currently underway include among others, the annual financial audit, the annual report, required staff training, LaserFische and LAFCO database server upgrades/migrations, transition back to in-person and hybrid meetings to allow for remote public participation, and preparations for webcasting LAFCO meetings.

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 position since January 2021. Completion of the County classification study in July 2022 allows LAFCO staff to implement the Study's recommendations and work with the County Employee Services Agency on recruitment efforts for a new LAFCO Clerk. It is anticipated that the vacant LAFCO Clerk position will be filled by the end of this fiscal year.

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 2024 workplan.

The LAFCO Annual Report for FY 2023 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 2023; and will summarize the various accomplishments, activities/projects that LAFCO has engaged in or completed during the period.

STATUS OF FY 2022-2023 ADOPTED BUDGET

Attachment D includes the FY 2023 budget adopted by the Commission at a noticed public hearing on June 1, 2022, the status of LAFCO's expenditures and revenues as of February 21, 2023, and expenditure and revenue projections for end of FY 2023. The adopted LAFCO budget for FY 2023 is \$985,974 and reflects a 11% increase compared to the previous fiscal year's (FY 2022) budgeted operating expenses. It is estimated that the total year-end projected expenditures for FY 2023 would be approximately 13% lower than the adopted budget primarily due to salary savings from the vacant staff position. Staff anticipates that year end revenue for FY 2023 will be slightly lower than the amount budgeted. LAFCO has received the respective FY 2023 funds from the County, the cities and the independent special districts. The actual fund balance rolled over at the end of FY 2022 was significantly higher at \$410,027, compared to the amount estimated (\$201,006) in the FY 2023 budget. The excess fund balance and the unspent FY 2023 expenditure amounts will carry over into FY 2024 and will be used to reduce net operating expenses that would in turn translate to reduced FY 2024 costs for contributing agencies.

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

Attachment C includes the proposed work plan for FY 2024, 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 education and its proactive service review and implementation program.

The Finance Committee discussed the possible creation of a LAFCO student internship program and recommended that LAFCO staff contact the County to

further explore such a potential initiative. The Committee also discussed a potential strategic planning workshop in the upcoming year and requested opportunities for ongoing commissioner education.

Reduced staffing levels over the last two years have impacted the functioning of the LAFCO office. While the LAFCO Clerk position is expected to be filled in the next several months, actual professional staffing capabilities will be below 4.0 FTE for at least half of the upcoming fiscal year, 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.

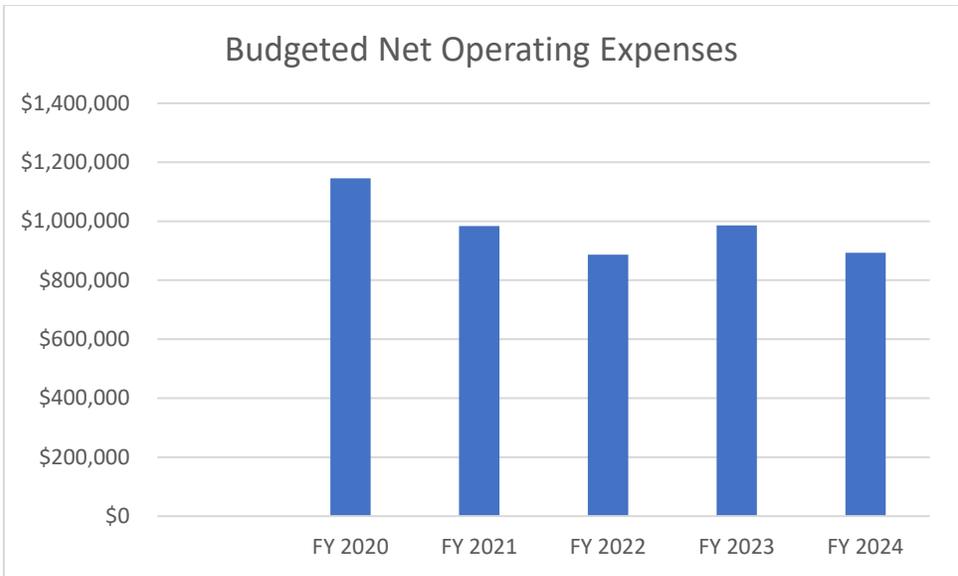
Staff actively manages the workload in order to focus on accomplishing essential activities such as processing applications, completing projects currently underway such as the Countywide Fire Service Review, maintaining core administrative functions, tracking on-going projects and studies, supporting 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 2024

Attachment D includes the proposed Budget for FY 2023-2024 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. The overall expenditure for FY 2024 (\$1,296,000) in the proposed budget is approximately 6% higher than the current year budgeted expenses (\$1,222,980).

Projected current year cost savings (such as from salary savings), and a larger than estimated fund balance from FY 2022 are expected to result in a \$366,814 fund balance at the end of the current year – and will be used to reduce net operating expenses in FY 2024.

LAFCO's proposed net operating expense for FY 2024 is 9% lower than the FY 2023 budgeted net operating expense and is similar to the FY 2022 level.



DESCRIPTION OF FY 2023-2024 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 68% of the total expenditures, and Services and Supplies (Object 2).

OBJECT 1. SALARIES AND BENEFITS \$882,121

This line item supports the salary and benefits for the 4.0 FTE positions including the Executive Officer position, a Senior Analyst position, an Associate Analyst position, and a Clerk position. The Clerk position is currently vacant and is anticipated to be filled by the end of the current fiscal year. 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 \$82,780

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 2024 increases to \$6,630, based on a 5.6% increase in the Consumer Price Index for the prior calendar year (2022). 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 \$316.

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. The Finance Committee recommended that an amount of \$6,000 be allocated under this item to cover a potential future student internship program cost.

5285700 Meal Claims \$750

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

5220200 Insurance \$8,335

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 2024 contribution amounts for use in the budgeting process: Property Liability (\$7,225) 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 \$54,766

This item includes FY 2024 monthly rent for LAFCO office space located at 777 North First Street, Suite 420, San Jose. The original lease term expired 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 \$27,520

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 (\$3,000), Wireless Carrier Service (\$144), MS Adobe special order, Acrobat Pro and MS Visio monthly subscription (\$2,480), and other services (\$21,896) 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 \$13,870

This item includes CALAFCO – the California Association of LAFCOs membership dues. At its meeting on February 17, 2023, the CALAFCO Board approved an 8.27% rate adjustment to account for inflation in accordance with the CALAFCO Bylaws. The FY 2024 membership dues for Santa Clara LAFCO is \$12,221.

Additionally, this item includes estimated membership dues for CSDA – the California Special Districts Association. In June 2018, CSDA informed 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 \$15,900

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 (location TBD, April 2024) and an Annual Conference (Monterey, October 2023) 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 \$20,358

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 2024 Cost Allocation Plan which is based on actual overhead costs from FY 2022 – the most recent year for which actual costs are available. The overhead amount includes the following charges from:

County Executive’s Office:	\$6,653
Controller-Treasurer:	\$11,003
Employee Services Agency:	\$6,072
OBA:	\$357
BHS-MH - Employee:	\$198
TSS Intragovernmental Service:	\$958
Technology Services & Solutions:	\$1,710
Procurement:	\$57
Equal Opp. (County Counsel):	\$809
CoB – Harvey Rose Mgt Audit:	\$22

Further, a “roll forward” is applied which is calculated by comparing FY 2022 Cost Plan estimates with FY 2022 actuals. The FY 2022 cost estimates were higher than the actuals by \$7,480; this amount is deducted from the FY 2024 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 \$500

This amount covers postage costs for mailing notices, agendas, agenda packets and general correspondence.

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 corresponds to 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 (i.e, FY 2023) \$366,814

It is projected that there will be a savings or fund balance of approximately \$366,814 at the end of the current year, which will be carried over to reduce the proposed Fiscal Year 2024 costs for LAFCO’s funding agencies (cities, independent special districts and the County).

Projected Year-End [FY 2023] Fund Balance = (Projected Year-End [FY 23] Revenue + Actual Fund Balance from Previous Fiscal Year [FY 22] + Funds Received from Local Agencies in FY 23) - (Projected Year-End [FY 23] Expenses)

$$= (\$31,000 + \$410,027 + \$985,974) - \$1,060,187$$

$$= \$366,814$$

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.

In FY 2022, LAFCO reduced the Reserves from \$250,000 to \$200,000, in order to further reduce costs to local agencies given the COVID -19 related economic hardships; and maintained the reserve level at \$200,000 in FY 2023. The Finance Committee recommends maintaining the current level of reserves for FY 2024. This places the proposed Reserve amount at approximately 15% of the total FY 2024 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 2024 NET OPERATING EXPENSES

FY 2024 Net Operating Expenses = (Proposed FY 2024 Expenditures) - (Proposed FY 2024 Fee & Interest Revenues + Projected Fund Balance from FY 2023)

= (\$1,296,000) - (\$36,000 + \$366,814)

= \$893,186

The projected operating expense for FY 2024 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 2024 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.

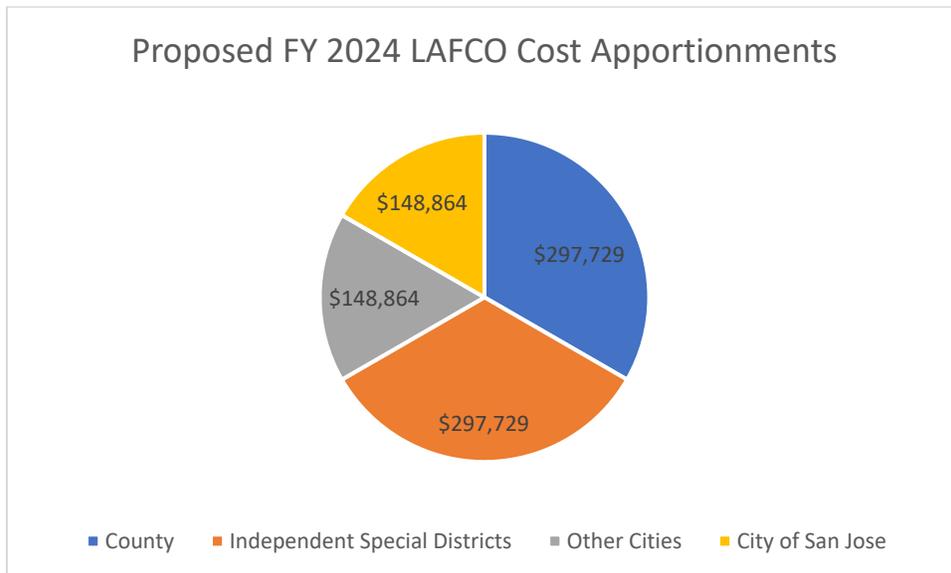
The City of San Jose has permanent membership on LAFCO pursuant to Government Code Section 56327. As required by Government Code §56381.6(b), the City of San

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 2024.



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 2024 net operating expenses and the FY 2020-2021 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 2023 Work Plan
Attachment B:	LAFCO Financials 2008-2022
Attachment C:	Proposed Work Plan for Fiscal Year 2024
Attachment D:	Proposed LAFCO Budget for Fiscal Year 2024
Attachment E:	Estimated FY 2024 Costs to Agencies

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

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 (Monte Sereno, Sunnyvale/Cupertino Sanitary District, WVSD, San Jose) 3 city conducted and a SOI amendment/annexation application completed, one USA amendment 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 County Housing Element
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H	In progress
	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 updated

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	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	As needed
	Facilitate interagency discussions to support remaining island annexations	Monte Sereno	Staff	H	As needed, pending city initiation
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H	As needed
OUTREACH, GOVERNMENT / COMMUNITY RELATIONS & CUSTOMER SERVICE	Conduct outreach to increase awareness of LAFCO's role	<p>Presentations to cities, other agencies on LAFCO, as relevant</p> <p>Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County</p> <p>Seek exhibit opportunities at public spaces / events</p> <p>Maintain website as the primary information resource on LAFCO</p> <p>Increase social media presence (Twitter)</p>	Staff	L M L H L	<p>Presentations provided upon request (Grand Jury, Leadership Sunnyvale, San Jose Planning)</p> <p>Website updated</p>
	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	<p>Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly)</p> <p>Small water systems issues / legislation</p> <p>Collaborate with agencies and entities with goals common to LAFCO</p>	Staff	M M M	Ongoing

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	Track LAFCO related legislation	EO attends CALAFCO Legislative Committee Commission takes positions and submit letters on proposed legislation	Staff	L M	EO served on the Legislative Committee until October 2021
	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
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	Staff / Consultant	H	Working with new consultant on data collection and profiles preparation, review and comment Conducted 2 TAC meetings

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
		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
	Map Mutual Water companies	Initial maps complete, further work through service review	Staff	L	As needed
	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	As needed
	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)	<p>Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings</p> <p>Hold pre-agenda review meeting with Chair</p> <p>Hold pre-meeting calls with individual commissioners to address agenda item questions</p> <p>Process commissioner per diems for attendance at LAFCO meetings</p>	Staff	H	Ongoing
	Keep the Commission informed	EO report off-agenda emails, as needed	Staff	H	Ongoing

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	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	Five new commissioners; one position remains vacant at this time Onboarding, orientations completed for 4; one in progress LAFCO past, present, future: guest presentation at 2/1 LAFCO meeting
	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	Initiated process for selection of new public member and alternate public member
	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	2 commissioners attended CALAFCO Annual Conference

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
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 2022	Staff	H	Completed
	Prepare LAFCO Annual Financial Audit	October 2022 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H	Completed
	Office / facility management	<p>Coordinate with Building Manager on facilities issues</p> <p>Coordinate with County re. computers/network, phone, printers, office security, procurement , installation & maintenance</p> <p>Order and manage office supplies</p> <p>Make travel arrangements and process expense reimbursements.</p> <p>Process mileage reimbursements</p> <p>Office space lease extended (lease extended through April 30, 2027)</p>	Staff	H	<p>Ongoing</p> <p>Transitioning to in-person / hybrid meetings</p> <p>Coordinating with County for webcasting LAFCO meetings</p>
	Records management	<p>Organize scan of LAFCO records to Electronic Document Management System (LaserFische)</p> <p>Maintain LAFCO’s hard copy records</p> <p>Maintain and enhance the LAFCO Website</p> <p>Maintain LAFCO database</p>	<p>Staff/ Consultant</p> <p>Staff</p>	<p>H</p> <p>H</p> <p>H</p> <p>H</p>	<p>On hold</p> <p>Completed LaserFische and LAFCO database server migrations</p> <p>Website content updates completed</p>

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ADMINISTRATIVE PROJECTS	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	Ongoing
	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	Staff registered for CALAFCO Workshop
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H	Ongoing
	Staff performance evaluation	April - October 2022	Staff/ Commission	H	Completed in February 2023
	Comprehensive Organizational Assessment Study - implementation	As needed	Staff/ Commission	H	LAFCO/County MOU to be revised
	Recruitment and training of LAFCO staff	One LAFCO Analyst position currently vacant - recruitment pending County Classification study results	Staff	H	Begin LAFCO Clerk recruitment
	Other administrative functions mandated of a public agency (Form 700 annual filing & AB 1234 training compliance, Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H	Ongoing

FY 2008 - FY 2022 LAFCO FINANCIALS
February 2023

ITEM # 7
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	ACTUALS FY 2022
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	\$639,099
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	\$354
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	\$78,977
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	\$25,389
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$367	\$50	\$901	\$257	\$166	\$0	\$56
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	\$8,591
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	\$1,462
5270100	Rent and Lease										\$41,120	\$39,360	\$44,478	\$46,254	\$47,903	
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	\$18,125
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	\$4,200
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$487	\$191	\$145	\$192	\$44	\$90	\$704
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	\$12,316
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$703	\$0	\$0	\$0	\$799	\$0	\$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	\$0
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$1,009	\$1,264	\$590	\$689	\$696	\$61	\$0
5285200	Transportation&Travel (County Car Usage	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$559	\$605	\$0	\$328	\$256	\$0	\$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	\$49,173
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$106	\$0	\$0	\$773	\$0	\$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	\$1,753
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$411	\$209	\$183	\$117	\$73	\$184	\$159
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$0	\$0	\$0	\$350	\$525	\$70	\$70
5701000	Reserves	\$0	\$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	\$888,331
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	\$41,847
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	\$7,831
TOTAL REVENUES		\$71,015	\$57,911	\$42,264	\$53,418	\$41,674	\$48,873	\$66,235	\$30,230	\$152,241	\$31,266	\$42,484	\$45,190	\$25,763	\$45,110	\$49,678
AVAILABLE FUND BALANCE																
3400150	END OF YEAR	\$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	\$410,027
3400800	RESERVES AVAILABLE				\$100,000	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$250,000	\$250,000	\$200,000
BUDGETED 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	\$295,443
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	\$295,443
4600100	Special Distrcits							\$296,892	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

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 and application fee schedules 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
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	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 2024

	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 Review and comment on administrative draft report Distribute Public hearing notices and coordinate community workshops and LAFCO public hearings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process along with public comment and response process Prepare staff reports with implementation recommendations Follow up with agencies on implementation and report back to the commission	Staff / Consultant	H
	Countywide Water and Wastewater Service Review	Develop water/wastewater service review workplan and identify method for consultant selection	Staff	M
	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 2024

	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, 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 and prepare meeting script for Chair Process commissioner per diems for attendance at LAFCO meetings	Staff	H
	Keep the Commission informed	EO report Off-agenda emails, as needed Provide ongoing educational opportunities/events	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 LAFCO service	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	Most recent workshop in 2018 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 2024

	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 2023	Staff	H
	Prepare LAFCO Annual Financial Audit	October 2023 (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 2024

	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 2023	Staff/Commission	H
	Recruitment, hiring, and training of LAFCO staff	Training of new LAFCO Clerk - recruitment and hiring expected by end of FY 2023	Staff	H
	Student internship program	Contact the County to explore creation of a paid student internship program	Staff	L
	Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2023- 2024**

ITEM #	TITLE	APPROVED BUDGET FY 2023	ACTUALS Year to Date 2/21/2023	PROJECTIONS Year End FY 2023	PROPOSED BUDGET FY 2024
EXPENDITURES					
Object 1:	Salary and Benefits	\$810,419	\$403,351	\$719,768	\$882,121
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800	Legal Counsel	\$78,326	\$42,043	\$75,500	\$82,780
5255500	Consultant Services	\$150,000	\$22,552	\$100,000	\$150,000
5285700	Meal Claims	\$750	\$56	\$300	\$750
5220100	Insurance	\$9,237	\$7,042	\$9,237	\$8,335
5250100	Office Expenses	\$5,000	\$344	\$2,000	\$5,000
5270100	Rent & Lease	\$53,182	\$35,272	\$53,182	\$54,766
5255650	Data Processing Services	\$28,038	\$16,375	\$28,038	\$27,520
5225500	Commissioners' Fee	\$10,000	\$1,900	\$7,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$308	\$1,000	\$1,000
5245100	Membership Dues	\$12,887	\$12,921	\$12,921	\$13,870
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$10,000	\$3,125	\$6,000	\$15,900
5285300	Private Automobile Mileage	\$1,000	\$7	\$200	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$200	\$600
5281600	Overhead	\$30,041	\$15,021	\$30,041	\$20,358
5275200	Computer Hardware	\$3,000	\$0	\$1,000	\$4,000
5250800	Computer Software	\$5,000	\$853	\$2,000	\$4,000
5250250	Postage	\$1,000	\$10	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES		\$1,222,980	\$561,180	\$1,060,187	\$1,296,000
REVENUES					
4103400	Application Fees	\$30,000	\$19,603	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$6,000	\$4,657	\$6,000	\$6,000
TOTAL REVENUE		\$36,000	\$24,260	\$31,000	\$36,000
3400150	FUND BALANCE FROM PREVIOUS FY	\$201,006	\$410,027	\$410,027	\$366,814
NET LAFCO OPERATING EXPENSES		\$985,974	\$126,893	\$619,160	\$893,186
3400800	RESERVES Available	\$200,000	\$200,000	\$200,000	\$200,000
COSTS TO AGENCIES					
5440200	County	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Cities (San Jose 50% + Other Cities 50%)	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Special Districts	\$328,658	\$328,658	\$328,658	\$297,729

LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS
Estimated Costs to Agencies Based on the Preliminary FY 2024 LAFCO Budget

Preliminary Net Operating Expenses for FY 2024				\$893,186
JURISDICTION	REVENUE PER 2020/2021 REPORT	PERCENTAGE OF TOTAL REVENUE	ALLOCATION PERCENTAGES	ALLOCATED COSTS
County	N/A	N/A	33.3333333%	\$297,728.67
Cities Total Share			33.3333333%	\$297,728.67
San Jose	N/A	N/A	50.0000000%	\$148,864.34
Other cities share			50.0000000%	\$148,864.33
Campbell	\$67,824,629	1.9995536%		\$2,976.62
Cupertino	\$125,426,339	3.6977230%		\$5,504.59
Gilroy	\$131,638,480	3.8808646%		\$5,777.22
Los Altos	\$61,718,303	1.8195316%		\$2,708.63
Los Altos Hills	\$19,614,107	0.5782480%		\$860.81
Los Gatos	\$51,370,842	1.5144757%		\$2,254.51
Milpitas	\$186,509,610	5.4985331%		\$8,185.35
Monte Sereno	\$4,845,074	0.1428388%		\$212.64
Morgan Hill	\$113,620,439	3.3496705%		\$4,986.46
Mountain View	\$373,855,966	11.0217345%		\$16,407.43
Palo Alto	\$664,162,959	19.5803423%		\$29,148.15
Santa Clara	\$1,000,850,828	29.5063155%		\$43,924.39
Saratoga	\$35,690,808	1.0522090%		\$1,566.36
Sunnyvale	\$554,860,115	16.3579598%		\$24,351.17
Total Cities (excluding San Jose)	\$3,391,988,499	100.0000000%		\$148,864.33
Total Cities (including San Jose)				\$297,728.67
Special Districts Total Share		(Fixed %)	33.3333333%	\$297,728.66
Aldercroft Heights County Water District		0.06233%		\$185.57
Burbank Sanitary District		0.15593%		\$464.25
Cupertino Sanitary District		2.64110%		\$7,863.31
El Camino Healthcare District		4.90738%		\$14,610.68
Guadalupe Coyote Resource Conservation District		0.04860%		\$144.70
Lake Canyon Community Services District		0.02206%		\$65.68
Lion's Gate Community Services District		0.22053%		\$656.58
Loma Prieta Resource Conservation District		0.02020%		\$60.14
Midpeninsula Regional Open Space District		5.76378%		\$17,160.42
Purissima Hills Water District		1.35427%		\$4,032.05
Rancho Rinconada Recreation and Park District		0.15988%		\$476.01
San Martin County Water District		0.04431%		\$131.92
Santa Clara Valley Open Space Authority		1.27051%		\$3,782.67
Santa Clara Valley Water District		81.44126%		\$242,473.98
Saratoga Cemetery District		0.32078%		\$955.05
Saratoga Fire Protection District		1.52956%		\$4,553.94
South Santa Clara Valley Memorial District		0.03752%		\$111.71
Total Special Districts		100.00000%		\$297,728.66
Total Allocated Costs				\$893,186.00

From: Colleen Haley <colleenh@csga.net>

Sent: Wednesday, April 12, 2023 11:53 AM

To: Benjamin Porter <bporter@markthomas.com>

Subject: RE: CALL TO ACTION ON AB 557 (Hart) RE: Remote meetings

Item 5.B.

Good Morning Ben:

I am just following up on **CSDA's current Call to Action for AB 557 (Hart)**. *Would your district be willing to send a letter of support?*

This is CSDA's sponsored bill and is a follow up to AB 361 passed in 2021. AB 361 established modified remote meeting procedures within the Brown Act for special district meetings during emergencies. AB 361's provisions expire at the end of 2023.

AB 557 (Hart) does two things:

- Extends the provisions of AB 361 past 2023; and
- Requires a district to adopt a renewal resolution recognizing the continued emergency every 45 days (rather than the current 30-day time period). This provision will provide more flexibility to districts.

Your district can submit an [automated form letter](#) registering your support at [this link](#).

Additional background information about the bill is available on the [CSDA website](#). Please contact me if you have any questions and thank you for your help on AB 557!

Thank you,
Colleen

Colleen Haley

Bay Area Public Affairs Field Coordinator

Join us for the [2023 Special Districts Legislative Days](#)

May 16 - 17, 2023 in Sacramento

California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814
530.902.3932 cell
www.csga.net

A Proud California Special Districts Alliance Partner.
California Special Districts Association
Special District Risk Management Authority
CSDA Finance Corporation



Memo

Item 9B

To: Board of Directors
From: Benjamin T. Porter, District Manager-Engineer
Date: April 14, 2023
Re: Akel Engineering Amendment for Hydraulic Modeling

Background

The Cupertino Sanitary District utilizes the XPSWMM Hydraulic Modeling software to simulate existing and future flows throughout its sanitary sewer system. The software allows the District to model different buildout scenarios and shows how those scenarios react to rainfall events of varying intensities. The model was constructed using the District's GIS for the network (pipes and manholes) and the measured flows from the 2016 Inflow & Infiltration (I/I) Study performed by V&A.

Akel Engineering completed a review of the District's hydraulic model and found that, in general, the model is based upon typical modeling practices and is an acceptable basis for capacity evaluation. Several model enhancements were recommended by Akel Engineering that will increase the defensibility of the model.

Akel Engineering recommended other minor enhancements which are intended to greater align the model with typical modeling practices as part of a future model update. The enhancements intended to improve the defensibility of the model are described as follows:

- **Complete Dry Weather Model Calibration:** It is recommended that the estimated average dry weather flows for each subbasin be distributed to each manhole within the respective subbasin area.
- **Complete Wet Weather Model Calibration:** It is recommended that the Wet Weather Calibration be updated to reflect a storm-duration calibration, which includes calibrating both the peak modeled flow as well as the system response following the peak flow occurrence.
- **Prepare Technical Memorandum:** The technical memorandum will document the hydraulic model calibration approach and results.

The District’s existing agreement with Akel Engineering includes the tasks described above in addition to assisting District staff with the model calibration for dry and wet weather flows. The former tasks have been completed, but the latter work has not yet been completed. The District has only one staff person proficient with XPSWMM modeling, and that staff person has not been available to be dedicated to completing the calibration. As a result, there is \$22,726 budget remaining. This remaining budget of \$22,726 can be applied to the estimated cost for the new scope of work.

It is important that the District’s model be calibrated in the next several months to coincide with modeling and planning efforts by the City of Santa Clara. District Staff and Akel have worked together to develop a scope of work that includes an enhanced role by Akel to complete the calibration; instead of assisting with the effort, Akel will lead and complete the effort with support from District staff. This will lead to an expedited completion of the calibration. Labor costs that would have been incurred from District staff will be incurred from consultant. The table below provides the task list for the Cupertino Sanitary District XPSWMM Model Calibration by Akel Engineering in coordination with District staff. The scope includes the following major tasks:

Background Review	
Model Review	This task consists of reviewing the current status of the model, distribution of average dry weather flows and critical model parameters.
Flow Data Review	This task consists of reviewing 2021 - 2022 Flow Monitoring Report and data.
Complete Dry Weather Model Calibration	
Allocate Average Dry Weather Flows	This task consists of allocating average dry weather flows in the hydraulic model based on water billing records and existing land use.
Calibrate Peak Dry Weather Flows	This task consists of calibrating peak dry weather flows for 28 basins and the permanent flume. This task will include creating or updating weekday/weekend diurnal peaking patterns for each basin.
Complete Wet Weather Model Calibration	
Calibrate Peak Wet Weather Flows	This task consists of calibrating peak wet weather flows for 28 basins and the permanent flume using the RTK Unit Hydrograph approach.
Prepare Technical Memorandum	
Prepare Draft and Final Technical Memorandums	This task consists of preparing draft and final technical memorandums documenting the hydraulic model calibration approach and results.
Project Management and Meetings	
Project Management and Meetings	This task consists of project management activities and team meetings.

The estimated cost for the additional scope of work is equal to \$92,860. As a result of the remaining budget of \$22,726 from the existing agreement, the net cost for this amendment is \$70,134 (\$92,860 – \$22,726).

Once the model calibration tasks are completed in August, the model will be available for the District engineering staff to use to assess the impacts of future growth scenarios, the impacts of future I/I reduction programs, and the future wet weather flows at the flume. This information will be used by the City of Santa Clara to determine their need for capacity improvements to convey the flows from the District to the San Jose – Santa Clara Water Pollution Control Plant.

Recommendation:

Staff recommends the Board authorize the District Manger to execute the amendment with Akel Engineering with a not-to-exceed amount of \$70,134.

Attachments:

1. Akel Engineering Amendment Task List and Fee Estimate
2. Project Schedule

Attachment 1. - Akel Engineering Amendment Task List and Fee Estimate

Task No.	Task Description	Scope of Work	Hours							Costs			Subtasks Total	Tasks Total
			Senior Principal Engineer	Senior Engineer	Associate Engineer	Assistant Engineer	Senior GIS Technician	Secretarial	Total	Labor Costs	Subconsultants / Other Expenses			
			\$281	\$209	\$187	\$160	\$166	\$110						
Task 1	Background Review		4	12	16	28			60	\$11,104		\$11,104	\$11,104	
1.1	Model Review	This task consists of reviewing the current status of the model, distribution of average dry weather flows and critical model parameters.	2	6	8	12			28	\$5,232		\$5,232		
1.2	Flow Data Review	This task consists of reviewing 2021 - 2022 Flow Monitoring Report and data.	2	6	8	16			32	\$5,872		\$5,872		
Task 2	Complete Dry Weather Model Calibration		2	20	40	60	28		150	\$26,470		\$26,470	\$26,470	
2.1	Allocate Average Dry Weather Flows	This task consists of allocating average dry weather flows in the hydraulic model based on water billing records and existing land use.	1	4	8	16	28		57	\$9,821		\$9,821		
2.2	Calibrate Peak Dry Weather Flows	This task consists of calibrating peak dry weather flows for 28 basins and the permanent flume. This task will include creating or updating weekday/weekend diurnal peaking patterns for each basin.	1	16	32	44			93	\$16,649		\$16,649		
Task 3	Complete Wet Weather Model Calibration		4	24	40	112			180	\$31,540		\$31,540	\$31,540	
3.1	Calibrate Peak Wet Weather Flows	This task consists of calibrating peak wet weather flows for 28 basins and the permanent flume using the RTK Unit Hydrograph approach.	4	24	40	112			180	\$31,540		\$31,540		
Task 4	Prepare Technical Memorandum		4	38	8		44		94	\$17,866		\$17,866	\$17,866	
4.1	Prepare Draft and Final Technical Memorandums	This task consists of preparing draft and final technical memorandums documenting the hydraulic model calibration approach and results.	4	38	8		44		94	\$17,866		\$17,866		
Task 5	Project Management and Meetings		12	12					24	\$5,880		\$5,880	\$5,880	
5.1	Project Management and Meetings	This task consists of project management activities and team meetings.	12	12					24	\$5,880		\$5,880		
Total			26	106	104	200	72		508	\$92,860		\$92,860	\$92,860	
												Remaining Budget Credit from Previous Efforts	\$22,726	
												Additional Budget Request	\$70,134	



Attachment 2. – Project Schedule

Cupertino Sanitary District
Sewer System Hydraulic Model Calibration
Project Schedule

09/11/2023

Task No.	Task Description	Schedule				
		Apr-23	May-23	Jun-23	Jul-23	Aug-23
Task 1	Background Review					
1.1	Model Review		HYDRAULIC MODEL REVIEW			
1.2	Flow Data Review		FLOW MONITORING REPORT REVIEW			
Task 2	Complete Dry Weather Model Calibration					
2.1	Allocate Average Dry Weather Flows			AVERAGE DRY WEATHER FLOW ALLOCATION		
2.2	Calibrate Peak Dry Weather Flows			DRY WEATHER FLOW CALIBRATION		
Task 3	Complete Wet Weather Model Calibration					
3.1	Calibrate Peak Weather Flows				WET WEATHER FLOW CALIBRATION	
Task 4	Prepare Technical Memorandum				DRAFT TM	FINAL TM
4.1	Prepare Draft and Final Technical Memorandums					
Task 5	Project Management and Meetings			SUBMIT DRAFT TM AND HYDRAULIC MODEL		SUBMIT FINAL TM
5.1	Project Management and Meetings				★	★



Item 10.A.

Future Development Projects:

Prep. Date:

4/12/2023

Items	Descriptions:	Phase	IA	Fees	Estimated Construction	Remarks
1	Atria Cupertino (Westport) - Senior Living	Building	Sent	1.9 Mil.	2023	
2	Canyon Crossing Redevelopment	Building	Sent	312 K	on-hold	
3	Hamptons Apartments	On-hold	Drafted	*	on-hold	
4	Leon Townhomes - 7 Townhomes	Planning	Drafted	97 K	Q4 2023, 2024	
5	Vallco - Redevelopment (RISE) - 709 residential units and 37,000 SF of commercial space	Planning - Phase 1	Drafted	1.67 Mil.	*	Updated
6	Marina Plaza (DeAnza Ventures)	Planning	Drafted	*	*	
7	20860 McClellan Road Lot Split - Seven new homes	Planning	*	*	*	
8	1655 S. DeAnza Redevelopment (2 Parcels into 34 residential units)	Planning	*	*	*	
9	10619 S De Anza Blvd - Mixed Use (2090 SF Commercial & 11 Residential Units)	Planning	*	*	*	

* Not enough information from developer to determine.

Cupertino Sanitary District - Monthly Maintenance Summary - March 2023

Item 10.B.

SSOs

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

PLSDs (Private Lateral Sewage Discharge)

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

Emergency Calls - Causes

Call Rec'd Business Hours	# of Calls	Call Rec'd After Hours	# of Calls	Call Rec'd Weekend	# of Calls
Root Intrusion	2	Root Intrusion	0	Root Intrusion	0
Onsite	2	Onsite	2	Onsite	0
Grease	0	Grease	0	Offset	0
Offset	0	Offset	0	Debris	0
Debris	1	Others	1	Others	0
Others	0	Pump Station	0	Pump Station	2
Total:	5	Total:	3	Total:	2

Repairs

Address	Main/Lat	Description of Work
Florence PS	PS	Installed new electric side and rear boxes for generator
Mercedes Rd seg 300000303	Main	Spot mainline repair of 11' of 6" VCP with new SDR pipe 147' from MHT-158
Cordova Rd seg 300001236	Main	Spot mainline repair of 18' & 24' of 6" VCP with new SDR 118' & 216 from MHL8-4 + repalced FI L2-FF
San Felipe Rd seg 300000540	Main	Spot mainline repair of 10' & 6' of 6" VCP with new SDR 64' & 243' from MH605 + 2 new wyes
Craft Dr seg 300000704	Main	Spot mainline repair of 11' of 8" VCP with new SDR 11' from MHT-85 + new wye
Arroyo De Arguello seg 300003145	Main	Installed new FI 252' from MHL13-2 & abandoned FI 4828-1F
Vaquero Ct seg 300001464	Main	Spot mainline repair of 6' of 8" VCP with new SDR 15' from MHL13-34
Villa Oaks Esmt seg 300000669	Main	Spot mainline repair of 16' of 6" VCP with new SDR 72' from MHT-716
Pierce Rd seg 300001469	Main	Spot mainline repair of 12' of 8" VCP with new SDR from MHL13-39 & , 6' of 8" VCP 74' from MHL13-38
Vista Regina seg 300001496	Main	Spot mainline repair of 6' of 8" VCP with new SDR 36' from MHL13-62

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	14,340	61,072	2,389	6,535	0	4,530	0	3,397	0	92,263	1,118,116	1,673,032	67%
Easement Cleaning (ft)	0	1,577	11,615	0	0	0	927	0	3,397	0	17,516	149,639	217,684	69%
CCTV (ft)	0	4,048	7,446	1,359	0	0	0	0	0	0	12,853	137,683	207,880	66%

Lateral Maintenance

Activity	# of Laterals	FY2022-23 YTD	FY2022-23 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	437	4,280	6,436	67%
CCTV	17	109		
Inspection	25	210		

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

	# of Inspections	YTD FY2022-23	FY2022-23 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	28	212		
Completed	19	176	265	66%
Follow up Needed	2			

**CUPERTINO SANITARY DISTRICT
MEETING/EVENT SCHEDULE**

Item 11.A.

APRIL 2023

04/05: 1st Regular Meeting
 04/10: TAC
 04/12: CASSE
 04/13: TPAC
 04/19: 2nd Regular Meeting

APRIL 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 1 st Regular Meeting	6	7	8
9	10 TAC	11	12 CASSE	13 TPAC	14	15
16	17	18	19 2 nd Regular Meeting	20	21	22
23	24	25	26	27	28	29
30						

MAY 2023

05/03: 1st Regular Meeting
 05/08: TAC
 05/11: TPAC
 05/17: 2nd Regular Meeting

MAY 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3 1 st Regular Meeting	4	5	6
7	8 TAC	9	10	11 TPAC	12	13
14	15	16	17 2 nd Regular Meeting	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE 2023

06/05: TAC & SCCSDA
 06/07: 1st Regular Meeting
 06/08: TPAC
 06/21: 2nd Regular Meeting

JUNE 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 TAC SCCSDA	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	22	23	24
25	26	27	28	29	30	