

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, AUGUST 21, 2024**

AGENDA

The meeting will be held in person at 7:00 p.m. in the Stevens Creek Office Center, Suite 100, 20863 Stevens Creek Boulevard, Cupertino, California and via virtual teleconference.

Anyone interested may attend in person, by phone [call 1 (866) 899 - 4679 Conference Access Code: 251566821], or virtually <https://global.gotomeeting.com/join/251566821>.

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.
- B. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION

4. MINUTES & BILLS

- A. APPROVAL OF THE SPECIAL MEETING MINUTES OF JULY 15, 2024
- B. APPROVAL OF THE MINUTES OF JULY 17, 2024
- C. APPROVED MINUTES OF JUNE 19, 2024
- D. APPROVAL OF FINANCIAL REPORT AND PAYMENT OF BILLS

5. CORRESPONDENCE

- A. NOTICE OF ELECTION - NOVEMBER 5, 2024 - GENERAL ELECTION
- B. THE RISE

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, AUGUST 21, 2024**

6. MEETINGS

- A. SANTA CLARA COUNTY SPECIAL DISTRICTS ASSOCIATION (SCCSDA) REGULAR MEETING TO BE HELD ON MONDAY, SEPTEMBER 9, 2024

7. REPORTS

- A. CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY (CSRMA) RISK MANAGEMENT SEMINAR HELD WEDNESDAY, JULY 31, 2024, IN MONTEREY, CA
- B. CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA) ANNUAL CONFERENCE HELD JULY 31, TO AUGUST 2, 2024, IN MONTEREY, CA
 - 1. CSRMA Board of Directors Meeting
 - 2. Regular Conference Sessions
 - 3. Attorneys Committee Meeting
 - 4. Other Conference Sessions
- C. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD ON MONDAY, AUGUST 5, 2024
- D. REGULAR MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) HELD ON THURSDAY, AUGUST 8, 2024
- E. CALIFORNIA ALLIANCE FOR SEWER SYSTEM EXCELLENCE (CASSE) TELECONFERENCE HELD WEDNESDAY, AUGUST 14, 2024

8. UNFINISHED BUSINESS

- A. 2022-2023 FISCAL YEAR AUDIT
- B. BOOTH REGISTRATION NOW OPEN FOR CUPERTINO ROTARY FALL FEST 2024

9. NEW BUSINESS

- A. PERMIT FEES REIMBURSEMENT REQUEST
- B. 2023-2024 FISCAL YEAR AUDITOR
- C. CONFLICT OF INTEREST CODE

10. STAFF REPORT

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

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11. CALENDAR ITEMS

- A. NEXT REGULAR DISTRICT BOARD MEETING IS TO BE HELD ON WEDNESDAY,
SEPTEMBER 4, 2024

12. ADJOURNMENT

CUPERTINO SANITARY DISTRICT
SPECIAL MEETING, CLOSED SESSION
WEDNESDAY, JULY 15, 2024

A Cupertino Sanitary District Board meeting Closed Session convened this date at 3:32 p.m. This meeting was conducted at the District office at 20863 Stevens Creek Blvd, Suite 100, Cupertino.

1. ROLL CALL:

Members present: Angela Chen, Bill Bosworth, Patrick Kwok, and Taghi Saadati. David Doyle attended remotely from 1050 Bedford Road, Washington, IN 47501.

Staff present: District Manager Benjamin Porter, District Administrative Assistant Frankie Martinez, and Counsel Marc Hynes.

Public Present: None

2. CLOSED SESSION:

The closed session commenced at 3:33 p.m. Manager Porter, and Administrative Clerk Martinez were excused from the closed session.

CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION

Government Code § 54956.9 existing litigation – Post Trial Actions. 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.

No reportable action was taken at the closed session.

12. ADJOURNMENT:

On a motion properly made and seconded, at 4:21 p.m. the closed session meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 17, 2024

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. Participation was also available via videoconference.

1. ROLL CALL:

President Chen called the meeting to order, and the following proceedings were had to wit: Roll call was taken, with the following members in attendance:

Board Members present: Angela Chen, Patrick Kwok, and Taghi Saadati. David Doyle attended virtually from Hampton Inn Nashville-Vanderbilt, 1919 West End Avenue, Nashville, TN 37203. Bill Bosworth was on excused absence.

Staff present: District Manager Benjamin Porter, District Administrative Assistant Frankie Martinez, and Counsel Marc Hynes.

District Advisor: Richard Tanaka

Public Present: Zach Siviglia

Counsel Hynes announced there was an amendment to the agenda.

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Chen adjourned the regular meeting session and opened the closed session at 7:02 p.m. Porter, Martinez, and Siviglia 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 Chen adjourned the closed session at 7:34 p.m. and the regular meeting was called to order.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 17, 2024

Porter, Martinez, and Siviglia rejoined the regular meeting.

4. MINUTES & BILLS:

A. Approval of the Regular Meeting Minutes of June 19, 2024

On a motion by Director Saadati, seconded by Director Doyle by a roll call vote of 4-0-0, the minutes of the Regular Meeting held on Monday, June 19, 2024, were approved as written.

B. Approved Regular Meeting Minutes of May 15, 2024

By consensus, the Minutes of Wednesday, May 15, 2024, are to be Noted & Filed.

C. Approval of Financial Statements and Bills

On a motion by Director Kwok, seconded by Director Doyle, by a roll call vote of 4-0-0, the financial statements and warrants were approved.

D. Timesheets

The Board submitted their July timesheets to District Manager Porter.

5. CORRESPONDENCE:

A. Email: Cupertino Rotary – Fall Festival – Save the Date – Saturday, September 14, 2024

On a motion by President Chen, seconded by Director Kwok, by a roll call vote of 4-0-0, the Board approved District booth support at the Fall Festival.

B. City of Cupertino Notice of Public Hearing – To Consider Application Nos MCA-2023-001, SPA-2023-001, Z-2024-001, CP-2024-002, EA-2024-001

It is to be Noted & Filed.

CUPERTINO SANITARY DISTRICT BOARD MEETING
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6. MEETINGS:

- A. All Board members plan to attend the California Sanitation Risk Management Authority (CSRMA) Risk Management Seminar to be held Wednesday, July 31, 2024 in Monterey, CA.
- B. All Board members plan to attend the California Association of Sanitation Agencies (CASA) Annual Conference to be held July 31 to August 2, 2024 in Monterey, CA.
- C. Manager Porter plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) to be held Monday, August 5, 2024.
- D. Director Kwok plans to attend the regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) to be held Thursday, August 8, 2024.

7. REPORTS:

- A. Manager Porter reported on the California Alliance for Sewer System Excellence (CASSE) teleconference held on Wednesday, July 10, 2024.

8. UNFINISHED BUSINESS:

- A. 2022-2023 Fiscal Year Audit

Manager Porter indicated that the audit was finally completed and will be presented at the next Board meeting.

- B. Cristo Rey Odor Control

On a motion by Director Kwok, seconded by Director Saadati by a roll call vote of 4-0-0, the Board approved Staff's recommendation that an electrical analysis, device coordination and arc flash study be conducted prior to purchasing the odor control device for the Cristo Rey Pump Station, and that the work be awarded to the lowest bidder, Frish Engineering, Inc.

9. NEW BUSINESS:

- A. Resolution No. 1348-Amended

On a motion by Director Saadati, seconded by Director Kwok by a roll call vote of 4-0-0, the Board approved amended Resolution No. 1348, Consolidation of Elections.

- B. McClellan Installer's Agreement

On a motion by Director Saadati, seconded by Director Kwok by a roll call vote of 4-0-0, the Board approved the Installer's Agreement.

- C. Sewer Push Camera Purchase Request

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On a motion by Director Doyle, seconded by Director Kwok by a roll call vote of 4-0-0, the Board approved the purchase of three sewer push cameras, not to exceed \$25,387.94.

10. STAFF REPORT

A. Future Development Projects

Manager Porter reported on the status of future development projects.

B. Monthly Maintenance Summary

Manager Porter reported on the monthly maintenance.

11. CALENDAR ITEMS

A. The next regular District Board Meeting is scheduled to be held on Wednesday, August 7, 2024.

12. ADJOURNMENT:

On a motion properly made and seconded, at 8:51 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

APPROVED

Item 4.C.

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, JUNE 19, 2024

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. Participation was also available via videoconference.

1. ROLL CALL:

President Chen called the meeting to order, and the following proceedings were had to wit: Roll call was taken, with the following members in attendance:

Board Members present: Angela Chen, Bill Bosworth, Patrick Kwok, Taghi Saadati, and David Doyle

Staff present: District Manager Benjamin Porter, District Administrative Assistant Frankie Martinez, and Counsel Marc Hynes.

Public Present: None

2. PUBLIC COMMENTS:

There were none.

3. PUBLIC HEARING:

A. The Board conducted a public hearing on Accepting Report on Rates and Charges and Collection on Tax Roll for Fiscal Year 2024-2025.

1. Manager Porter presented the Rates and Charges to the Board.
2. President Chen opened the public hearing at 7:08 pm. There were no public comments.
3. President Chen closed the public hearing at 7:08 pm.
4. On motion by Director Saadati, seconded by Director Kwok, by a vote of 5-0-0, the Board approved Resolution No. 1350, Confirming Report on Rates and Charges for Services and Facilities Furnished by the District and Delinquent Rates and Charges for the Cupertino Sanitary District for Fiscal Year 2024-2025.
5. On motion by Director Saadati, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved Resolution No. 1351, Providing for the Collection of Rates and Charges for Services and Facilities Furnished by the District and Delinquent Rates and Charges for FY 2024-2025.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JUNE 19, 2024

4. CLOSED SESSION:

President Chen adjourned the regular meeting session and opened the closed session at 7:10 p.m. Manager Porter, and Administrative Clerk Martinez 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 Chen adjourned the closed session at 7:42 p.m. and the regular meeting was called to order. District Manager Porter and Administrative Clerk Martinez rejoined the regular meeting.

5. MINUTES & BILLS:

- A. Approval of the Regular Meeting Minutes of May 15, 2024

On a motion by Director Saadati, seconded by Director Bosworth, by a vote of 5-0-0, the minutes of the Regular Meeting held on Monday, May 15, 2024, were approved as written.

- B. Approved Regular Meeting Minutes of May 1, 2024

By consensus, the Minutes of Wednesday, May 1, 2024, are to be Noted & Filed.

- C. Approval of Financial Statements and Bills

On a motion by Director Bosworth, seconded by Director Doyle, by a vote of 5-0-0, the financial statements and warrants were approved.

- D. Timesheets

The Board submitted their June timesheets to District Manager Porter.

6. CORRESPONDENCE:

- A. Email: Registrar of Voters – Official Fees Schedule Effective July 1, 2024

Note & File

- B. Adopted FY2025 LAFCO Budget

Note & File

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JUNE 19, 2024

7. MEETINGS:

On a motion by Director Bosworth, seconded by Director Kwok, by a vote of 5-0-0, the Board amended the agenda to add CSRMA Board meeting to be held June 20, 2024. President Chen plans to attend.

- A. The regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled for Monday, July 8, 2024, has been canceled.
- B. Staff plans to attend the California Alliance for Sewer System Excellence (CASSE) teleconference held on Wednesday, July 10, 2024.
- C. The regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled for Thursday, July 11, 2024, has been canceled.

8. REPORTS:

- A. Director Bosworth reported on the California Special Districts Association meeting held on June 3, 2024.
- B. Manager Porter reported on the regular meeting of the San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) held on Monday, June 10, 2024.
- C. Manager Porter reported on the California Alliance for Sewer System Excellence (CASSE) teleconference held on Wednesday, June 12, 2024.
- D. Director Kwok reported on the regular meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held on Thursday, June 13, 2024.

9. UNFINISHED BUSINESS:

- A. 2024-2025 Fiscal Year Budget

Manager Porter presented the 2024-2025 Fiscal Year Budget to the Board. On a motion by Director Saadati, seconded by Director Kwok, by a vote of 5-0-0, the budget was approved as written.

10. NEW BUSINESS:

- A. 2022-2023 Fiscal Year Audit

Manager Porter reported on the status of completion of the 2022-2023 Fiscal Year Audit. The audit is almost complete.

CUPERTINO SANITARY DISTRICT BOARD MEETING
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11. STAFF REPORT

A. Future Development Projects

Manager Porter reported on the status of future development projects.

B. Monthly Maintenance Summary

Manager Porter reported on the monthly maintenance. The Board discussed grease in the sewer lines. Staff was instructed to enforce the District Ordinance and give customers a warning when grease is found in the sewer line.

12. CALENDAR ITEMS

- A. The next regular District Board Meeting is scheduled to be held on Wednesday, July 3, 2024. By consensus, this meeting was canceled.

13. ADJOURNMENT:

On a motion properly made and seconded, at 9:00 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JULY 2024
1st Month of Operations (8% into FY Operations)
FISCAL YEAR: July 1, 2023 to June 30, 2024

EXPENSE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
JUL SERVICES								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,063	\$0.00	\$0.00	\$0.00	\$1,200,062.50	0.0%	None to date
Directors Fees	41030	\$38,000	\$0.00	\$2,397.50	\$2,397.50	\$35,602.50	6.3%	On Target
Gasoline, Oil & Fuel	41060	\$4,000	\$0.00	\$0.00	\$0.00	\$4,000.00	0.0%	None to date
Insurance	41060	\$195,500	\$0.00	\$12,734.89	\$12,734.89	\$182,765.11	6.5%	Dooley Insurance (September Coverage); Property and Liability Insurance paid in July for 2024-2025
Memberships	41080	\$57,000	\$0.00	\$11,428.71	\$11,428.71	\$45,571.29	20.1%	Undeground Service Alert FY2024-25 Membership; CWEA
Office Rent	41090	\$4,800	\$0.00	\$400.00	\$400.00	\$4,400.00	8.3%	On Target
Operating Expenses	41100	\$3,000	\$0.00	\$1,000.00	\$1,000.00	\$2,000.00	33.3%	Bid Express one time subscription
Operating Expenses - Credit Card Transaction Fees	41100-1	\$6,000	\$0.00	\$35.00	\$35.00	\$5,965.00	0.6%	Credit Card Processing Fees - July
Contractual Services:								
Outfall Maintenance	41113	\$150,000	\$0.00	\$0.00	\$0.00	\$150,000.00	0.0%	None to date
T.P. Oper. & Maint.	41114	\$8,291,700	\$0.00	\$2,046,455.00	\$2,046,455.00	\$6,245,245.00	24.7%	FY24-25 Q1
Professional Services:								
Management Services	41121	\$575,000	\$0.00	\$33,022.74	\$33,022.74	\$541,977.26	5.7%	On Target
SSMP Certification and Implementation	41121	\$230,000	\$0.00	\$6,550.68	\$6,550.68	\$223,449.32	2.8%	New Waste Discharge Requirements (WDR) Implementation - head start on 2024/2025 activities
Engineering Services	41122	\$1,450,000	\$0.00	\$127,593.56	\$127,593.56	\$1,322,406.44	8.8%	On Target
Peak Flow Reduction	41122-1	\$40,000	\$0.00	\$294.39	\$294.39	\$39,705.61	0.7%	Flow model calibration
Plan Ckg. & Insp.	41123	\$200,000	\$0.00	\$14,906.98	\$14,906.98	\$185,093.02	7.5%	On Target
Legal - Consultant Services	41124	\$4,500	\$0.00	\$0.00	\$0.00	\$4,500.00	0.0%	None to date
Legal - District Counsel	41124	\$50,000	\$0.00	\$2,709.00	\$2,709.00	\$47,291.00	5.4%	District Counsel - Legal Services through August 16, 2024
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$390,000	\$0.00	\$101,245.16	\$101,245.16	\$288,754.84	26.0%	Hunton Andrews Kurth (May-June Legal Services)
Legal - Common Interest Group (CuSD Share)	41124	\$110,000	\$0.00	\$58,615.61	\$58,615.61	\$51,384.39	53.3%	Hunton Andrews Kurth (May-June Legal Services)
Audit	41125	\$14,000	\$0.00	\$0.00	\$0.00	\$14,000.00	0.0%	None to date
Printing & Publications	41130	\$32,000	\$0.00	\$0.00	\$0.00	\$32,000.00	0.0%	None to date
Repair and Maintenance		\$4,144,000						
Repairs	41150	\$200,000	\$0.00	\$16,524.34	\$16,524.34	\$183,475.66	8.3%	On target
Maintenance	41151	\$3,944,000	\$0.00	\$356,026.87	\$356,026.87	\$3,587,973.13	9.0%	On target
Travel & Meetings Staff	41170	\$15,000	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
Travel & Meetings BOD	41170	\$18,000	\$0.00	\$0.00	\$0.00	\$18,000.00	0.0%	None to date
Utilities	41190	\$90,000	\$0.00	\$7,074.33	\$7,074.33	\$82,925.67	7.9%	Electricity and water at pump stations
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$0.00	\$0.00	\$0.00	\$50,000.00	0.0%	None to date
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	\$0.00	\$26,600.68	\$26,600.68	\$223,399.32	10.6%	District Staff - Stoppage Response; Two emergencies from Able
Consolidated Election	48001	\$120,000	\$0.00	\$0.00	\$0.00	\$120,000.00	0.0%	None to date
TOTAL OPERATING EXPENSES		\$17,737,563	\$0.00	\$2,825,615.44	\$2,825,615.44	\$14,911,947.06	15.9%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$3,250,000	\$0.00	\$30,160.77	\$30,160.77	\$3,219,839.23	0.9%	Significant Defect Repair; Pump Station Assessment
District Sewer Capital & Support - VTA	46041	\$100,000	\$0.00	\$0.00	\$0.00	\$100,000.00	0.0%	None to date
Treatment Plant Capital	46042	\$2,293,401	\$0.00	\$783,264.00	\$783,264.00	\$1,510,137.00	34.2%	FY24-25 Q1
Outfall Capital	46042	\$200,000	\$0.00	\$0.00	\$0.00	\$200,000.00	0.0%	None to date
District Equipment	46043	\$150,000	\$0.00	\$25,387.94	\$25,387.94	\$124,612.06	16.9%	Vivax-Metrotech (New Lateral Push Cameras)
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	
TOTAL CAPITAL EXPENSES		\$6,293,401	\$0.00	\$838,812.71	\$838,812.71	\$5,454,588.29	13.3%	
TOTAL EXPENSES		\$24,030,964	\$0.00	\$3,664,428.15	\$3,664,428.15	\$20,366,535.35	15.2%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JULY 2024
1st Month of Operations (8% into FY Operations)
 FISCAL YEAR: July 1, 2023 to June 30, 2024

REVENUE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts July Receipts	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges								
Handbilling	31010	\$554,750	\$0.00	\$0.00	\$0.00	\$554,750.00	0.0%	None to date
Tax Roll	31010	\$20,189,170	\$0.00	\$0.00	\$0.00	\$20,189,169.99	0.0%	None to date
Permit Fees	31020	\$100,000	\$0.00	\$21,619.90	\$21,619.90	\$78,380.10	21.6%	Twenty-three payments received this month
Connection Fees	31031	\$1,200,000	\$0.00	\$0.00	\$0.00	\$1,200,000.00	0.0%	None to date
Capacity Fees	31032	\$850,000	\$0.00	\$5,212.00	\$5,212.00	\$844,788.00	0.6%	One payment received this month
Pump Zone Fees	31033	\$20,000	\$0.00	\$0.00	\$0.00	\$20,000.00	0.0%	None to date
Checking & Inspection Fees	31040	\$300,000	\$0.00	\$11,000.00	\$11,000.00	\$289,000.00	3.7%	Twenty-eight payments received this month
Annexation	32010	\$2,500	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to date
Interest	32050	\$350,000	\$0.00	\$0.00	\$0.00	\$350,000.00	0.0%	None to date
City of San Jose Credit(s)	32091	\$1,100,000	\$0.00	\$0.00	\$0.00	\$1,100,000.00	0.0%	None to date
Legal - Common Interest Group (Tributaries)	32092.1	\$390,000	\$0.00	\$0.00	\$0.00	\$390,000.00	0.0%	None to date
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$7,800	\$0.00	\$0.00	\$0.00	\$7,800.00	0.0%	None to date
Refunds/Reimbursements - Misc.	32091	\$10,000	\$0.00	\$142.05	\$142.05	\$9,857.95	1.4%	Lateral Loan Payment - 850 East Estates
Refunds/Reimbursements - VTA	46041	\$100,000	\$0.00	\$0.00	\$0.00	\$100,000.00	0.0%	None to date
Lateral Construction	32093	\$15,000	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
TOTAL OPERATING REVENUE		\$25,189,220	\$0.00	\$37,973.95	\$37,973.95	\$25,151,246.04	0.15%	
		\$0	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$25,189,220	\$0.00	\$37,973.95	\$37,973.95	\$25,151,246.04	0.15%	

CASH ACCOUNT SUMMARY

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
June 30, 2024	\$22,496,728.48	\$3,900,000.00	\$18,596,728.48	\$853,250.89	\$721,265.92	\$24,071,245.29
July 31, 2024	\$18,904,321.82	\$4,200,000.00	\$14,704,321.82	\$866,219.23	\$721,852.87	\$20,492,393.91

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 07/31/24

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								
1001	San Jose	10/16/19	\$2,180,309.00			\$10,000,000.00			\$10,000,000.00		\$10,000,000.00
1002	San Jose	10/16/19	\$29,515.44			\$7,819,691.00			\$7,819,691.00		\$7,819,691.00
1003	Tesco	11/20/19	\$17,707.00			\$7,790,175.56			\$7,790,175.56		\$7,790,175.56
1004	Shape	11/20/19	\$108,814.78			\$7,772,468.56			\$7,772,468.56		\$7,772,468.56
1005	Tesco	12/18/19	\$169,018.00			\$7,663,653.78			\$7,663,653.78		\$7,663,653.78
1006	Con Quest	12/18/19	\$385,242.58	\$30,683.35	\$30,683.35	\$7,494,635.78			\$7,494,635.78		\$7,494,635.78
1007	San Jose	01/15/20	\$6,966,355.00			\$7,140,076.55			\$7,140,076.55		\$7,140,076.55
Interest through 3/31/20				\$6,823.36	\$6,823.36	\$173,721.55			\$173,721.55		\$173,721.55
Deposit						\$180,544.91			\$180,544.91		\$180,544.91
Balance as of 5/30/2020				\$179.37	\$41.50	\$180,544.91		\$600,000.00	\$780,544.91	\$2,996.28	\$783,541.19
Balance as of 6/30/2020				\$197.98	\$45.80	\$180,586.41	\$137.87	\$600,137.87	\$780,724.28	\$5,744.81	\$786,469.09
Balance as of 7/31/2020				\$191.84	\$44.37	\$180,632.21	\$152.18	\$600,290.05	\$780,922.26	\$31,953.57	\$812,875.83
Balance as of 8/31/2020				\$154.53	\$35.74	\$180,676.58	\$147.47	\$600,437.52	\$781,114.10	\$37,732.75	\$818,846.85
Balance as of 9/30/2020				\$25.62	\$5.93	\$180,712.33	\$118.79	\$600,556.30	\$781,268.63	\$48,220.05	\$829,488.68
Balance as of 10/31/2020				\$25.62	\$5.93	\$180,718.25	\$19.69	\$600,576.00	\$781,294.25	\$56,059.22	\$837,353.47
Balance as of 11/30/2020				\$26.47	\$6.12	\$180,724.18	\$19.69	\$600,595.69	\$781,319.87	\$67,713.45	\$849,033.32
Balance as of 12/31/2020				\$26.47	\$6.12	\$180,730.30	\$20.35	\$600,616.04	\$781,346.34	\$80,097.89	\$861,444.23
Balance as of 1/31/2021				\$24.83	\$5.74	\$180,736.42	\$20.35	\$600,636.39	\$781,372.81	\$89,436.48	\$870,809.29
Balance as of 2/28/2021				\$23.98	\$5.55	\$180,742.17	\$19.09	\$600,655.47	\$781,397.64	\$99,672.14	\$881,069.78
Balance as of 3/31/2021				\$28.26	\$6.54	\$180,747.71	\$18.43	\$600,673.91	\$781,421.62	\$108,211.86	\$889,633.48
Balance as of 4/30/2021				\$22.27	\$5.15	\$180,754.25	\$21.72	\$600,695.63	\$781,449.88	\$121,953.35	\$903,403.23
Balance as of 5/31/2021				\$11.99	\$2.77	\$180,759.40	\$17.12	\$600,712.75	\$781,472.15	\$135,672.77	\$917,144.92
Deposit - CSJ Refund				\$1,415,647.00	\$926,889.61	\$180,762.18	\$9.22	\$600,721.96	\$781,484.14	\$153,926.10	\$935,410.24
Balance as of 6/30/2021				\$20.34	\$10.25	\$1,107,651.79	\$488,757.39	\$1,089,479.35	\$2,197,131.14		
1008 Voided - CSJ						\$1,107,662.04	\$10.09	\$1,089,489.44	\$2,197,151.48	\$168,561.21	\$2,365,712.69
Balance as of 7/31/2021				\$36.12	\$18.21	\$1,107,680.25	\$17.91	\$1,089,507.35	\$2,197,187.60	\$190,143.43	\$2,387,331.03
Balance as of 8/31/2021				\$38.53	\$19.42	\$1,107,699.67	\$19.11	\$1,089,526.46	\$2,197,226.13	\$200,919.93	\$2,398,146.06
Balance as of 9/30/2021				\$36.12	\$18.21	\$1,107,717.88	\$17.91	\$1,089,544.37	\$2,197,262.25	\$215,257.91	\$2,412,520.16
1009 Co-Mingled Fund				\$690,453.00			(\$480,000.00)	(\$480,000.00)		(\$210,453.00)	
1010 C2R Engineering				\$49,030.00		(\$49,030.00)					
Balance as of 10/20/2021						\$1,058,687.88		\$609,544.37	\$1,668,232.25	\$4,804.91	\$1,673,037.16
Balance as of 10/31/2021				\$31.44	\$19.95	\$1,058,707.83	\$11.49	\$609,555.86	\$1,668,263.69	\$25,242.07	\$1,693,505.76
Balance as of 11/30/2021				\$29.25	\$18.56	\$1,058,726.40	\$10.69	\$609,566.54	\$1,668,292.94	\$38,319.76	\$1,706,612.70
Balance as of 12/31/2021				\$28.34	\$17.99	\$1,058,744.38	\$10.35	\$609,576.90	\$1,668,321.28	\$55,958.38	\$1,724,279.66
Balance as of 1/31/2022				\$28.34	\$17.99	\$1,058,762.37	\$10.35	\$609,587.25	\$1,668,349.62	\$65,691.28	\$1,734,040.90
Balance as of 2/28/2022				\$25.60	\$16.25	\$1,058,778.61	\$9.35	\$609,596.61	\$1,668,375.22	\$85,965.01	\$1,754,340.23
Balance as of 3/31/2022				\$28.34	\$17.99	\$1,058,796.60	\$10.35	\$609,606.96	\$1,668,403.56	\$106,346.21	\$1,774,749.77
Balance as of 4/30/2022				\$26.51	\$16.82	\$1,058,813.42	\$9.69	\$609,616.65	\$1,668,430.07	\$119,004.80	\$1,787,434.87
Balance as of 5/31/2022				\$29.25	\$18.56	\$1,058,831.98	\$10.69	\$609,627.34	\$1,668,459.32	\$132,240.88	\$1,800,700.20
Balance as of 6/30/2022				\$43.43	\$27.56	\$1,058,859.55	\$15.87	\$609,643.20	\$1,668,502.75	\$152,439.62	\$1,820,942.37
Balance as of 7/31/2022				\$100.11	\$63.53	\$1,058,923.08	\$36.58	\$609,679.78	\$1,668,602.86	\$160,603.56	\$1,829,206.42
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	\$181,995.18	\$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
1013 C2R Engineering, Inc.				\$137,280.63						\$137,280.63	
Balance as of 4/30/2023				\$530.92	\$336.93	\$1,060,351.39	\$193.99	\$610,495.88	\$1,670,847.27	\$41,204.88	\$1,712,052.15
Balance as of 5/31/2023				\$1,992.43	\$1,264.43	\$1,061,615.83	\$728.00	\$611,223.88	\$1,672,839.70	\$53,061.30	\$1,725,901.00
Balance as of 6/30/2023				\$2,752.06	\$1,746.51	\$1,063,362.34	\$1,005.55	\$612,229.43	\$1,675,591.76	\$70,597.45	\$1,746,189.21
Transfer for 11/16/2022 C2R Engineering						(\$54,058.43)				\$54,058.43	
Transfer for 1/30/2023 C2R Engineering						(\$42,585.13)				\$42,585.13	
Transfer for 4/5/2023 C2R Engineering						(\$137,280.63)				\$137,280.63	
Total \$254K transferred from Loan bal. to checking						(\$20,075.81)				\$20,075.81	
1014 Check to CuSD Commingled Account										(\$254,000.00)	
Balance as of 7/31/2023				\$2,848.55	\$1,621.78	\$809,362.34				\$70,597.45	
Balance as of 8/31/2023				\$2,421.59	\$1,378.70	\$810,984.12	\$1,226.77	\$613,456.20	\$1,424,440.31	\$77,723.99	\$1,502,164.30
Balance as of 9/30/2023				\$2,269.08	\$1,291.87	\$812,362.81	\$1,042.89	\$614,499.09	\$1,426,861.90	\$88,948.39	\$1,515,810.29
Transfer for 10/18/2023 pmt. to Conquest						\$813,654.68	\$977.21	\$615,476.30	\$1,429,130.98	\$102,700.23	\$1,531,831.21
1015 Conquest Contractor				\$10,000.00		(\$10,000.00)				\$10,000.00	
Balance as of 10/31/2023				\$2,500.33	\$1,423.53	\$803,654.68				(\$10,000.00)	
Balance as of 11/30/2023				\$2,318.77	\$1,313.13	\$805,078.21	\$1,076.80	\$616,553.11	\$1,421,631.31	\$115,823.74	\$1,537,455.05
Balance as of 12/31/2023						\$806,391.34	\$1,005.64	\$617,558.75	\$1,423,950.08	\$127,552.12	\$1,551,502.20
1016 Conquest Contractor				\$93,032.00		(\$93,032.00)				\$93,032.00	
Balance as of 1/31/2024				\$2,264.45	\$1,213.72	\$713,359.34				(\$93,032.00)	
Balance as of 2/29/24				\$2,012.20	\$1,078.52	\$714,573.06	\$1,050.73	\$618,609.47	\$1,333,182.53	\$136,159.47	\$1,469,342.00
Balance as of 3/31/24				\$2,015.23	\$1,080.14	\$715,881.69	\$1,132.88	\$619,742.36	\$1,335,624.04	\$152,710.94	\$1,488,334.98
Balance as of 4/30/24				\$2,227.22	\$1,193.77	\$716,960.21	\$933.68	\$620,676.04	\$1,337,636.24	\$162,092.56	\$1,499,728.80
Balance as of 5/31/24				\$1,990.41	\$1,066.84	\$718,040.35	\$935.09	\$621,611.12	\$1,339,651.47	\$177,909.57	\$1,517,561.04
Balance as of 6/30/24				\$1,800.33	\$964.96	\$719,234.12	\$1,033.45	\$622,644.57	\$1,341,878.69	\$189,624.81	\$1,531,503.50
Balance as of 7/31/24				\$1,095.07	\$586.95	\$720,300.96	\$923.57	\$623,568.14	\$1,343,869.10	\$214,668.65	\$1,558,537.75
						\$721,265.92	\$835.37	\$624,403.51	\$1,345,669.43	\$228,847.38	\$1,574,516.81
						\$721,852.87	\$508.12	\$624,911.64	\$1,346,764.50	\$241,307.59	\$1,588,072.09
TOTAL OR BALANCE AMOUNT				\$10,933,400.99	\$1,489,777.44	\$984,865.80	\$721,852.87	\$624,911.64	\$1,346,764.50	\$241,307.59	\$1,588,072.09

CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - August 21, 2024

<u>WARRANT</u> <u>NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 2,397.50	ADP	Directors' Salary	
19981	M&O	\$ 1,181.20	Dooley Insurance Services	Insurance - Group Life & Dental	
19982	M&O	\$ 67.00	Alliant Insurance Services	Insurance - AMVP FY2023-24 Q4 Adjustment	
19983	M&O	\$ 239.00	CWEA	Memberships	
19984	M&O	\$ 11,189.71	Underground Service Alert	Memberships	
N/A	M&O	\$ 35.00	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
19985	M&O	\$ 436,336.40	Mark Thomas	Operating Expenses	1,000.00
				Office Rent	400.00
				Management Services	33,022.74
				SSMP Cert Update and Implementation	6,550.68
				Engineering Services	127,593.56
				Peak Flow Reduction	294.39
				Plan Checking & Inspection	14,906.98
				Repairs	1,870.04
				Repairs (Pump Stations)	4,177.73
				Maintenance	175,802.46
				Maintenance (Pump Stations)	32,701.01
				Utilities (Pump Stations)	1,052.70
				Emergency Funds	6,803.34
				District Sewer Capital & Support	30,160.77
19986	M&O	\$ 2,709.00	Armento & Hynes	Legal - District Counsel	
19987	M&O	\$ 159,860.77	Hunton Andrews Kurth	Legal - CIG/Tribs (CuSD Advance Pay)	101,245.16
				Legal - CIG/Tribs (CuSD Share)	58,615.61
19988	M&O	\$ 1,576.31	WECO Industries	Repairs	
19989	M&O	\$ 8,900.26	St. Francis Electric	Repairs (Pump Stations)	
19990	M&O	\$ 1,058.39	Home Depot	Maintenance (Pump Stations)	640.61
				Maintenance	417.78
19991	M&O	\$ 8,861.65	Tritech-CentralSquare	Maintenance	
19992	M&O	\$ 120.59	Arrow Fire Protection	Maintenance	
19993	M&O	\$ 56.42	City of Cupertino	Maintenance	
19994	M&O	\$ 1,197.00	Mission Communications	Maintenance	
19995	M&O	\$ 65,083.00	AB/JDD Plumbing Heating & AC	Maintenance	
19996	M&O	\$ 22,542.30	RotoRooter	Maintenance	
19997	M&O	\$ 68,401.39	Able Underground Construction	Maintenance	48,604.05
				Emergency Funds	19,797.34
19998	M&O	\$ 5,941.87	PG&E	Utilities (Pump Stations)	
19999	M&O	\$ 79.76	City of Santa Clara Utilities	Utilities (Pump Stations)	
20000	M&O	\$ 25,387.94	Vivax-Metrotech	District Equipment	
TOTAL WARRANTS		\$ 823,222.46			

Pk Flow Red. Total:	\$ 294.39	District Staff
Maintenance Total:	\$ 356,026.87	Staff, Home Depot, Tritech, Arrow Fire, City of Cupertino, Mission Comm, Roto, ABLE, AB/JDD
Utilities Total:	\$ 7,074.33	PG&E, City of Santa Clara Utilities, San Jose Water Co., Internet, Cellphones
Emergency Total:	\$ 26,600.68	District Staff, Able
Pump Station Portion:	\$ 53,493.94	District Staff, St. Francis, home Depot, Utilities (all Pump Stations)
VTa Portion:	\$ -	

EMERGENCY DETAILS:

Able - Two emergencies this month

AB/JDD Plumbing - No emergencies this month

Roto-Rooter - No emergencies this month

From: Gutierrez, Michelle <michelle.gutierrez@rov.sccgov.org>
Sent: Friday, July 19, 2024 3:02 PM
To: Frankie Martinez
Cc: Renteria, Rocio; Cuen, Brittney
Subject: Notice of Election Publication - Cupertino Sanitary District
Attachments: Notice of Election - Nov 5, 2024 General Election - Cupertino Sanitary District.pdf

You don't often get email from michelle.gutierrez@rov.sccgov.org. [Learn why this is important](#)

Dear District Secretary:

Enclosed please find your copy of the Notice of Election prepared by our office. Please be advised that pursuant to Election Code Section 12113 this notice is required to be posted at your office. Our office will have this notice published in the newspaper selected by the district.



Michelle Gutierrez

Executive Assistant

County of Santa Clara-Registrar of Voters Office

1555 Berger Drive, Bldg. 2

San Jose, CA 95112

(408) 282-3269

michelle.gutierrez@rov.sccgov.org

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**County of Santa Clara
Registrar of Voters' Office
NOTICE OF GENERAL ELECTION
NOVEMBER 5, 2024**

NOTICE IS HEREBY GIVEN that on November 5, 2024, a Governing Board Election will be held in the County of Santa Clara, specifically including the district(s) named below and the office(s) for which candidates may be nominated.

Also, pursuant to Education Code section 5342 and Elections Code section 10400, such Election may be either completely or partially consolidated.

To be elected:

Terms of Office: Full-Term: 4 years; Short-Term: 2 years

SANTA CLARA COUNTY SPECIAL DISTRICT OFFICES

Cupertino Sanitary District (Three Full-Term Seats: At-Large)

Special District Director/Commissioner General Qualifications: Candidates must be a resident and qualified elector of the district. Unless otherwise noted below, candidacy signature requirements are subject to Elections Code Section 8062(3); candidates must also obtain and file all required nomination forms with the Office of the Registrar of Voters located at 1555 Berger Drive, Building # 2, San José, CA 95112. Specific eligibility requirements for certain special districts are also listed below, in alphabetical order of special district, including the location of where to file nomination documents.

NOTICE IS FURTHER GIVEN that the Declaration of Candidacy for eligible candidates desiring to file for elective office may be obtained from the County of Santa Clara Registrar of Voters' Office, 1555 Berger Drive, Building #2, Candidate Services Division, San José, California, 95112. The Declaration of Candidacy will be available on July 15, 2024 and must be filed with the Registrar of Voters at the above noted address no later than 5:00 p.m. on August 9, 2024.

NOTICE IS FURTHER GIVEN that appointment to each elective office will be made in the event there are no nominees or an insufficient number of nominees for each office and a petition for the Election, signed by ten percent (10%) of the voters or 50 voters, whichever is the smaller number in the District, has not been filed no later than 5:00 p.m. on August 14, 2024.

NOTICE IS FURTHER GIVEN that all active registered voters will automatically be mailed a Vote-by-Mail ballot package beginning on October 7, 2024; the Vote Centers for said election will be open starting on October 26, 2024, through November 5, 2024, for varying hours of operations. Please see our List of Vote Centers hours of operation posted on our website at <https://www.sccvote.org/>. The Vote Centers will be open on Election Day, November 5, 2024, from 7:00 a.m. until 8:00 p.m. All ballots cast in said Election will be counted centrally at the County of Santa Clara Registrar of Voters' Office, 1555 Berger Drive, Building #2, San José, California, 95112.

NOTICE IS FURTHER GIVEN that pursuant to Elections Code section 15101(b), as amended by AB 860, Vote-by-Mail ballots can be opened and processed for counting beginning on October 7, 2024, at the County of Santa Clara Registrar of Voters' Office, 1555 Berger Drive, Building #2, San José, California, 95112.

Dated: July 19, 2024

Matt Moreles, Acting Registrar of Voters

CUPERTINO SANITARY DISTRICT
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2023



**CUPERTINO SANITARY DISTRICT
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JUNE 30, 2023**

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cupertino Sanitary District
Cupertino, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of Cupertino Sanitary District, (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of June 30, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Harshmal & Company LLP

Oakland, California
June 28, 2024

**CUPERTINO SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

The Cupertino Sanitary District (the "District"), established in 1953 and reorganized in 1956, serves various communities in Santa Clara County, including Cupertino, parts of Saratoga, Sunnyvale, Los Altos, and unincorporated areas. Covering approximately 15 square miles and catering to a population exceeding 59,000 individuals across more than 23,000 residential and business units, the District plays a crucial role in wastewater collection, treatment, and disposal. Its infrastructure comprises over 1 million lineal feet of sewer mains, 0.5 million lineal feet of sewer laterals, 17 pump stations, 4000 manholes, and flushing inlets, and an equipment storage facility, facilitating the conveyance of nearly 5 million gallons of wastewater daily for treatment at the San Jose/Santa Clara Water Pollution Control Plant.

Established over half a century ago, the District serves as a vital entity in managing wastewater in its designated areas, ensuring environmental sustainability and public health. With a comprehensive network of sewer mains, pump stations, and other infrastructure, the District efficiently handles the collection, treatment, and disposal of wastewater generated by its diverse population. By collaborating with the San Jose/Santa Clara Water Pollution Control Plant, the District contributes significantly to the region's overall sanitation and environmental protection efforts, reflecting its commitment to maintaining the quality of life for its residents and the surrounding ecosystem.

The following discussion and analysis of the District's financial performance provide an overview of the District's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

1. Change in net position at the end of FY 2022-23 is \$465,118 as compared to last fiscal year's amount of \$(151,721) which is an increase of \$616,839, or 406.56%.
2. Total operating revenue decreased by \$966,432, or 4.05%. This was the result of a \$500,553, or 2.50%, increase in sewer service charges and a \$1,466,985, or 37.83%, decrease in revenue from permits, inspection, and other fees.
3. Nonoperating revenue increased by \$274,497, or 293.83%, from \$93,421 to \$367,918 due to an increase in interest income. Nonoperating expenses decreased by \$571,760, or 70.02%, from \$816,509 to \$244,749 due to a decrease in investments of the fair market value of Santa Clara County Commingled Investment Pool (GASB 31).
4. The operating expenses decreased by \$737,014 because of a significant decrease in Sewage treatment, which substantially affected various areas as detailed below:
 - a. Sewage treatment plant cost decreased by \$3,575,061 primarily due to the decreased capital expenditure at the treatment plant. Capital costs decreased by \$4,154,805, or 49.29%, from \$8,429,645 to \$3,784,547 and operation and maintenance costs increased by 579,744, or 8.68% from \$6,675,376 to \$7,255,120.
 - b. The District's capital project expenses for this fiscal year were \$1,447,653, as compared to \$253,202 for the previous fiscal year, an increase of \$1,194,451 due to increase in the District capital project expenses and financial resources dedicated to sewer repair and maintenance.
 - c. Repair and maintenance costs were \$4,269,458 for this fiscal year, which was \$478,247 more than the prior year.

**CUPERTINO SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL HIGHLIGHTS - CONT'D

- d. Engineering expenses decreased by \$73,566, or 3.98%, as compared to the previous fiscal year. The decrease in engineering costs is largely due to a decrease in expenses relating to peak flow reduction for small projects and larger development projects.
 - e. Legal expenses for the Common Interest Group litigation and the District Counsel legal services totaled \$1,830,689, an increase of \$1,315,190, or 255.13% from prior year.
- 5. Current assets increased by \$2,328,546, or 10.71%, to \$24,072,846 from \$21,744,300. This is primarily due to a decrease in cash of \$708,116 and increase in accounts receivable \$2,630,694. The capital unrestricted investment is being tracked separately for the future needs to fund City of San Jose treatment plant improvement cost with an annual transfer of cash into the unrestricted capital investment fund of \$300,000, now totaling \$3,600,000.
 - 6. Noncurrent assets, which consist solely of capital assets, decreased by \$186,425 (0.70)% from \$26,615,667 to \$26,429,242. This is the result of the depreciation of assets.
 - 7. Total assets increased by \$2,142,121 from \$48,359,967 to \$50,502,088. This is approximately equal to the decrease in cash and increase in accounts receivable.
 - 8. The actual cash balance is \$17,612,777, compared to \$18,320,893 in the previous fiscal year, a decrease of \$708,116, as previously explained in the total current assets.
 - 9. Net investment in capital assets is \$26,429,242, which reflects a decrease of \$186,425 due to total new asset acquisitions of \$474,584, which was offset by annual depreciation of \$661,009.
 - 10. Current liabilities increased by \$2,702,003, or 134.96%, from \$2,002,127 to \$4,704,130. This is primarily due to an increase in accounts payable of \$2,704,481.

Annual Report Overview

This annual report consists of two parts: Management's Discussion and Analysis and Financial Statements. The Financial Statements also include notes that explain in more detail some of the information contained in those statements.

Required Financial Statements - The District's financial statements report financial information about the District using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It also provides the basis for computing the rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges.

**CUPERTINO SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

Required Financial Statements - Cont'd

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts, cash disbursements, and net changes in cash resulting from operating, investing, and capital and noncapital financing activities. It provides answers to questions such as, "Where did the cash come from?" "Cash was used for what purpose?" and "What was the change in cash balance during the reporting period?"

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is whether or not the District's overall financial position has improved or deteriorated. To figure this out, we look at two essential documents: The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position. The Statement of Net Position shows us the District's overall financial situation. It's like checking the balance between what we own (assets) and what we owe (liabilities). Improving this balance over time is a good sign for our financial health. The Statement of Revenues, Expenses, and Changes in Net Position gives us more details. It shows the money coming in and going out and how it affects our financial situation. So, our financial health improves when we see positive changes in these statements over time. However, we must also consider other factors like economic conditions, population growth, and new laws that could impact our finances.

Statement of Net Position: The District's total net position increased from the previous year by \$465,118. The following condensed financial statements include summary figures from the Statement of Net Position and the Statement of Revenue, Expenses and Changes in Net Position.

**Table 1
Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022 <i>Restated</i></u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Assets:				
Current assets	\$ 24,072,846	\$ 21,744,300	\$ 2,328,546	10.71%
Capital assets, net	<u>26,429,242</u>	<u>26,615,667</u>	<u>(186,425)</u>	<u>(0.7)%</u>
Total assets	<u>50,502,088</u>	<u>48,359,967</u>	<u>2,142,121</u>	<u>4.43%</u>
Liabilities:				
Current liabilities	4,704,130	2,002,127	2,702,003	134.96%
Noncurrent liabilities	<u>6,125,000</u>	<u>7,150,000</u>	<u>(1,025,000)</u>	<u>(14.34)%</u>
Total liabilities	<u>10,829,130</u>	<u>9,152,127</u>	<u>1,677,003</u>	<u>18.32%</u>
Net Position:				
Net investment in capital assets	26,429,242	26,615,667	(186,425)	(0.70)%
Unrestricted net position	<u>13,243,716</u>	<u>12,592,173</u>	<u>651,543</u>	<u>5.17%</u>
Total net position	<u><u>\$ 39,672,958</u></u>	<u><u>\$ 39,207,840</u></u>	<u><u>\$ 465,118</u></u>	<u><u>1.19%</u></u>

**CUPERTINO SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT - CONT'D

Changes in Net Position: In part, changes in the District's net position can be determined by reviewing the following condensed Statements of Revenue, Expenses, and Changes in Net Position.

**Table 2
Statements of Revenue, Expenses, and Changes in Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022 <i>Restated</i></u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Revenues:				
Operating revenue	\$ 22,913,877	\$ 23,880,309	\$ (966,432)	(4.05)%
Nonoperating revenue	<u>367,918</u>	<u>93,421</u>	<u>274,497</u>	<u>293.83%</u>
Total revenues	<u>23,281,795</u>	<u>23,973,730</u>	<u>(691,935)</u>	<u>(2.89)%</u>
Expenses:				
Operating expenses	22,571,928	23,308,942	(737,014)	(3.16)%
Nonoperating expenses	<u>244,749</u>	<u>816,509</u>	<u>(571,760)</u>	<u>(70.02)%</u>
Total expenses	<u>22,816,677</u>	<u>24,125,451</u>	<u>(1,308,774)</u>	<u>(5.42)%</u>
Changes in net position	465,118	(151,721)	616,839	406.56%
Net position, beginning of year	<u>39,207,840</u>	<u>39,359,561</u>	<u>(151,721)</u>	<u>(0.39)%</u>
Net position, ending of year	<u><u>\$ 39,672,958</u></u>	<u><u>\$ 39,207,840</u></u>	<u><u>\$ 465,118</u></u>	<u><u>1.19%</u></u>

CAPITAL ASSETS - At the end of the fiscal year, June 30, 2023, the District had \$26,429,242 (net of accumulated depreciation) Net Investment in Capital Assets. The assets included land, equipment, a collection system consisting of subsurface lines, and sewage treatment plant capacity rights. Acquisitions for the fiscal year totaled \$474,584, while annual depreciation expense is \$661,009, or a net decrease of \$186,425. The following table summarizes the District's capital assets at historical costs for the fiscal year ended June 30, 2023.

**Table 3
Capital Assets at Year-End**

	<u>June 30, 2023</u>	<u>June 30, 2022 <i>Restated</i></u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Land	\$ 16,897	\$ 16,897	\$ -	-%
Equipment	1,712,989	1,619,294	93,695	5.79%
Sub sewer system	35,467,382	35,086,493	380,889	1.09%
Intangible assets - capacity rights	<u>8,947,170</u>	<u>8,947,170</u>	<u>-</u>	<u>-%</u>
Total	<u>46,144,438</u>	<u>45,669,854</u>	<u>474,584</u>	<u>1.04%</u>
Less: accumulated depreciation	<u>(19,715,196)</u>	<u>(19,054,187)</u>	<u>(661,009)</u>	<u>3.47%</u>
Capital assets, net	<u><u>\$ 26,429,242</u></u>	<u><u>\$ 26,615,667</u></u>	<u><u>\$ (186,425)</u></u>	<u><u>(0.70)%</u></u>

Additional information on capital assets can be found in Note 4 to the financial statements.

**CUPERTINO SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

RATES AND OTHER ECONOMIC FACTORS

The District's elected officials consider many factors when setting the fiscal budget, including the economy, increased salary and benefit costs for both the District operations and the City of San Jose Treatment Plant operations, and increased capital improvement programs. In addition, the District's operation is governed in part by the requirements and provisions of the State Water Resources Control Board (SWRCB) that require adequate funding to cover the costs of operation, maintenance, and recurring capital replacement (OM&R) to be in compliance with the Sewer System Management Plan (SSMP).

The District is not subject to general economic conditions such as increases or decreases in property tax values or other types of revenues that vary with economic conditions such as sales taxes.

Accordingly, the District sets its rates to its users to cover the costs of OM&R and projected capital improvement cost plus any requirements in program costs. Increases in operating costs have been kept at or below inflationary levels in recent years for the District's portion of expenses. However, the San Jose Santa Clara Treatment Plant expenses have increased at higher rates due to the rehabilitation or replacement of the plant's older infrastructure. The District has obtained a loan to pay for a portion of these capital expenses.

REQUESTS FOR INFORMATION

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and demonstrate accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District at 20863 Stevens Creek Blvd., Suite #100, Cupertino, California, 95014, or by calling (408) 253-7071.

FINANCIAL STATEMENTS

CUPERTINO SANITARY DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2023
(With comparative totals as of June 30, 2022)

	<u>2023</u>	<u>2022</u> <i>Restated</i>
ASSETS		
Current assets:		
Cash	\$ 17,612,777	\$ 18,320,893
Capital restricted investment	3,600,000	3,300,000
Accounts receivable	2,632,021	1,327
Interest receivable	114,067	33,811
Prepaid expenses	<u>113,981</u>	<u>88,269</u>
Total current assets	<u>24,072,846</u>	<u>21,744,300</u>
Noncurrent assets:		
Capital assets, net	<u>26,429,242</u>	<u>26,615,667</u>
Total noncurrent assets	<u>26,429,242</u>	<u>26,615,667</u>
Total assets	<u>50,502,088</u>	<u>48,359,967</u>
LIABILITIES		
Current liabilities:		
Accounts payable	3,414,596	710,115
Other liabilities	264,534	287,012
Bonds payable - current portion	<u>1,025,000</u>	<u>1,005,000</u>
Total current liabilities	<u>4,704,130</u>	<u>2,002,127</u>
Noncurrent liabilities:		
Bonds payable - noncurrent portion	<u>6,125,000</u>	<u>7,150,000</u>
Total noncurrent liabilities	<u>6,125,000</u>	<u>7,150,000</u>
Total liabilities	<u>10,829,130</u>	<u>9,152,127</u>
NET POSITION		
Net investment in capital assets	26,429,242	26,615,667
Unrestricted	<u>13,243,716</u>	<u>12,592,173</u>
Total net position	<u>39,672,958</u>	<u>39,207,840</u>
Total liabilities and net position	<u>\$ 50,502,088</u>	<u>\$ 48,359,967</u>

The accompanying notes are an integral part of these financial statements.

CUPERTINO SANITARY DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023
(With comparative totals for the year ended June 30, 2022)

	<u>2023</u>	<u>2022</u> <i>Restated</i>
OPERATING REVENUES		
Sewer service charges	\$ 20,503,493	\$ 20,002,940
Permits, inspection, and other fees	<u>2,410,384</u>	<u>3,877,369</u>
Total operating revenues	<u>22,913,877</u>	<u>23,880,309</u>
OPERATING EXPENSES		
Sewage treatment	11,039,667	14,614,728
Capital outlay	1,447,653	253,202
Management services	660,941	601,915
Legal costs	1,830,689	515,499
Engineering	1,775,671	1,849,237
Office expenses	7,260	6,345
Repairs & maintenance	4,269,458	3,791,211
Outfall maintenance and capital	456,721	578,527
Utilities	71,061	63,937
Membership fees	31,323	37,759
Insurance	155,361	137,903
Emergency expenses	165,114	100,714
Depreciation	<u>661,009</u>	<u>757,965</u>
Total operating expenses	<u>22,571,928</u>	<u>23,308,942</u>
Net operating income	<u>341,949</u>	<u>571,367</u>
NONOPERATING REVENUES (EXPENSES)		
Interest income	367,918	93,421
Unrealized gain/(loss) on investments fair value	(47,086)	(540,784)
Interest expenses	(185,063)	(210,000)
Miscellaneous	<u>(12,600)</u>	<u>(65,725)</u>
Total nonoperating revenues (expenses)	<u>123,169</u>	<u>(723,088)</u>
Change in net position	465,118	(151,721)
Net position, beginning of year	<u>39,207,840</u>	<u>39,359,561</u>
Net position, end of year	<u><u>\$ 39,672,958</u></u>	<u><u>\$ 39,207,840</u></u>

The accompanying notes are an integral part of these financial statements.

CUPERTINO SANITARY DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(With comparative totals for the year ended June 30, 2022)

	<u>2023</u>	<u>2022</u> <i>Restated</i>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and other sources	\$ 20,283,183	\$ 22,568,385
Payment to suppliers and service providers	<u>(19,254,628)</u>	<u>(21,346,475)</u>
Net cash provided by operating activities	<u>1,028,555</u>	<u>1,221,910</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	287,662	84,399
Unrealized gain/(loss) on investments fair value	(47,086)	(540,784)
Acquisitions of capital assets	<u>(474,584)</u>	<u>(301,837)</u>
Net cash used in investing activities	<u>(234,008)</u>	<u>(758,222)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Repayment of loan	(1,005,000)	(490,000)
Interest expense	(185,063)	(210,000)
Miscellaneous	<u>(12,600)</u>	<u>(65,725)</u>
Net cash used in capital and related financing activities	<u>(1,202,663)</u>	<u>(700,000)</u>
Change in cash and cash equivalents	(408,116)	(236,312)
Cash and cash equivalents - beginning	<u>21,620,893</u>	<u>21,857,205</u>
Cash and cash equivalents - ending	<u><u>\$ 21,212,777</u></u>	<u><u>\$ 21,620,893</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES:		
Operating income/(loss)	\$ 341,949	\$ 571,367
Adjustments to reconcile operating income/(loss) to net cash provided by operating activities:		
Depreciation	661,009	757,965
Change in operating assets and liabilities		
Accounts receivable	(2,630,694)	10,393
Prepaid expenses	(25,712)	(28,828)
Accounts payable	2,704,481	(153,116)
Other liabilities	<u>(22,478)</u>	<u>64,129</u>
Net cash provided by operating activities	<u><u>\$ 1,028,555</u></u>	<u><u>\$ 1,221,910</u></u>

The accompanying notes are an integral part of these financial statements.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Cupertino Sanitary District (the "District") is a separate governmental unit established as a special district of the State of California. The District was organized on December 28, 1953, as County Sanitation District No. 7 and reorganized on April 30, 1956, as the District. Through an agreement with the City of San Jose and Santa Clara for treatment and disposal services, the District provides sewage collection services to the area in and around the Cities of Cupertino, one-third of the city of Saratoga in Santa Clara County, minimal areas in the cities of San Jose, Sunnyvale, and Los Altos. Revenues are derived principally from sewer service charges collected from commercial and residential users within the District.

B. Reporting Entity

Although the nucleus of a financial reporting entity usually is a primary government, an organization other than a primary government, such as a stand-alone government, may serve as the nucleus for its financial reporting entity when the stand-alone government provides separately issued financial statements. A stand-alone government is a legally separate government organization that has a separately elected governing body and does not meet the definition of a component unit. The District meets the criteria as a stand-alone government and, accordingly, is accounted for and reported on as though it were a primary government.

For financial reporting purposes and in conformity with the Governmental Accounting Standards Board ("GASB") Codification Section 2100, which defines the governmental reporting entity, the District includes all funds that are controlled by, or are dependent on the Board of Directors of the District. Since no other entities are controlled by, or rely upon the District, the reporting entity consists solely of the District.

C. Fund Accounting Classification

The financial statements of the District are presented as those of an enterprise fund under the broad category of funds called proprietary funds, which also include internal service funds. Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition and capital improvement of the physical plant facilities required to provide these goods and services can be financed from existing cash resources, cash flow from operations, the issuance of bonds, and contributed capital.

D. Basis of Accounting

The District is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. The District follows Alternative 1 of GASB 20 regarding the use of the pronouncements of the Governmental Accounting Standards Board ("GASB") and Financial Accounting Standards Board ("FASB") in its accounting. That is, the District follows (1) all GASB pronouncements and (2) FASB pronouncements, Accounting Principles Board ("APB") Opinions, and Accounting Research Bulletins ("ARB") that do not conflict with GASB pronouncements. The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods connected to the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sales and services. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

D. Basis of Accounting - Cont'd

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The District first applies restricted revenues when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

E. Investments

Investments are stated at fair value (the price that would be received to sell an asset in an orderly transaction between market participants acting in their economic best interest at the measurement date). Changes in fair value that occur during the fiscal year are reported as part of investment and interest income. Investment and interest income includes interest earnings and realized and unrealized gains or losses in fair value. Investment and interest income are recorded as revenues and receivables when declared and realized gains or losses are recorded when the investment is sold.

F. Capital Assets and Depreciation

Property, plant, and equipment purchased are stated at cost. Subsurface sewer lines, equipment, land, and improvements contributed to the district are stated at estimated value at the time of contribution. Depreciation is provided using the straight-line method over estimated useful lives. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Assets</u>	<u>Estimated Life</u>
Equipment	7 years
Pump stations	15 years
Sewer collection facilities	50 years

The District's threshold for capitalization is \$5,000. Intangible assets with indefinite useful lives (capacity rights) are not depreciated.

G. Leases

Lessee: At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

G. Leases - Cont'd

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets, and lease liabilities are reported as long-term debt on the statement of net position.

Lessor: At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) the lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

H. Lease Liabilities

On July 1, 2021, the District adopted GASB 87 - Leases and adopted the changes to conform to the provisions of the GASB 87 Implementation Guide. Lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. The lease liability is measured at the present value of the remaining lease payments, using a discount rate based on the rate implicit in the lease, if readily determinable. Otherwise, the District uses its incremental borrowing rate at the commencement date to determine the present value of future payments.

The District examined the guidance for the current year and concluded that the adoption of GASB 87 - leases had no impact on the financial statements.

I. Statements of Cash Flows

For purposes of the statement of cash flows, all highly liquid investments with maturities of three months or less, when purchased, are considered cash equivalents.

CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

J. Net Position

The proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - All other net positions that do not meet the definition of “restricted” or “net investment in capital assets”.

K. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

L. Accounting Pronouncements

Current Accounting Pronouncements - The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

GASB Statement No. 91: Conduit Debt Obligations - The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 94: Public - Private and Public - Public Partnerships and Availability Payments Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96: Subscription - Based Information Technology Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 99: Omnibus 2022 - The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022.

The District had no reportable impacts for the fiscal year 2022-23.

Future Accounting Pronouncements - GASB Statements listed below will be implemented in future financial statements:

GASB Statement No. 99: Omnibus 2022 - The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100: Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62 - The provisions of this Statement are effective for fiscal years beginning after June 15, 2023.

CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

L. Accounting Pronouncements - Cont'd

GASB Statement No. 101: Compensated Absences - The provisions of this Statement are effective for fiscal years beginning after December 15, 2023.

The District is currently evaluating these new standards to determine what impact they will have on the District.

NOTE 2 - CASH AND INVESTMENTS

The cash in the bank is insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. Cash and investments at June 30, 2023, consists of the following:

	<u>Amount</u>
Cash and investments:	
Cash with County Treasury common pool	\$ 17,666,090
Cash in bank	<u>3,546,687</u>
Total cash and investments	<u><u>\$ 21,212,777</u></u>

A. Investments - Credit Risk

The District's investment policy limits investment choices to obligations of local, state and federal agencies, commercial paper, certificates of deposit, repurchase agreements, corporate notes, banker acceptances, and other securities allowed by *State Government Code* Section 53600. At June 30, 2023, all investments represented governmental securities which were issued, registered and held by the District's agent in the District's name.

B. Investments - Concentration of Credit Risk

The District does not place limits on the amount it may invest in any one issuer. At June 30, 2023, the District did not have any investments outside the County treasury.

C. Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 - CASH AND INVESTMENTS - CONT'D

C. Fair Value Measurements - Cont'd

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that date if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Santa Clara County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share.

All assets have been valued using a market approach, with quoted market prices.

Governmental Accounting Standards Board, Statement No. 31, "Accounting and Financial Reporting for Certain Investment and for External Investment Pools" establishes accounting and financial reporting standards for all investments held by governmental external investment pools. The statement requires governmental entities to report investments at fair value. The original cost of cash with the County Treasury common pool as of June 30, 2023, is \$18,191,800.

NOTE 3 - LEGAL CHARGES AND ACCOUNT RECEIVABLE

As of June 30, 2023, the District has recognized accounts receivable pertaining to legal expenses incurred on behalf of the Common Interest Group, in accordance with the Common Interest Agreement executed on August 25, 2015, involving the West Valley Sanitation District, Cupertino Sanitary District, Santa Clara County Sanitation District 2-3, Burbank Sanitary District, and the City of Milpitas. As outlined in Section 3E of the Common Interest Agreement, the Parties are authorized to jointly engage consultants or experts, and the associated legal expenses are apportioned among the parties based on a predetermined percentage given below.

City of Milpitas	40%
West Valley Sanitation District	34%
Cupertino Sanitary Districts	22%
Santa Clara County Sanitation District	3%
Burbank Sanitary District	1%

During the fiscal year, the District incurred legal expenses amounting to \$9,251,048, primarily attributable to legal services provided by Hunton Andrews Kurth LLP. The District received reimbursements from other parties totaling \$4,584,742. As of June 30, 2023, the District had accounts receivable of \$2,631,075, representing legal expenses not fully reimbursed by the other party.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 - CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2023 is as follows:

	<u>June 30, 2022</u>	<u>Prior Period Adjustment</u>	<u>Increase/ (Decrease)</u>	<u>Balance at June 30, 2023</u>
Capital assets, not being depreciated:				
Intangible assets - capacity rights	\$ 8,947,170	\$ -	\$ -	\$ 8,947,170
Land	<u>16,897</u>	<u>-</u>	<u>-</u>	<u>16,897</u>
Total capital assets, not being depreciated	<u>8,964,067</u>	<u>-</u>	<u>-</u>	<u>8,964,067</u>
Capital assets, being depreciated:				
Equipment	1,619,294	-	93,695	1,712,989
Sub sewer system	<u>35,086,493</u>	<u>-</u>	<u>380,889</u>	<u>35,467,382</u>
Total capital assets, being depreciated	<u>36,705,787</u>	<u>-</u>	<u>474,584</u>	<u>37,180,371</u>
Less: accumulated depreciation	<u>(18,954,954)</u>	<u>(99,233)</u>	<u>(661,009)</u>	<u>(19,715,196)</u>
Total capital assets, being depreciated, net	<u>17,750,833</u>	<u>(99,233)</u>	<u>(186,425)</u>	<u>17,465,175</u>
Capital assets, net	<u>\$ 26,714,900</u>	<u>\$ (99,233)</u>	<u>\$ (186,425)</u>	<u>\$ 26,429,242</u>

Depreciation expense for the year ended June 30, 2023 is \$661,009.

NOTE 5 - ACCOUNTS PAYABLE

As of June 30, 2023, accounts payable consist of the following:

Hunton Andrews Kurth LLP	\$ 2,305,734
Mark Thomas and company, Inc.	568,806
Cratus, Inc.	343,900
Other's payable	<u>196,156</u>
Total accounts payable	<u>\$ 3,414,596</u>

NOTE 6 - COMMITMENTS AND CONTINGENT LIABILITIES

The District has an agreement with the cities of San Jose and Santa Clara relating to the discharge of sewage into the San Jose-Santa Clara Regional Wastewater Facility (Plant). Total charges under this agreement for the year ended June 30, 2023, were \$11,039,667. These charges were calculated based on the District's share of budgeted Plant operating expenditures and estimated capital improvements to the Plant. The City of San Jose invoices the District for these charges throughout the year and then reconciles the payments made by the District to the actual expenses incurred by the wastewater plant subsequent to each fiscal year-end.

**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - COMMITMENTS AND CONTINGENT LIABILITIES - CONT'D

The prior year's under or overpayment made by the District versus actual expenses incurred by the treatment plant is now paid in cash to the District in lieu of a credit to the District in the third quarter of the subsequent year. As of the end of FY 2022-23, the District is required to pay cash for the treatment plant capital outlay without any long-term financing. The City of San Jose provided preliminary capital budgets for the next five fiscal years, totaling \$24,677,858, with the next fiscal year amounting to \$3,379,003. In anticipation of this, the District has been setting aside \$300,000 annually to meet these obligations under a cash investment fund that currently has \$3,600,000. The District has also secured a \$10 million loan to fund this treatment plant capital cost.

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destructions of assets; errors and omissions; injuries to third parties and natural disasters. The District pays annual premiums to purchase commercial insurance through the California Sanitation Risk Management Authority (CSRMA) Primary Insurance Program to protect against these risks.

General Liability

General Aggregate (Bodily Injury, Property Damage and Medical)	\$	3,000,000
Products	\$	3,000,000
Personal and Advertising Injury	\$	1,000,000
Each Occurrence and Hired and Non-Owned Auto Liability	\$	1,000,000
Damage to Premises Rent	\$	1,000,000
Hired and Non-Owned Auto Liability	\$	1,000,000
Medical Expenses	\$	10,000
Additional Liability Coverages -Hires and Non Owned Auto Liability Coverage - Aggregate Limit	\$	1,000,000

Public Officials and Management Liabilities

Wrongful Acts, Employment Practices and Employee Benefits - Each Offense	\$	3,000,000
Defense Expenses for Injunctive Relief	\$	3,010,000

Privacy Liability and Network Risk Coverage

In the aggregate for all claims	\$	1,000,000
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Excess Liability Coverage

Each Occurrence Limit, General Aggregate Limit	\$	8,000,000
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**CUPERTINO SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 - LONG TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

	<u>Balance at June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2023</u>	<u>Amount Due Within One Year</u>
2019 tax-exempt government bond	\$ 8,155,000	\$ -	\$ (1,005,000)	\$ 7,150,000	\$ 1,025,000
Total	<u>\$ 8,155,000</u>	<u>\$ -</u>	<u>\$ (1,005,000)</u>	<u>\$ 7,150,000</u>	<u>\$ 1,025,000</u>

Annual maturities of the notes payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,025,000	\$ 172,375	\$ 1,197,375
2025	1,055,000	146,563	1,201,563
2026	1,080,000	120,063	1,200,063
2027	1,105,000	92,875	1,197,875
2028	1,135,000	65,063	1,200,063
2029	<u>1,750,000</u>	<u>43,936</u>	<u>1,793,936</u>
	<u>\$ 7,150,000</u>	<u>\$ 640,875</u>	<u>\$ 7,790,875</u>

NOTE 9 - RESTATEMENT OF NET POSTION

During the fiscal year ended June 30, 2023, the District found that the changes to the beginning's net position were necessary due to accounts receivable, accounts payable, other liabilities, and accumulated depreciation were not correctly recorded on its previous year's financial statements. As a result, following the prior period adjustments have been made in the District's financial statements to record the proper beginning net position:

Net Position - beginning, as previously reported	\$ 37,504,251
Decrease in accounts receivable	(9,788)
Decrease in accounts payable	490,293
Decrease in other liabilities	1,322,317
Increase in accumulated depreciation	<u>(99,233)</u>
Net position - beginning, as <i>restated</i>	<u>\$ 39,207,840</u>

NOTE 10 - SUBSEQUENT EVENTS

The management has evaluated all subsequent events through June 28, 2024, the date through which the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements, nor have any subsequent events occurred, the nature of which would require disclosure.

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Cupertino Sanitary District
Cupertino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Cupertino Sanitary District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harshmal & Company LLP

Oakland, California
June 28, 2024

**CUPERTINO SANITARY DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness?	None reported
• Noncompliance material to financial statements noted?	No

**CUPERTINO SANITARY DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the fiscal year ended June 30, 2023.

**CUPERTINO SANITARY DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION I - STATUS OF PRIOR YEAR AUDIT FINDINGS


There were no findings reported in prior year.

Booth Registration Now Open for Cupertino Rotary Fall Fest 2024!

Kelly Wissmar <kwissmar@comcast.net>

Sat 7/20/2024 3:35 PM

To: Kelly Wissmar <kwissmar@comcast.net>

 1 attachments (581 KB)

Fall Fest 2024 Flyer.jpeg;

Hello from Cupertino Rotary!

We are thrilled to announce that Booth Registration for Fall Fest 2024 is now open! Join us on **Saturday, Sept 14, 10 am-6 pm** for a day of fun, food and festivities at Cupertino's Memorial Park.

==> **Register [here](#).**

Don't miss this opportunity to showcase your business at one of the most anticipated community events of the year! With a prime location along Stevens Creek Blvd, Fall Fest 2024 promises unmatched public exposure. Engage with a vibrant crowd enjoying a fine arts exhibition, cultural parade, gourmet food trucks, craft beer tasting, artisan crafts and live entertainment throughout the day, headlined by the District XVII rock & pop band. Families will love our expanded Kids' Zone, featuring pony rides, petting zoo, train ride, giant slides, wild animal show, magician, balloon twister and 30+ activities by Bay Area Scouting.

We'd be delighted to have you with us for this fantastic event. Check out the attached flyer.

Spaces are limited, so don't wait! Register now by clicking [here](#)!

Thanks for your continued support. Let's make this year's festival the best one yet!

Don't forget to include your business info so we can feature it on our [Fall Fest website](#) (2024 updates coming soon)!

Best Regards,

Kelly Wissmar

Cupertino Rotary, Fall Fest 2024 Booth Coordinator

Silicon Valley Fall Fest!

Celebrating

Community ★ Family ★ Fun

Saturday, Sept. 14, 2024 ★ 10:00am - 6:00pm
Memorial Park, Cupertino

FREE Admission & De Anza College Parking
(Flint Center Parking Structure)

Kids' Zone

- 🍂 Pony rides, petting zoo, giant slides
- 🍂 30+ kids activities with Bay Area Scouts
- 🍂 Magician, balloon twister, face painter
- 🍂 Bike rodeo & safety clinic
- 🍂 Robotics competition
- 🍂 Hot dogs, cotton candy, snow cones
- 🍂 On-stage artistic dance & music performances

Fun for Adults Too!

- 🍂 District XVII rock band
- 🍂 Gourmet food trucks & booths
- 🍂 Craft beer tasting
- 🍂 Fine art exhibition & sale
- 🍂 Cultural parade & booths
- 🍂 and much, much more!



Presented by:

Rotary
Club of Cupertino



In partnership with
the City of Cupertino:



Special thanks to:
Fremont Union High School District
and Cupertino Union School District

For full program and schedule visit: www.SV-FF.com

Booth Fees: Please check all that apply.

*

Note - Canopy Rental prices have increased due to new County regulations requiring canopy leg weights.

- ☐ \$250: Business Booth (10'x10' Space, includes 6'x3' table & 2 chairs)
- ☐ + \$175: Add Canopy Rental to my Space.
- ☐ + \$50: Add Electrical Hookup to my Space (120v/7.5A).

Questions or Comments? Please enter here.

Your answer

Please click **Submit** below. We will send you an email message with payment instructions. Thank You!

Your answer

Submit

Clear form

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Google Forms





Memo

Item 9A

To: Board of Directors
From: Benjamin Porter, District Manager-Engineer
Date: August 21, 2024
Re: Reimbursement of Sewer Permit Fee
877 Betlin Avenue, Cupertino
(APN: 369-27-027)

Summary:

The designer and applicant, Yin Su, acting on behalf of the property owner, Yun Sun, is requesting a partial reimbursement for payment of sewer permit fees.

On April 4, 2024, the District produced a plan review comment letter requiring the property owner to install a new property line cleanout, new lateral and pay a plan check fee of \$300, inspection fee of \$800, and a disconnecting and capping fee of \$250 due to the written scope/description of work.

On April 23, 2024, the owner called the District office and paid the \$300 plan check fee, \$800 inspection fee, and \$250 disconnecting and capping inspection fee over the phone with a credit card.

On May 13, 2024, the District Assistant Engineer reached out to the designer to seek clarification and confirm the scope of work. The designer confirmed that there is no intention of installing a new lateral from the property line to the sewer main; therefore, the District Assistant Engineer then notified the designer, via email, that the owner is not required to install a new lateral and that only a new property line cleanout would be needed. With this change, the new inspection fee would only be \$400 instead of \$800.

Recommendation:

Approve reimbursement of \$400.00 to Yun Su for the inspection fee.

Attachments:

1. Receipt of Fees # 12325
2. Original Comment Letter
3. Approved Comment Letter



20863 STEVENS CREEK BOULEVARD, SUITE 100
CUPERTINO, CALIFORNIA 95014-2154
PHONE (408) 253-7071 FAX (408) 253-5173
www.cupertinosanitarydistrict.org

Receipt #: 12325

Received From: Yun Sun

4/23/2024 2:33:22PM

Address: cathycug@gmail.com

Phone: 650-304-8175

Check / Property Information

Check No.	Mastercard...2042	Bank:	-
Amount:	One Thousand, Three Hundred, Fifty & 00/100	City Permit	BLD-2024-0636
APN #	369-27-027	CuSD Permit	24-060
Property:	877 BETLIN AVE, Cupertino, CA 95014	Bldg/Apt.	

PROOF OF PAYMENT

	Account Number	Amount:
Plan Check Fee	(405.10)	300.00
Inspection Fee Specify:	(430.10)	800.00
System Connections Fees:		
Residential Connections:	(405.10)	0.00
Non-Residential Connections:	(405.10)	0.00
Change in Use	(425.10)	0.00
Treatment Plant Use Fee:		
Residential Capacity Fee	(435.10)	0.00
Non-Residential Capacity Fee	(435.10)	0.00
Change in Use	(425.10)	0.00
Treatment Plant Use Fee for Pump Station Area:		
Residential Capacity Fee	(435.10)	0.00
Non-Residential Capacity Fee	(435.10)	0.00
Change in Use	(425.10)	0.00
Discharge Permit Fees	(405.10)	0.00
Other fees Specify:		
Capping Inspection Fee		250.00
Total:		1,350.00

Comment:

New construction of two story home with attached ADU. Replace 4" sewer line and install clean out.

District Staff fmartinez

DISTRICT MANAGER-ENGINEER
MARK THOMAS & COMPANY, INC.
BENJAMIN T. PORTER, P.E.

DISTRICT COUNSEL
ARMENTO AND HYNES, LLP
MARC HYNES



20863 STEVENS CREEK BOULEVARD, SUITE 100
CUPERTINO, CALIFORNIA 95014-2154
(408) 253-7071 PHONE • (408) 253-5173 FAX
WWW.CUPERTINOSANITARYDISTRICT.ORG

BOARD OF DIRECTORS
WILLIAM A. BOSWORTH
PATRICK S. KWOK
ANGELA S. CHEN
TAGHI S. SAADATI
DAVID A. DOYLE

Permit Form

OTC Permit:	<input type="checkbox"/>	Submittal #	1
Date:	4/3/2024	Cupertino Sanitary Permit #	24-060
APN:	369-27-027	Cupertino Building Permit #	BLD-2024-0636
Applicant Name:	Yin Su		
Address:	877 Betlin Avenue, Cupertino, CA 95014		
Scope of Work:	New construction of two story home with attached ADU. Replace 4" sewer line and install clean out.		

The Cupertino Sanitary District has reviewed the plans for the subject project:

- Sanitary sewer is available, and the existing building is connected to our sanitary sewer system, see conditions/requirements listed below.
- Customer shall provide CCTV of District-owned portion of sanitary sewer lateral for District's review per **Ordinance 130**.
- Additional Dwelling will be added to next fiscal year's sewer service charges.

Conditions/Requirements for permit approval:

Paid	Fees	Amount
-	Cupertino Sanitary District Lateral Plan Check Fee (\$300) (O.C. 7102.3.1)	\$300
-	Cupertino Sanitary District Inspection Fee (\$800) – New Lateral Installation with CCTV Inspection Included (O.C. 7102-4.3)	\$800
-	Cupertino Sanitary District Disconnecting & Capping Fee (\$250) is required for the subject improvements. Please do not issue any Building Permits. (O.C. 7203)	\$250
TOTAL DUE =		\$1,350

Completed	Conditions/Requirements
-	Show the following on the SITE PLAN on Sheet A0.0: <ul style="list-style-type: none">New Sanitary sewer lateral<ul style="list-style-type: none">Sanitary sewer lateral is located approximately 28' from the right property line.New Property Line Cleanout (PLCO)Callout for new PLCO and Lateral<ul style="list-style-type: none">"New PLCO per District Standards. See Detail 7""New Sewer Lateral per District Standards. See Detail 6"

PERMITS HAVE EXPIRATION DATE OF 1 YEAR FROM DATE OF APPROVAL. IF REFILING FOR PERMIT APPLICATION AFTER YEAR IS UP, NEW PERMIT FEES MUST BE PAID BY APPLICANT.

SUPPLYING SANITARY SEWERAGE SERVICES FOR: CITY OF CUPERTINO, PORTIONS OF THE CITIES OF SARATOGA, SUNNYVALE, LOS ALTOS AND SURROUNDING UNINCORPORATED AREAS

Cupertino Sanitary Permit # : 24-060
Cupertino Building Department # : BLD-2024-0636

Completed	Conditions/Requirements
	<ul style="list-style-type: none"> Add callout for the following: <ul style="list-style-type: none"> Existing sanitary sewer lateral shall be disconnected and capped in the presence of a District Inspector. The owner calls the District at least 48 hours prior to work to schedule and District Inspector. (O.C. 5203) Customer shall provide CCTV of District-owned portion of sanitary sewer lateral for District's review.
-	Provide note and show on plans that the Water supply lines shall not be installed in the same trench as, and shall be at least 10 feet horizontally from and one foot vertically above, any parallel pipeline conveying: (1) Untreated sewage. (Cal. Code Regs. Tit. 22, § 64572)
-	Cupertino Sanitary District Detail 1 (Standard Trench) shall be included on plans for District Approval. District details are available on our website at www.cupertinosanitarydistrict.org under Contractors (O.C. 5101)
-	Cupertino Sanitary District Detail 6 (New Sanitary Sewer Lateral) shall be included on plans for District Approval. District details are available on our website at www.cupertinosanitarydistrict.org under Contractors (O.C. 5101)
-	Cupertino Sanitary District Detail 7 (sewer lateral cleanout installation on existing sewer) shall be included on plans for District Approval. District details are available on our website at www.cupertinosanitarydistrict.org under Contractors (O.C. 5101)
-	Cupertino Sanitary District Detail 10 (Lateral Connections to Mains) shall be included on plans for District Approval. District details are available on our website at www.cupertinosanitarydistrict.org under Contractors (O.C. 5101)

Conditions/Requirements to be met during construction:

- Install a new sanitary sewer lower lateral to District's Standards. Lower lateral must be 4" PVC SDR26. The lower lateral must extend from the sanitary sewer main to the property line fronting the City right-of-way.
 - The Contractor performing work on the District owned sanitary sewers shall be required to register with the District and provide insurance as specified in Section 1.39 and 1.40 of the District's Standard Specifications.
 - Remove existing lateral and replace with new lateral.
- Install new property line cleanout to District's standards. See attached detail. The property line cleanout must be within 5 feet of the property line. Cleanout shall be the same diameter as the street portion of the service lateral. Gravity lateral is 4" diameter. **(O.C. 4101)**
 - A new property line cleanout is needed because there is not one currently on the property.*
- Existing sanitary sewer lateral shall be disconnected and capped in the presence of a District Inspector. The owner calls the District at least 48 hours prior to work to schedule and District Inspector. (O.C. 5203)
- Customer shall provide CCTV of District-owned portion of sanitary sewer lateral for District's review.
- Cupertino Sanitary District **Initial (Visual) Inspection** required. The contractor shall leave the new pipe installation exposed. Do not backfill. Owner to contact District **48 hours** prior to scheduling a District Inspector for a visual inspection. **(O.C. 5203)**
- Cupertino Sanitary District **Final (CCTV) Inspection and Approval** of the new property line cleanout, point of connection, and District lateral is required prior to clearance for City of Cupertino Final Inspection. Owner must allow District **at least 48 hours'** notice to schedule a

PERMITS HAVE EXPIRATION DATE OF 1 YEAR FROM DATE OF APPROVAL. IF REFLILING FOR PERMIT APPLICATION AFTER YEAR IS UP, NEW PERMIT FEES MUST BE PAID BY APPLICANT.

Cupertino Sanitary Permit # : 24-060
Cupertino Building Department # : BLD-2024-0636

District Inspector for a video inspection. District to provide the Building Department with **written notification** upon completion of inspection. **(O.C. 7102)**

Additional Comments:

- Storm water surface or roof drains and other general surface water runoff shall not be discharged to the sanitary sewer.
- The Cupertino Sanitary District recommends installing the required improvements near the beginning of the project in case any unforeseen issues arise with the installations.
- The applicant may potentially be required to upgrade their sanitary sewer lower lateral if the District finds the structural conditions of the pipe to be unsatisfactory.
- The segment of the house lateral (lateral from property line to home) between the property line cleanout and the point of connection to the street lateral (lateral from property line to sewer main) must be PVC SDR 26. A Cupertino Sanitary District Lateral Permit will be required (\$300) if the point of connection to the District street lateral is beyond the property line and the house lateral needs to be extended in order to connect. Lateral Permit will only be issued to Licensed Underground Contractor registered to work in the Cupertino Sanitary District. Instructions for Contractor's registration can be found on our website www.cupertinosanitarydistrict.org under Contractors. (O.C. 5305)

The District permit counter is open from 10AM to 3PM. Fees can be paid at the District office located at 20863 Stevens Creek Boulevard, Suite 100 in Cupertino, CA by cash, check (payable to "Cupertino Sanitary District"), or credit card. Payment via credit card can be made over the phone. Please contact Frankie Martinez at (408) 477-7300 to process your credit card payment. Please call (408)253-7071 to schedule an inspection.

All conditions, requirements and recommendations are to be completed at the (owner/developer)'s expense. Approval of Cupertino Sanitary District permit form does not grant permission to start construction on a project. Construction may be started once the Building Department clears all permits from all required departments. If you have any questions or need additional information, please contact Sarah Chou at schou@markthomas.com.

Regards,



For: Benjamin T. Porter, P.E.
District Manager-Engineer

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PERMITS HAVE EXPIRATION DATE OF 1 YEAR FROM DATE OF APPROVAL. IF REFLILING FOR PERMIT APPLICATION AFTER YEAR IS UP, NEW PERMIT FEES MUST BE PAID BY APPLICANT.

SUPPLYING SANITARY SEWERAGE SERVICES FOR: CITY OF CUPERTINO, PORTIONS OF THE CITIES OF SARATOGA, SUNNYVALE, LOS ALTOS AND SURROUNDING UNINCORPORATED AREAS

DISTRICT MANAGER-ENGINEER
MARK THOMAS & COMPANY, INC.
BENJAMIN T. PORTER, P.E.

DISTRICT COUNSEL
ARMENTO AND HYNES, LLP
MARC HYNES



20863 STEVENS CREEK BOULEVARD, SUITE 100
CUPERTINO, CALIFORNIA 95014-2154
(408) 253-7071 PHONE • (408) 253-5173 FAX
WWW.CUPERTINOSANITARYDISTRICT.ORG

BOARD OF DIRECTORS
WILLIAM A. BOSWORTH
PATRICK S. KWOK
ANGELA S. CHEN
TAGHI S. SAADATI
DAVID A. DOYLE

Approved For Issuing
Building/ Plumbing Permits

Permit Form

OTC Permit:	<input type="checkbox"/>	Submittal #	4
Date:	7/22/2024	Cupertino Sanitary Permit #	24-060
APN:	369-27-027	Cupertino Building Permit #	BLD-2024-0636
Applicant Name:	Yin Su		
Address:	877 Betlin Avenue, Cupertino, CA 95014		
Scope of Work:	New construction of two story home with attached ADU. Replace 4" sewer line and install clean out.		

The Cupertino Sanitary District has reviewed the plans for the subject project:

- Sanitary sewer is available, and the existing building is connected to our sanitary sewer system, see conditions/requirements listed below.

Conditions/Requirements for permit approval:

Paid	Fees	Amount
✓	Cupertino Sanitary District Lateral Plan Check Fee (\$300) (O.C. 7102.3.1)	\$300
✓	Cupertino Sanitary District Inspection Fee (\$400) – Lateral Connection to Existing lateral with New Cleanout and CCTV Inspection Included (O.C. 7102-4.1)	\$400
✓	Cupertino Sanitary District Disconnecting & Capping Fee (\$250) is required for the subject improvements. Please do not issue any Building Permits. (O.C. 7203)	\$250
TOTAL DUE =		\$950

Completed	Conditions/Requirements
✓	Show the following on the SITE PLAN on Sheet A0.0: <ul style="list-style-type: none">Sanitary sewer lateral<ul style="list-style-type: none">Sanitary sewer lateral is located approximately 28' from the right property line.New Property Line Cleanout (PLCO)Callout for new PLCO and Lateral<ul style="list-style-type: none">"New PLCO per District Standards. See Detail 7"Add callout for the following:<ul style="list-style-type: none">Existing sanitary sewer lateral shall be disconnected and capped in the presence of a District Inspector. The owner calls the District at least 48 hours prior to work to schedule and District Inspector. (O.C. 5203)
✓	Provide note and show on plans that the Water supply lines shall not be installed in the

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Cupertino Sanitary Permit # : 24-060
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Completed	Conditions/Requirements
	same trench as, and shall be at least 10 feet horizontally from and one foot vertically above, any parallel pipeline conveying: (1) Untreated sewage. (Cal. Code Regs. Tit. 22, § 64572)
✓	Cupertino Sanitary District Detail 7 (sewer lateral cleanout installation on existing sewer) shall be included on plans for District Approval. District details are available on our website at www.cupertinosanitarydistrict.org under Contractors (O.C. 5101)

Conditions/Requirements to be met during construction:

- Install new property line cleanout to District's standards. See attached detail. The property line cleanout must be within 5 feet of the property line. Cleanout shall be the same diameter as the street portion of the service lateral. Gravity lateral is 4" diameter. **(O.C. 4101)**
 - *A new property line cleanout is needed because there is not one currently on the property.*
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- Cupertino Sanitary District **Initial (Visual) Inspection** required. The contractor shall leave the new pipe installation exposed. Do not backfill. Owner to contact District **48 hours** prior to scheduling a District Inspector for a visual inspection. **(O.C. 5203)**
- Cupertino Sanitary District **Final (CCTV) Inspection and Approval** of the new property line cleanout, point of connection, and District lateral is required prior to clearance for City of Cupertino Final Inspection. Owner must allow District **at least 48 hours'** notice to schedule a District Inspector for a video inspection. District to provide the Building Department with **written notification** upon completion of inspection. **(O.C. 7102)**

Additional Comments:

- Storm water surface or roof drains and other general surface water runoff shall not be discharged to the sanitary sewer.
- The Cupertino Sanitary District recommends installing the required improvements near the beginning of the project in case any unforeseen issues arise with the installations.
- The applicant may potentially be required to upgrade their sanitary sewer lower lateral if the District finds the structural conditions of the pipe to be unsatisfactory.

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Cupertino Sanitary Permit # : 24-060
Cupertino Building Department # : BLD-2024-0636

Regards,



For: Benjamin T. Porter, P.E.
District Manager-Engineer

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SUPPLYING SANITARY SEWERAGE SERVICES FOR: CITY OF CUPERTINO, PORTIONS OF THE CITIES OF SARATOGA, SUNNYVALE, LOS ALTOS AND
SURROUNDING UNINCORPORATED AREAS

RESOLUTION NO. 1285

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

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

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

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

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

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

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

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

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

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

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



President, Cupertino Sanitary District

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

AYES: Gatto, Bosworth, Chen, Kwok and Saadati

NOES: None

ABSTAIN: None

ABSENT: None



Secretary, Cupertino Sanitary District

APPROVED AS TO FORM:



Cupertino Sanitary District Counsel

EXHIBIT A

CUPERTINO SANITARY DISTRICT DESIGNATED POSITIONS/DISCLOSURE CATEGORIES

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

***Newly Created Positions**

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

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

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

DISCLOSURE CATEGORIES

Disclosure Category 1: Persons in this category shall disclose:

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

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

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

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

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

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

Item 10.A.

Future Development Projects:

Prep. Date: 8/5/2024

Items	Descriptions:	Address:	Phase	IA	Estimated Sewer Development, Treatment Plant Capacity and Pump Zone Fees	Re-Development Fees	Estimated Construction	FY 2024-2025 Probability of collection	Collected in 24/25	Collected After 24/25	Remarks
1	Atria Cupertino (Westport) - Senior Living	21255 Stevens Creek Boulevard	Building	Sent	\$ 1,669,354.93	\$ 1,900,000.00	FY24-25	75%	\$ 1,252,016.20	\$ 417,338.73	- Met with the developer to discuss the IA, Bonds and payment deadline, offered flexibility. - Construction begins in 6-9 months from March 14, 2024. - 7/11/2024: Modification permit (M-2024-003) for the Senior Living portion received. To increase assisted living dwelling unit counts from 123 to 136 and downside commercial space. Note: Includes pump zone fee \$43,710.91
2	Canyon Crossing Redevelopment	10625 S Foothill Boulevard	Building (Demo permit)	Sent	\$ 310,118.00	\$ 312,000.00	*	0%	\$ -	\$ 310,118.00	1/26/2024: Followed up with the developer concerning the final design of the sewer connection to the CUSD sewer system. Currently in the process of finalizing the demolition permit. 2/20/2024: Sent another email to follow-up with Developer. 3/14/2024: Developer will provide latest update in the next few days 6/26/2023: Plan received but not sure the project status yet. - (942 residential units) IA needs to be updated, Wolf Rd, west of apple spaceship - Part of the City of Cupertino approved project list (2016); Project construction would require demolition of all existing units.
3	Hamptons Apartments - (942 residential units)	19500 Pruneridge Avenue	On-hold/Building	Drafted	\$ 9,591,444.00	*	FY26-27	0%	\$ -	\$ 9,591,444.00	- 5/10/2024: Highly probable that this will be presented at the June 5 Board meeting for approval, subject to the submission of all materials for review by the end of May. (Changed Possibility of collection from 70% to 90%) - 6/14/2024: The developer has decided to proceed with the Board meeting in July 2024, as preparations for the bonds and submission are still underway. Additionally, the probability of collection has been revised to from 70% to 100%. - 7/12/2024: The check, bond, and signed IA for the McClellan Lot split have been prepared. These documents will be submitted to the board for approval on July 17, 2024. 8/7/2024: To clarify the bond's expiration date before moving on or accepting the IA.
4	District McClellan - subdivide the parcel into 6 lots (SF)	20860 McClellan Road	Building	Signed IA	\$ 82,476.00	\$ 92,000.00	FY24-25	100%	\$ 82,476.00	\$ -	2nd submittal review completed May 19, 2023.
5	Leon Townhomes - 7 Townhomes	10046 BIANCHI WAY	Planning - Approved	IA to be updated during Building Phase	\$ 86,408.00	\$ 97,000.00	FY 25-26	1%	\$ 864.08	\$ 85,543.92	2/19/2024: Emailed developer and asked them why they want to remain private and requesting O&M plan, rehabilitation program, and ownership if it were to remain private. 4/3/2024: Meeting was held with SandHill to discuss the schedule of payments and total amount of fees. 4/22/2024: The administration, engineering, and inspection fees, totaling \$275,066 for the Phase 1 Installer's Agreement, have been calculated and communicated to the developer. 5/9/2024: CUSD requested specific information from the developer to finalize the Installer Agreement for Phase 1 work, including utility sheets, commercial building square footages and proposed uses, as well as the number and type of residential units connecting to the sanitary sewer system. 7/29/2024: Received letter from Rise/SandHill regarding Sewer Development Fees and their wish to defer payment until the vertical construction begins. District still needs to address Rise regarding the letter. - 8/5/2024: A utilities permit response is due on 8/6/2024. An internal meeting was held on 8/5/2024 to discuss about the fees and strategy before proceeding. - 8/6/2024: Submitted Permit form to ProjectDox for Horizontal Utility site plan permit
6	Rise Redevelopment - Phase 1	10123 North Wolfe Road	Planning - Phase 1	NA	\$ 18,278,969.34	1.67 Mil.	FY 25-26	1%	\$ 182,789.69	\$ 18,096,179.65	-
7	Rise Redevelopment - Additional Phases	10123 North Wolfe Road	Planning	NA	\$ 17,417,563.18	*	FY 27-28	0%	\$ -	\$ 17,417,563.18	-
8	Marina Plaza (DeAnza Ventures)	10415 N De Anza Boulevard	Planning S3	Drafted	\$ 3,558,664.00	*	FY 25-26	0%	\$ -	\$ 3,558,664.00	Project on hold - until a more favorable interest rate becomes available
9	1655 S. DeAnza Redevelopment - 2 Parcels into 34 residential units	1655 S. DeAnza	Planning	*	\$ 467,240.00	*	FY25-26	1%	\$ 4,672.40	\$ 462,567.60	Preparing to apply for Building Permit
10	10619 S De Anza Blvd - Mixed Use (2090 SF Commercial & 11 Residential Units)	10619 S De Anza Blvd	Planning	*	\$ 163,045.20	*	FY26-27	0%	\$ -	\$ 163,045.20	There have been no updates since Submittal #1 from the applicant 12/23/2022. - 5/1/2024: Checked status, there has been no progress or movement noted. - Added on 5/15/2023
11	141 Housing on 2 Existing Commercial Parcels (Indian Restaurant & Daycare. Across from The Counter Burger)	20015 Stevens Creek Boulevard	Planning	*	\$ 1,441,926.75	*	FY25-26	0%	\$ -	\$ 1,441,926.75	- 10/25/2023 A new submission has been received this week, revising the total apartments to 141 (originally 134 units). - 11/13/2023: Submittal had been reviewed and addressed.
12	Four Lot subdivision (SF)	20638 Cleo Avenue	Planning	*	\$ 54,984.00	*	FY26-27	0%	\$ -	\$ 54,984.00	2nd submittal - Demo Permit on 4/28/2023 3/28/2024: 2nd submittal has been reviewed and sent.
13	Idlewild Cupertino (Across the street from Rise) - 76 Condos & 2,000 SF Retail	10065 E. Estates Drive	Planning	*	\$ 1,049,676.00	*	FY26-27	0%	\$ -	\$ 1,049,676.00	- Plan check completed back in 2022 - Received additional request for As Builts 7/31/2024: Received DP-2024-004 for Site. Response is due 8/23/2024 - 11/13/2023: To review plans, determine capacity. - 12/15/2023: Draft Notice of Violation and Will -Serve Letter were submitted to District Manager for review. - 1/31/2024: Sent "Will Serve Requirement" letter to the City Planning Department. 2/27/2024 PR-2024-003 Reviewed initial plan; additional utility details are required in order to proceed. 4/9/2024: CBG Consultants requested District Design standards. Information regarding pipe slopes and utility separation was sent to them.
14	Mountain Winery - Single Family Residential subdivision	Pierce Road APN 503-46-005 (Masson Estates)	Planning	-	\$ 454,888.00	*	FY25-26	1%	\$ 4,548.88	\$ 450,339.12	4/26/2024: The new development project is still in its early stages and lacks utility plans, specifically regarding the subdivision of parcel 503-15-084. Further inquiry is made to obtain additional project details. 5/2024: The maps and required upgrades/updates for the Chadwick Heights facilities have been sent. 8/14/2024: Received Updated Site and Utility Plans. Applicant is asking for a Will Serve Letter
15	58 Townhomes - Summerhill Homes (Across from the office at Pizza Hut, Fontanas, & Staples)	20840 Stevens Creek Blvd	Planning	*	\$ 797,268.00	*	FY25-26	1%	\$ 7,972.68	\$ 789,295.32	- 11/13/ 2023: The Developer has requested the release of the faithful performance bond on Nov 7, 2023, but as the final paving is still pending due to PG&E, there is a possibility of needing to renew the bond, which expires on November 25, 2023. - 11/27/2023 Waiting for the developer to renew the bond and provide an updates.
16	Chadwick Heights - 85 New Homes (Saratoga Hills - APN 503-15-084)	South of 12906 Chiquita Ct (No specific address: Near by Lot to the North)	Planning	*	\$ 1,341,143.68	*	FY26-27	0%	\$ -	\$ 1,341,143.68	- 7/9/2024: This is a new development on undeveloped hilly land, proposing 28 single-family dwellings, 7 townhomes, and a 20,000-square-foot community sports center with a gym and swimming pool. Currently, this is the only information available. We will proceed further once additional details are provided to the district.
17	Alan Row - 9 Townhouses	22690 Stevens Creek Blvd.	Construction	Fully Executed	\$ 112,498.00	132 K	2024	0%	\$ -	\$ 112,498.00	- 7/2/2024: A redevelopment project proposing approximately 51 three-story attached townhomes. The District provided the Will-Serve Letter. - 7/12/2024: Arranging a meeting to discuss the existing sewer facilities and the overview of the new proposed development. - 7/18/2024: Met with the Developer and they inquired about the possibility of claiming reimbursement for fitting the sags, as there are no capacity issues, only existing sags in the pipes.
18	Vista Heights - APN is 356-05-007	Linda Vista drive (No address yet)	*	*	*	*	*	*	*	#VALUE!	7/30/2024: Received another proposed development in Cupertino; Removing 1 SFD in a large lot and proposing 20 condos. 8/12/2024: Sent Will Serve Letter but asked applicant to confirm future parcel subdivision. District Wants to know if it'll remain as 1 parcel or be split into 20 different parcels
19	Linda Vista Project - 3 acre site	10857 Linda Vista Drive	*	*	\$ 629,544.00	*	FY26-27	0%	\$ -	\$ 629,544.00	
20	20739 Scofield Dr	20739 Scofield Dr	PrePlanning	*	\$ 193,458.00	*	FY26-27	0%	\$ -	\$ 193,458.00	
									\$ 1,535,339.93	\$ 53,888,685.47	

* Not enough information from developer to determine.

Spills

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

PLSDs (Private Lateral Sewage Discharge)

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

Emergency Calls - Causes

Received Calls - Business Hours		# of Calls	Received Calls - After Hours		# of Calls	Received Calls - Weekend		# of Calls
Root Intrusion	0		Root Intrusion	0		Root Intrusion	2	
Onsite	1		Onsite	0		Grease	0	
Grease	0		Grease	0		Broken Pipe	1	
Broken Pipe	0		Offset	0		onsite	0	
Others	2		Debris	1		Others	1	
Pump Station	0		Pump Station	1		Pump Station	0	
Total:	3		Total:	2		Total:	4	

Repairs

Address	Main/Lat	Description of Work
20341 Craigen Cir, Saratoaga	Main	Emergency digging to remove hydro head due to broken pipe + spot repair mainline with SDR-26
20984 Garden Gate Dr, Cup	Lat	Emergency repair of 17LF of broken VCP with new SDR-26
Cristo Rey Pump Station	PS	Replaced starter & adjusted trip on breaker

Mainline Maintenance

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2024-25 YTD	FY2024-25 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	28,781	80,481	4,499	1,822	332	1,573	0	0	2,897	120,385	120,385	1,673,032	7%
Easement Cleaning (ft)	0	3,628	12,356	1,282	0	332	0	0	0	285	17,883	17,883	217,684	8%
CCTV (ft)	0	6,432	20,522	0	0	0	0	0	0	0	26,954	26,954	207,880	13%

Lateral Maintenance

Activity	# of Laterals	FY2024-25 YTD	FY2024-25 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	587	587	4,000	15%
CCTV	18	18		
Inspection	23	23		

FOG Inspection

	# of Inspections	YTD FY2024-25	FY2024-25 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	23	23		
Completed	20	23	248	9%
Follow up Needed	0			

**CUPERTINO SANITARY DISTRICT
MEETING/EVENT SCHEDULE**

Item 11.A.

AUGUST 2024

07/31-08/02: CASA Conference
08/05: TAC
08/07: 1st Regular Meeting
08/08: TPAC
08/14: CASSE
08/21: 2nd Regular Meeting

AUGUST 2024						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 CASA ANNUAL CONFERENCE	2 CASA ANNUAL CONFERENCE	3
4	5 TAC	6	7 1st Regular Meeting	8 TPAC	9	10
11	12	13	14 CASSE	15	16	17
18	19	20	21 2nd Regular Meeting	22	23	24
25	26	27	28	29	30	31

SEPTEMBER 2024

09/04: 1st Regular Meeting
09/09: TAC
09/11: CASSE
09/12: TPAC
09/18: 2nd Regular Meeting

SEPTEMBER 2024						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 Labor Day Holiday	3	4 1st Regular Meeting	5	6	7
8	9 TAC SCCSDA	10	11 CASSE	12 TPAC	13	14
15	16	17	18 2nd Regular Meeting	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER 2024

10/02: 1st Regular Meeting
10/07: TAC
10/09: CASSE
10/10: TPAC
10/16: 2nd Regular Meeting

OCTOBER 2024						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 1st Regular Meeting	3	4	5
6	7 TAC	8	9 CASSE	10 TPAC	11	12
13	14	15	16 2nd Regular Meeting	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		