

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, AUGUST 19, 2020**

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

1. ROLL CALL:

2. MINUTES & BILLS:

- A. APPROVAL OF THE MINUTES OF AUGUST 5, 2020
- B. APPROVED MINUTES OF JULY 15, 2020
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENT
- D. DIRECTOR'S MONTHLY TIMESHEETS

3. PERSONAL PRESENTATIONS:

THIS PORTION OF THE MEETING IS RESERVED FOR PERSONS DESIRING TO ADDRESS THE BOARD ON ANY MATTER NOT ON THE AGENDA. SPEAKERS ARE LIMITED TO THREE (3) MINUTES.

ALL STATEMENTS REQUIRING A RESPONSE WILL BE REFERRED TO STAFF FOR FURTHER ACTION. IN MOST CASES, STATE LAW WILL PROHIBIT THE BOARD FROM MAKING ANY DECISIONS WITH RESPECT TO A MATTER NOT LISTED ON THE AGENDA.

4. CORRESPONDENCE:

NONE

5. MEETINGS:

NONE

6. REPORTS:

- A. CSRMA TRAINING SEMINAR HELD AUGUST 11, 2020
- B. CASA VIRTUAL CONFERENCE HELD AUGUST 12-13, 2020
 - a. Roundtable series
 - b. CSRMA Board of Directors meeting
 - c. Other conference sessions

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, AUGUST 19, 2020**

7. UNFINISHED BUSINESS:

- A. COVID-19 DISCUSSION
- B. SAN JOSE JOINT INTERCEPTOR
- C. SAN JOSE FY 2020-21 BUDGET
- D. NOVEMBER BOARD ELECTIONS

8. NEW BUSINESS:

- A. HYATT HOUSE INSTALLER'S AGREEMENT
- B. SUNNYVALE WASTEWATER FLOW
- C. SARATOGA GENERAL PLAN UPDATE

9. STAFF REPORT:

- A. FUTURE DEVELOPMENT PROJECTS
- B. HANDBILLING FY 2019-20 STATUS
- C. MONTHLY MAINTENANCE REPORT

10. 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.

11. CALENDAR ITEMS:

- A. NEXT REGULAR DISTRICT BOARD MEETING IS SCHEDULED TO BE HELD ON WEDNESDAY, SEPTEMBER 2, 2020

12. ADJOURNMENT:

CUPERTINO SANITARY DISTRICT

MEETING/EVENT SCHEDULE

AUGUST 2020

08/05: 1st Regular Meeting
 08/10: TAC
 08/11: CSRMA Training
 08/12-13: CASA Virtual Conference
 08/13: TPAC - Canceled
 08/19: 2nd Regular Meeting

AUGUST 2020						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 1 st Regular Meeting	6	7	8
9	10 TAC	11 CSRMA Training	12 CASA Virtual Conf.	13 TPAC	14	15
16	17	18	19 2 nd Regular Meeting	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER 2020

09/02: 1st Regular Meeting
 09/07: TAC/Holiday
 09/10: TPAC
 09/14: SCCSDA
 09/16: 2nd Regular Meeting

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

OCTOBER 2020

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

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

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, AUGUST 5, 2020

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

1. ROLL CALL:

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

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

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

Public: No public were present on the conference call.

Director Gatto requested to add Item 7C, Memo to City of San Jose to this agenda. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0 Item 7C was added.

2. MINUTES:

A. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0 the minutes of Wednesday, July 15, 2020 were approved.

B. By consensus, the Minutes of Wednesday, July 1, 2020 are to be Noted & Filed.

3. PERSONAL PRESENTATIONS:

There were none.

4. CORRESPONDENCE:

There was none.

5. MEETINGS:

A. The teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled to be held August 10, 2020 was canceled.

B. CSRMA Training to be held August 11, 2020.

C. The teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled to be held August 13, 2020 was canceled.

D. All Board members and staff are registered to attend the CASA Virtual Conference to be held August 12-13, 2020.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, AUGUST 5, 2020

6. REPORTS:

There were none.

7. UNFINISHED BUSINESS:

- A. The Board discussed the upcoming election. Filing deadline is Friday, August 7, 2020. Three Board members have submitted.
- B. Manager Porter reported on COVID-19 updates.
- C. The Board discussed the draft letter to the City of San Jose in response to the City's proposed budget for FY 2020-21 for the operations and maintenance budget. The Board provided comments and input. A letter will be sent to the City of San Jose and copied to the TPAC members.

8. NEW BUSINESS:

- A. The Board discussed the rate study memo and decided to further continue this discussion. It is to be agendaized for the first meeting in September for continuation.
- B. The Board reviewed a request for tax roll reimbursement for Dish and Dash. After discussion, on a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved a reimbursement in the amount of \$21,943.94.
- C. The Board reviewed the Conflict of Interest Code as part of biennial review. On a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0, the Board approved Manager Porter to execute no changes to the Conflict of Interest Code and submit the form to the County.

9. STAFF REPORTS:

- A. Future development projects was deferred to the next regular meeting.
- B. Hyatt House Installer's Agreement. Staff is to prepare a memo regarding the Hyatt House Installer's Agreement with the status of the agreement, updated calculation of flows and recommendations.

10. CLOSED SESSION:

President Chen adjourned the regular meeting session and opened the closed session at 8:48 p.m. Manager Porter and Advisor Tanaka 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.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, AUGUST 5, 2020

- B. District Counsel - In accordance with government code section 54957, "Public Employment Performance Review"

Closed session was adjourned at 9:55 p.m. and the regular meeting was called to order. Manager Porter and Advisor Tanaka rejoined the regular meeting. There was no reportable action.

11. NEXT MEETING:

The next regular District Board meeting is scheduled to be held on Wednesday, August 19, 2020.

12. ADJOURNMENT:

On a motion properly made and seconded, at 9:56 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING WEDNESDAY, JULY 15, 2020

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

1. ROLL CALL:

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

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

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

Public: No one conferenced in.

2. MINUTES & BILLS:

- A. On a motion by Director Bosworth, seconded by Director Kwok, by a vote of 5-0-0, the minutes of Wednesday, July 1, 2020 were approved.
- B. By consensus, the Minutes of Wednesday, June 17, 2020 are to be Noted & Filed.
- C. The Board reviewed the June financials for payment. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, payment of bills was approved.
- D. The Board members will submit their timesheets electronically.

3. PERSONAL PRESENTATIONS:

There were none.

4. CORRESPONDENCE:

There was none.

5. MEETINGS:

The Board discussed attendance of the CASA Virtual Conference to be held August 12-13, 2020. It was decided to support CASA with the attendance by board members and staff.

6. REPORTS:

There were none.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 15, 2020

7. UNFINISHED BUSINESS:

- A. COVID-19 discussion: Manager Porter reported that staff of Mark Thomas can go to the office on a voluntary basis. However, the Cupertino office remains closed.
- B. The Board discussed City of San Jose Joint Interceptor Use invoice received for the unpaid portion. Staff is to send another letter to the City of San Jose requesting that City contact the District Manager to resolve differences and include a copy to the Director of Public Works, Matthew Cano.

8. NEW BUSINESS:

- A. The Board discussed candidate election/nomination forms for the upcoming elections.
- B. The Board reviewed a request for tax roll reimbursement from Oak Creek Center. After discussion, on a motion by Director Gatto, seconded by Director Saadati, by a vote of 5-0-0, the Board approved a reimbursement in the amount of \$5,444.20.
- C. The Board discussed a ratification of letter supporting AB-1672-Wipes. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, the ratification of the letter was approved.

9. STAFF REPORTS:

- A. Manager Porter and Advisor Tanaka reported on the status of future development projects which included Vallco, Marina, Cupertino Village Boutique Hotel, and Oaks.
- B. Manager Porter reported on the monthly maintenance report.

10. CLOSED SESSION:

President Chen adjourned the regular meeting session and opened the closed session at 8:20 p.m. Board discussed Item 10B, "Public Employment Performance Review" as first item for the Closed Session.

10.B. District Counsel review in accordance with government code section 54957, "Public Employment Performance Review." District Manager Porter and Advisor Tanaka participated in the initial discussion and were dismissed for the balance of the Closed Session.

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

Closed session was adjourned at 9:06 p.m. and the regular meeting was called to order. Manager Porter and Advisor Tanaka rejoined the regular meeting. There was no reportable action.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, JULY 15, 2020

11. NEXT MEETING:

The next regular District Board meeting is scheduled to be held on Wednesday, August 5, 2020.

12. ADJOURNMENT:

On a motion properly made and seconded, at 9:08 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT WARRANTS PAYABLE - August 19, 2020

<u>WARRANT NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	
N/A	M&O	\$ 1,622.88	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees	
N/A	M&O	\$ 2,626.50	ADP	Directors' Salary	
18953	M&O	\$ 454,674.92	Mark Thomas	Office Rent	400.00
				Utilities	776.35
				District Sewer Capital & Support	7,503.01
				Plan Checking & Inspection	10,611.05
				Management Services	61,507.43
				Engineering Services	153,052.92
				Repairs	6,016.45
				Maintenance	209,083.07
				Emergency Funds	5,674.74
				Operating Expense General	49.90
18954	M&O	\$ 5,580.00	Atkinson Farasyn LLP	Legal - District Counsel (July)	
18955	M&O	\$ 363,024.81	Hunton Andrews Kurth LLP	Outside Legal - CIG Advance Pay (May-June)	283,159.35
				Outside Legal - CIG CuSD Share (April)	79,865.46
18956	M&O	\$ 379.00	CWEA	Memberships	
18957	M&O	\$ 5,800.09	Underground Service Alert	Memberships	
18958	M&O	\$ 146.38	Dooley Insurance Services	Insurance - Group Life & Dental	
18959	M&O	\$ 53.09	City of Santa Clara Utilities	Utilities	
18960	M&O	\$ 4,812.40	PG&E	Utilities	
18961	M&O	\$ 21,943.94	Dish and Dash	Refunds & Reimbursements - Misc.	
18962	M&O	\$ 5,444.20	Oak Creek Investments	Refunds & Reimbursements - Misc.	
18963	M&O	\$ 17,123.90	Pan-Pacific Supply Company	District Sewer Capital & Support (Florence PS)	
18964	M&O	\$ 1,060.00	City of Saratoga	Repairs	
18965	M&O	\$ 135.00	Jose Silva Gardening	Maintenance	
18966	M&O	\$ 212.52	Home Depot	Maintenance	
18967	M&O	\$ 505.50	Shape Inc.	Maintenance	
18968	M&O	\$ 749.00	Telstar Instruments	Maintenance	
18969	M&O	\$ 15,295.50	Roto-Rooter	Maintenance	
18970	M&O	\$ 53,001.25	AB/JDD Plumbing Heating & AC	Maintenance	52,157.50
				Emergency	843.75
18971	M&O	\$ 56,354.27	Able Underground Construction	Maintenance	52,927.88
				Emergency	3,426.39
TOTAL WARRANTS		\$ 1,010,545.15			

\$ 1,010,545.15	Total July Warrant List
\$ 2,340,974.00	Paid with June Warrants to pay prior to due date (City of San Jose)
\$ 771,409.00	Paid with June Warrants to pay prior to due date (City of Santa Clara)
\$ 4,122,928.15	Total July Expenses

EMERGENCY DETAILS:

AB/JDD Plumbing - one emergency this month

Able - Two emergencies this month

Roto-Rooter - No emergencies this month

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JULY 2020
(1st Month of Operations - 8% into FY Operations)
FISCAL YEAR: July 1, 2020 to June 30, 2021

EXPENSE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	% Expended To Date	Comments
JULY								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,542	\$0.00	\$0.00	\$0.00	\$1,200,542.00	0.0%	None to date
Directors Fees	41030	\$35,000	\$0.00	\$2,626.50	\$2,626.50	\$32,373.50	7.5%	On Target
Gasoline, Oil & Fuel	41060	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None to date
Insurance	41070	\$135,000	\$0.00	\$146.38	\$146.38	\$134,853.62	0.1%	Dooley - Life Premium (Dental premium is waived for this month)
Memberships	41080	\$57,000	\$0.00	\$6,179.09	\$6,179.09	\$50,820.91	10.8%	CWEA and Underground Service Alert
Office Rent	41090	\$6,000	\$0.00	\$400.00	\$400.00	\$5,600.00	6.7%	On Target
Operating Expenses - General	41100	\$3,000	\$0.00	\$49.90	\$49.90	\$2,950.10	1.7%	Web Hosting
Operating Expenses - Credit Card Processing Fees	41100-1	\$3,700	-	\$1,622.88	\$1,622.88	\$2,077.12	43.9%	June and July Fees
Contractual Services:								
Outfall Maintenance	41113	\$71,000	\$0.00	\$0.00	\$0.00	\$71,000.00	0.0%	None to date
T.P. Oper. & Maint.	41114	\$8,630,553	\$0.00	\$1,606,535.00	\$1,606,535.00	\$7,024,018.00	18.6%	FY20-21 Q1 Payment
Professional Services:								
Management Services	41121	\$540,000	\$0.00	\$61,507.43	\$61,507.43	\$478,492.57	11.4%	On Target
Engineering Services	41122	\$1,200,000	\$0.00	\$153,052.92	\$153,052.92	\$1,046,947.08	12.8%	On Target
Plan Checking & Inspection	41123	\$200,000	\$0.00	\$10,611.05	\$10,611.05	\$189,388.95	5.3%	On Target
Legal - District Counsel	41124	\$60,000	\$0.00	\$5,580.00	\$5,580.00	\$54,420.00	9.3%	Atkinson Farasyn - July Services
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$980,000	\$0.00	\$283,159.35	\$283,159.35	\$696,840.65	28.9%	Hunton Andrews Kurth - June/July Services and April/May Litigation Support
Legal - Common Interest Group (CuSD Share)	41124	\$222,000	\$0.00	\$79,865.46	\$79,865.46	\$142,134.54	36.0%	Hunton Andrews Kurth - June/July Services and April/May Litigation Support
Audit	41125	\$11,500	\$0.00	\$0.00	\$0.00	\$11,500.00	0.0%	None to date
Printing & Publications	41130	\$28,000	\$0.00	\$0.00	\$0.00	\$28,000.00	0.0%	None to date
Repairs	41150	\$800,000	\$0.00	\$7,076.45	\$7,076.45	\$792,923.55	0.9%	None to date
Maintenance	41151	\$3,200,000	\$0.00	\$331,065.97	\$331,065.97	\$2,868,934.04	10.3%	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	\$65,000	\$0.00	\$5,641.84	\$5,641.84	\$59,358.16	8.7%	On Target
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$0.00	\$27,388.14	\$27,388.14	\$22,611.86	54.8%	Tax Roll Reimbursements - Dish and Dash and Oak Creek Center
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	\$9,944.88	\$9,944.88	\$240,055.12	4.0%	Three Emergencies this month
Consolidated Election	48001	\$150,000	\$0.00	\$0.00	\$0.00	\$150,000.00	0.0%	None to date
TOTAL OPERATING EXPENSES		\$17,939,295	\$0.00	\$2,592,453.24	\$2,592,453.24	\$15,346,841.77	14.5%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$2,000,000	\$0.00	\$24,626.91	\$24,626.91	\$1,975,373.09	1.2%	Prospect PS and Florence PS
Treatment Plant Capital	46042	\$6,392,192	\$0.00	\$734,439.00	\$734,439.00	\$5,657,753.00	11.5%	FY20-21 Q1 Payment
Outfall Capital	46042	\$1,572,000	\$0.00	\$771,409.00	\$771,409.00	\$800,591.00	49.1%	City of Santa Clara - FY2018-2019
District Equipment	46043	\$150,000	\$0.00	\$0.00	\$0.00	\$150,000.00	0.0%	None to date
Replacement Fund	46044	\$300,000	\$0.00	\$0.00	\$0.00	\$300,000.00	0.0%	None to date
TOTAL CAPITAL EXPENSES		\$10,414,192	\$0.00	\$1,530,474.91	\$1,530,474.91	\$8,883,717.09	14.7%	
TOTAL EXPENSES		\$28,353,487	\$0.00	\$4,122,928.15	\$4,122,928.15	\$24,230,558.86	14.5%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH JULY 2020
(1st Month of Operations - 8% into FY Operations)
 FISCAL YEAR: July 1, 2020 to June 30, 2021

REVENUE SUMMARY REPORT

Account Name	Account Number	BUDGET	Prior Receipts	Current Month Receipts JULY	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges	0							
Handbilling		\$553,700.00	\$0.00	\$3,201.49	\$3,201.49	\$550,498.51	0.6%	PG&E Balance owed from FY18-19 Handbilling Inv. #287
Tax Roll		\$19,220,000.00	\$0.00	\$0.00	\$0.00	\$19,220,000.00	0.0%	None to date
Permit Fees	31020	\$130,000.00	\$0.00	\$0.00	\$0.00	\$130,000.00	0.0%	None to date
Connection Fees	31031	\$600,000.00	\$0.00	\$116,334.82	\$116,334.82	\$483,665.18	19.4%	Five payments received this month (includes \$114,520 from Hot Pot)
Capacity Fees	31032	\$600,000.00	\$0.00	\$91,010.00	\$91,010.00	\$508,990.00	15.2%	One payment received this month (Hot Pot LLC)
Pump Zone Fees	31033	\$80,000.00	\$0.00	\$0.00	\$0.00	\$80,000.00	0.0%	None to date
Checking & Inspection Fees	31040	\$160,000.00	\$0.00	\$4,800.00	\$4,800.00	\$155,200.00	3.0%	Eleven payments received this month
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to date
Interest	32050	\$220,000.00	\$0.00	\$0.00	\$0.00	\$220,000.00	0.0%	None to date
City of San Jose Credit(s)	32091	\$500,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00	0.0%	None to date
Legal - Common Interest Group (Tributaries)	32092.1	\$700,000.00	\$0.00	\$0.00	\$0.00	\$700,000.00	0.0%	None to date
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$14,000.00	\$0.00	\$0.00	\$0.00	\$14,000.00	0.0%	None to date
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$0.00	\$12,536.86	\$12,536.86	(\$2,536.86)	125.4%	PG&E Reimbursement for Damage to CuSD Mainline (CuSD Inv.#18-107)
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
TOTAL OPERATING REVENUE		\$22,805,200.00	\$0.00	\$227,883.17	\$227,883.17	\$22,577,316.83	1.00%	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$22,805,200.00	\$0.00	\$227,883.17	\$227,883.17	\$22,577,316.83	1.00%	

CASH ACCOUNT SUMMARY

Date	Operating Fund	Replacement Fund	Comingled Fund	Cal Bank Trust Acct	Loan Balance with interest *	Net Cash
FY 2019-20 Balance	\$18,718,534.78	\$2,700,000.00	\$16,018,534.78	\$632,243.62	\$180,632.21	\$19,350,778.40
July 31, 2020	\$15,091,707.04	\$3,000,000.00	\$12,091,707.04	\$638,170.27	\$180,676.58	\$15,910,553.89

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 7/31/2020

Cal Bank Activities				Total Interest	Interest prorated to Loan Balance	Loan Balance w/Interest	Interest prorated to \$600K District Savings	District portion of saving balance	Total Savings balance	Checking Acct Balance	TOTAL AT CAL BANK
No.	Whom	Date	Check Amount			\$10,000,000.00			\$10,000,000.00		\$10,000,000.00
101	San Jose	10/16/2019	\$2,180,309.00			\$7,819,691.00			\$7,819,691.00		\$7,819,691.00
102	San Jose	10/16/2019	\$29,515.44			\$7,790,175.56			\$7,790,175.56		\$7,790,175.56
103	Tesco	11/20/2019	\$17,707.00			\$7,772,468.56			\$7,772,468.56		\$7,772,468.56
104	Shape	11/20/2019	\$108,814.78			\$7,663,653.78			\$7,663,653.78		\$7,663,653.78
105	Tesco	12/18/2019	\$169,018.00			\$7,494,635.78			\$7,494,635.78		\$7,494,635.78
106	Con Quest	12/18/2019	\$385,242.58	\$30,683.35	\$30,683.35	\$7,140,076.55			\$7,140,076.55		\$7,140,076.55
107	San Jose	1/15/2020	\$6,966,355.00			\$173,721.55			\$173,721.55		\$173,721.55
Interest through 3/31/20				\$6,823.36	\$6,823.36	\$180,544.91			\$180,544.91		\$180,544.91
Deposit 4/16/2020						\$180,544.91		\$600,000.00	\$780,544.91	\$2,996.28	\$783,541.19
Balance as of 5/30/2020				\$179.37	\$41.50	\$180,586.41	\$137.87	\$600,137.87	\$780,724.28	\$5,744.81	\$786,469.09
Balance as of 6/30/2020				\$197.98	\$45.80	\$180,632.21	\$152.18	\$600,290.05	\$780,922.26	\$31,953.57	\$812,875.83
Balance as of 7/31/2020				\$191.84	\$44.37	\$180,676.58	\$147.47	\$600,437.52	\$781,114.10	\$37,732.75	\$818,846.85
TOTAL OR BALANCE AMOUNT				\$9,856,961.80	\$38,075.90	\$37,638.38	\$437.52	\$600,437.52	\$781,114.10	\$37,732.75	\$818,846.85

6017	Burbank Sanitary, Director, Short			On Ballot: Yes	Web Title:	Not Authorized to Release
Qualified:	1	REBECCA YODER Appointed Incumbent Res: 509 Arleta Avenue San Jose, CA 95128-2206	Candidate Stmt Filed?	No		
			Mai: Not Authorized to Release	Day: (408)887-9478 Eve:	Fax: yoderbd@gmail.com Email: Not Authorized to Release	
6021	Cupertino Sanitary, Director			On Ballot: Yes	Web Title:	
Qualified:	1	ANGELA CHEN Director, Cupertino Sanitary District Res: Not Authorized to Release	Candidate Stmt Filed?	No		
			Mai: 10422 Colby Avenue Cupertino, CA 95014	Day: (408)858-2368 Eve:	Fax: achenlee8@gmail.com Email: Not Authorized to Release	
Qualified:	3	WILLIAM A. (BILL) BOSWORTH Incumbent Res: Not Authorized to Release	Candidate Stmt Filed?	No		
			Mai: Not Authorized to Release	Day: (408)477-7300 Eve:	Fax: Not Authorized to Release Email: Not Authorized to Release	
Qualified:	4	JOHN M. GATTO Incumbent Res: Not Authorized to Release	Candidate Stmt Filed?	No		
			Mai: 10641 Madera Drive Cupertino, CA 95014	Day: (408)245-6455 Eve:	Fax: whitlusmanor@mac.com Email: Not Authorized to Release	
Qualified:	5	JOYCE STANFORD Licensed Fiduciary Res: Not Authorized to Release	Candidate Stmt Filed?	Yes - 8/05/2020		
			Mai: Not Authorized to Release	Day: (408)568-2464 Eve:	Fax: joycestanford2020@gmail.com Email: Not Authorized to Release	
6026	El Camino Healthcare, Director			On Ballot: Yes	Web Title:	



Memo

Item 8A

To: Board of Directors
From: Benjamin T. Porter, District Manager-Engineer
Date: August 19, 2020
RE: Status of Hyatt House Installer's Agreement

Background:

On September 2, 2015, the District and Cupertino Property Development II, LLC entered into an Installers' Agreement for the construction of a 148-room hotel located at 10380 Perimeter Road.

The Installer's Agreement included a language for the developer to pay pro-rata share of cost to construct a parallel pipe from I-280 to Pruneridge Avenue on Wolfe Road. The Installer's Agreement states, "Once the District has determined the upsizing necessary to serve Hyatt House and other developments north of Stevens Creek Boulevard, Installer agrees to pay pro-rata share of the cost of the main upsizing. Preliminary estimate for this upsizing is \$2.8 million."

Under Performance and Payment Bond, the Installer's Agreement states "As security for performance of upsizing the sewer main on Wolfe Road, Installer shall furnish to District performance and payment bonds, on forms provided by District, in the amount of \$300,000. This estimate is based on Hyatt House pro-rata contribution of 10% of additional flow. Once other developments along Wolfe Road are finalized, this pro-rata percentage will be updated and finalized. Once the Hyatt House's contribution is finalized, within next 5 years, Installer agrees to make cash payment."

In lieu of performance bond, the Installer provided Irrevocable Standby Letter of Credit, which will expire on September 2, 2020 (five years from the date of Installer's Agreement).

Analysis:

With the City of Cupertino's 2040 General Plan approved and Vallco SB 35 being upheld by Superior Court of Santa Clara County as of May 22, 2020, the District finalized the flow and the impact to sewer main on Wolfe Road.

Based on the approved General Plan, including Vallco SB 35 project, we have calculated total new contributing flow to be 941,561 gpd. Of this total contributing flow, Hyatt House's share is 18,475 gpd or 1.96%.

Hyatt's share is now recalculated at 1.96% of \$2,800,000, or \$54,880.

Recommendation:

Staff's recommendation is to work with the Installer to pay \$54,880 before expiration of the 5-year period. Once this amount is paid, the Board can then approve and close-out the Installer's Agreement with Hyatt House.

Attachment:

- 1) Installer's Agreement dated 9/2/2015
- 2) Flow Calculations

INSTALLER'S
A_G_R_E_E_M_E_N_T

THIS AGREEMENT, made this 2nd day of September, 2015, between the CUPERTINO SANITARY DISTRICT of Santa Clara County, California, a public corporation duly organized and existing under Part I Division 6 of the Health and Safety Code of the State of California, hereinafter called "District," and Cupertino Property Development II, LLC a California Limited Liability Company, hereinafter called "Installers";

W_I_T_N_E_S_S_E_T_H

WHEREAS, Installer is the owner of that certain real property located at 10380 Perimeter Road, Cupertino, CA (APN 316-20-092) and wishes to construct 148 room hotel, known at the "Hyatt House";

WHEREAS, District is the owner and operator of a sanitary sewer system and facilities along Wolfe Road which will provide sewer service to the real property (APN 316-20-092);

WHEREAS, Installer desires to connect to the District main along Wolfe Road;

WHEREAS, District has determined that the sewer main on Wolfe Road from Manhole No. T-472 (located just south of the Perimeter Road tunnel crossing) to T-177 (located at the intersection of Wolfe Road and Pruneridge Avenue) does not have sufficient capacity, currently running at d/D (depth of water over diameter of pipe) at 1.5. The length of the sewer main is approximately 2,700 feet and crosses I-280.

WHEREAS, District has not yet completed the design analysis to determine what upgrades are necessary to accommodate this and other future developments. The 2000 Civic Center Feasibility Study concluded that a parallel 12 to 15 inch pipe would be required, based on I/I assumption factor of 2.0. District anticipates completing design analysis sometime in mid - 2016;

NOW, THEREFORE, IT IS AGREED, as follows:

1. SEWER LINE SERVICE REQUIREMENTS:

- a) Installer desires to connect to District facility at Manhole No. L3-86, which is located within the State of California (I-280) right of way. The lateral located within the State right of way will not be owned and maintained by the District. Installer shall obtain State encroachment permit for the installation of the lateral within the State right of way;
- b) Installer shall also be required to maintain and service the lateral within the State right of way through securing State encroachment permit. The lateral shall be cleaned (hydro-flush) every two years. Installer shall provide proof/evidence that this lateral was cleaned to the District within 30 days of completing of the cleaning. District shall be notified minimum 2 working days prior to cleaning the lateral.
- c) Once the District has determined the upsizing necessary to serve Hyatt House and other developments north of Stevens Creek Boulevard, Installer agrees to pay pro-rata share of the cost of the main upsizing. Preliminary estimate for this upsizing is \$2.8 million based on 2,440 linear feet of open cut trench installation and 350 linear feet of bore and jack under Interstate 280.

2. PAYMENT BY INSTALLER: Installer shall pay to District, prior to execution of this agreement by District, all applicable acreage, front-footage. Change in use fee, connection permit and District administration fee, which includes plan review, inspection, construction oversight and management as defined in District Operations Code as follows:

1) Change in Use/Additional Density Fee	\$73,067.52
2) Frontage Fee	\$3960.00
3) Acreage Fee	\$1,931.02
4) Connection Permit Fee	\$76.00
5) Lateral Connection Permit	\$300.00
6) District Administration Fee	\$20,000.00

Total Due: \$99,334.54

3. SECURITY FOR PERFORMANCE:

Performance and Payment Bond. As security for performance of upsizing the sewer main on Wolfe Road from MH T-177 to MH T-472, Installer shall furnish to District performance and payment bonds, on forms provided by District, in the amount of \$300,000. This estimate is based on Hyatt House's pro-rata contribution of 10% of additional flow. Once other developments along Wolfe Road are finalized, this pro-rata percentage will be updated and finalized. Once the Hyatt House's contribution is finalized, within next 5 years, Installers agree to make cash payment.

The performance and payment bonds shall be issued by a surety company admitted to transact business in the State of California, as approved by the District Engineer, and shall remain in full force for a period of 5 years from execution of this agreement.

4. COMPLIANCE WITH ORDINANCES, RULES AND REGULATIONS: Installer shall comply with all District ordinances, rules and regulations, as now or hereafter amended. Installer must also comply with all State, County, City, and other agency regulations, rules and ordinances affecting, in any manner, the construction of sanitary sewer facilities, and shall obtain any and all necessary permits and shall pay all fees and charges relating thereto or required therefore.

5. TRANSFER OF TITLE: Based on preliminary development plan, it is anticipated that all sanitary sewer improvements to be completed with this project (the lateral) will be considered "privately owned" and no sanitary sewer improvements will be transferred and conveyed to the District.


6. INDEMNIFICATION: Installer shall defend, indemnify and hold District, the District Engineer, Mark Thomas & Co. Inc., the County of Santa Clara and the City in which the referred to real property is situated, their officers, agents and employees, free and harmless from any liability or claim of liability for costs and expenses incurred, directly, or indirectly, by Installer in the construction of the sanitary sewer facilities (which is referring to the lateral) which are the subject of this agreement. Installer further agrees to require his contractor to maintain full insurance coverage of not less than standard limits, and to defend, indemnify and hold District, the District Engineer, Mark Thomas & Co. Inc., the County of Santa Clara and the City in which the referred to real property is situate, their officers, agents and employees, free and harmless from any damage or claim of damage for injury to person or property arising from the activities of Installer and his contractor in the performance of this agreement.

7. COSTS OF SUIT. In the event legal action is necessary in order to enforce or interpret this Agreement, the prevailing party shall be entitled to recover all costs and expenses that may be incurred in connection therewith, including reasonable attorneys fees.

8. SCOPE OF AGREEMENT: This writing constitutes the entire agreement between the parties, and no modification or waiver of all or any part thereof shall be valid unless in writing and signed by both parties hereto. Waiver by either party of any breach of this agreement shall not be deemed waiver of any subsequent breach of the same or of any other provision of this agreement. If any part of this agreement is held to be indefinite or uncertain or unenforceable, such determination shall not invalidate any other part of this agreement. This agreement shall bind and inure to the benefit of the heirs, administrators, successors, and assigns of the parties hereto.

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

“DISTRICT”
CUPERTINO SANITARY DISTRICT
Santa Clara County, California

By: 
President of the Sanitary Board of said District

(SEAL)

ATTEST:


Secretary of said District

“INSTALLER”
CUPERTINO PROPERTY DEVELOPMENT II, LLC
A California Limited Liability Company

By: 
~~Name, Managing Partner~~

EDWARD CHAN, AUTHORIZED SIGNATORY



BANK OF THE WEST
GLOBAL TRADE OPERATIONS
13300 CROSSROADS PKWY N
MAIL SORT: SC-XRD-2W-G
CITY OF INDUSTRY, CA 91746
SWIFT: BWSTUS66LAX

DATE: NOVEMBER 09, 2015

IRREVOCABLE STANDBY LETTER OF CREDIT

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. MB60516053

IN FAVOR OF BENEFICIARY:

CUPERTINO SANITARY DISTRICT
20863 STEVENS CREEK BLVD., STE 100
CUPERTINO, CA 95014-2154

FOR ACCOUNT OF (APPLICANT):

CUPERTINO PROPERTY
DEVELOPMENT II, LLC
19620 STEVENS CREEK BLVD. SUITE 200
CUPERTINO, CA 95014

AMOUNT: USD 300,000.00

(THREE HUNDRED THOUSAND AND NO/100
US DOLLARS)

EXPIRY DATE/PLACE: NOVEMBER 1, 2016 AT 5:00PM IN CITY OF INDUSTRY, CA AT OUR ABOVE
ADDRESS

LADIES AND GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. MB60516053 IN YOUR
FAVOR FOR ACCOUNT OF THE APPLICANT, FOR THE SEWER IN THE AGGREGATE AMOUNT OF THREE
HUNDRED THOUSAND AND NO/100 UNITED STATES DOLLARS (US\$300,000.00) (THE "STATED
AMOUNT"). FUNDS ARE AVAILABLE TO YOU, HEREUNDER, AGAINST YOUR DRAFT(S) AT SIGHT DRAWN
ON BANK OF THE WEST ACCOMPANIED BY:

1. A BENEFICIARY'S WRITTEN STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICER OF
CUPERTINO SANITARY DISTRICT READING AS FOLLOWS:

"THE UNDERSIGNED, A DULY AUTHORIZED OFFICER OF CUPERTINO SANITARY DISTRICT, WITH
REGARDS TO BANK OF THE WEST (THE "BANK") LETTER OF CREDIT NO. MB60516053 (THE "CREDIT"),
DOES HEREBY CERTIFY THAT CUPERTINO PROPERTY DEVELOPMENT II, LLC HAS FAILED TO
FAITHFULLY PERFORM THE TERMS AND CONDITIONS OF THE INSTALLER'S AGREEMENT DATED
SEPTEMBER 2, 2015 FOR ITS PRO RATA SHARE OF THE COST OF UPSIZING THE SEWER MAIN ON
WOLFE ROAD FROM MH T-177 TO MH T-472 ASSOCIATED WITH THE HYATT HOUSE CUPERTINO
PROJECT"

CUPERTINO SANITARY DISTRICT

BY: _____

NAME: _____

TITLE: DISTRICT MANAGER - ENGINEER

PARTIAL DRAWINGS ARE PERMITTED

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY
EXTENDED, WITHOUT AMENDMENT, FOR ADDITIONAL PERIOD(S) OF ONE YEAR FROM THE EXPIRY
DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 (NINETY) DAYS PRIOR TO
ANY EXPIRATION DATE WE NOTIFY YOU BY CERTIFIED MAIL (RETURN RECEIPT REQUESTED) OR BY
ANY OTHER RECEIPTED MEANS THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT
RENEWED FOR ANY SUCH ADDITIONAL PERIOD, WHEREUPON YOU MAY DRAW YOUR ONE SIGHT
DRAFT ON US FOR AN AMOUNT NOT TO EXCEED THE UNUTILIZED BALANCE OF THIS LETTER OF



BANK OF THE WEST
GLOBAL TRADE OPERATIONS
13300 CROSSROADS PKWY N
MAIL SORT: SC-XRD-2W-G
CITY OF INDUSTRY, CA 91746
SWIFT: BWSTUS66LAX

CREDIT, MENTIONING THEREON OUR REFERENCE NUMBER, ACCOMPANIED BY YOUR WRITTEN STATEMENT, PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICER OF CITY OF CUPERTINO, STATING THE FOLLOWING:

"WE HEREBY CERTIFY THAT WE RECEIVED A NOTICE OF NON-RENEWAL OF EXPIRY DATE OF LETTER OF CREDIT NO. MB60516053 ISSUED BY BANK OF THE WEST AND SUBSTITUTE LETTER OF CREDIT OR SECURITY HAS NOT BEEN PROVIDED".

NOTWITHSTANDING THE ABOVE, THIS LETTER OF CREDIT SHALL NOT BE EXTENDED FOR ANY PERIOD BEYOND SEPTEMBER 2, 2020 (THE "TERMINAL EXPIRATION DATE"). ON WHICH DATE IT SHALL EXPIRE IN FULL AND FINALLY, UNLESS AMENDED IN WRITING.

IN ADDITION, PRESENTATION OF DRAWING DOCUMENTS MAY ALSO BE MADE BY FAX TRANSMISSION TO - 323-727-6405, OR SUCH OTHER FAX NUMBER IDENTIFIED BY BANK OF THE WEST IN A WRITTEN NOTICE TO YOU. TO THE EXTENT A PRESENTATION IS MADE BY FAX TRANSMISSION, YOU SHOULD (I) PROVIDE TELEPHONE NOTIFICATION THEREOF TO BANK OF THE WEST 323-727-6339 PRIOR TO OR SIMULTANEOUSLY WITH THE SENDING OF SUCH FAX TRANSMISSION AND (II) SEND THE ORIGINAL OF SUCH DRAFT AND CERTIFICATE TO BANK OF THE WEST BY OVERNIGHT COURIER, AT THE SAME ADDRESS PROVIDED IN THIS LETTER OF CREDIT FOR PRESENTATION OF DOCUMENTS, PROVIDED, HOWEVER, THAT BANK OF THE WEST'S RECEIPT OF SUCH TELEPHONE NOTICE OR ORIGINAL DOCUMENTS SHALL NOT BE A CONDITION TO PRESENTATION HEREUNDER.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REASON OF OUR REFERENCE TO ANY AGREEMENT OR INSTRUMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED. ANY SUCH AGREEMENT OR INSTRUMENT SHALL NOT BE DEEMED INCORPORATED HEREIN BY REFERENCE.

DRAFT(S) MUST BE MARKED "DRAWN UNDER BANK OF THE WEST LETTER OF CREDIT NO.MB60516053".

DRAWINGS MUST BE PRESENTED TO THE OFFICE OF OUR SERVICER, BANK OF THE WEST, 13300 CROSSROADS PARKWAY NORTH, CITY OF INDUSTRY, ATTN: GLOBAL TRADE OPERATIONS . STANDBY DEPT., NOT LATER THAN NOVEMBER 1, 2016 OR ANY AUTOMATICALLY EXTENDED EXPIRATION DATE (THE "EXPIRATION DATE").

WE HEREBY AGREE WITH YOU THAT DRAFT(S) AND DOCUMENT(S) PRESENTED IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTAION AS SPECIFIED HEREIN.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS ISSUED SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NUMBER 600.

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. IN THE EVENT OF ANY LEGAL DISPUTE RELATING TO INTERPRETATION AND ENFORCEMENT OF THIS IRREVOCABLE LETTER OF CREDIT, VENUE SHALL BE IN THE SANTA CLARA COUNTY SUPERIOR COURT, STATE OF CALIFORNIA.



BANK OF THE WEST
GLOBAL TRADE OPERATIONS
13300 CROSSROADS PKWY N
MAIL SORT: SC-XRD-2W-G
CITY OF INDUSTRY, CA 91746
SWIFT: BWSTUS66LAX

SHOULD YOU HAVE OCCASION TO COMMUNICATE WITH US, YOUR COMMUNICATIONS TO US WITH RESPECT TO THIS LETTER OF CREDIT MUST BE IN WRITING AND SHALL BE ADDRESSED TO THE OFFICE OF OUR SERVICER, BANK OF THE WEST, 13300 CROSSROADS PARKWAY NORTH, CITY OF INDUSTRY, ATTN: GLOBAL TRADE OPERATIONS PHONE NO. 1-888-600-8723, SPECIFICALLY REFERRING THEREON TO THIS LETTER OF CREDIT BY ITS NUMBER.

AUTHORIZED SIGNATURE
GLOBAL TRADE SERVICES
TEAM NO 02

AUTHORIZED SIGNATURE
GLOBAL TRADE SERVICES
TEAM NO 02

CONTRIBUTING FLOWS FOR UPSIZING WOLFE ROAD SEWER MAIN

	USES	TOTAL FLOW GPD
VALLCO		
	Restaurant	52,080
	Retail/Office	157,230
	Residential	355,496
MARINA		
	Restaurant	14,008
	Hotel	10,370
	Residential	27,265
OAKS		
	Residential	27,132
	Restaurant	6,200
	Retail	730
OTHER GP DEVELOPMENTS		
	Hotel	15,725
	Restaurant	52,350
	Retail	122,500
	Residentials	82,000
HYATT HOUSE		
	Restaurant	5,895
	Hotel	12,580
	Total	941,561
	Hyatt Share of Flow	1.96%



Memo

Item 8B

To: Board of Directors
From: Benjamin T. Porter, District Manager-Engineer
Date: August 19, 2020
RE: Sunnyvale Wastewater Flow through the Cupertino Sanitary District Sewer System

At the request of the City of Sunnyvale and with concurrence from the Board, Cupertino Sanitary District (CUSD) staff has evaluated the impacts of adding flows from the City of Sunnyvale (City) to the CUSD sewer system upstream of the Calabazas Creek siphon in the City of Cupertino. Our goal is to determine if CUSD can accept flow from Sunnyvale on East Estates Drive and then convey the flow through the inverted siphon to cross Calabazas Creek and then return flows to the City of Sunnyvale so we can assist the City of Sunnyvale with their creek crossing issue. Our goal is to provide this assistance at a minimum cost to both agencies. This memorandum presents the condition of the Calabazas Creek siphon, evaluates the capacity of the CUSD sewer system to convey the additional flows, and the potential cost impacts to CUSD in the following locations where the flow transfer will impact the CUSD system:

- Transfer Flow from Sunnyvale on East Estates Drive
- Convey flow along East Estates drive to the Twin Siphons at Calabazas Creek and to Alderbrook lane
- Convey flow downstream of the siphon along Alderbrook Lane and Atherwood Avenue to Miller Avenue
- Convey flow from Atherwood and Miller Avenue in a new sewer north along Miller Avenue to Phil Lane
- Return flow to Sunnyvale sewer at Miller Avenue and Phil Lane

Shown on Figure 1 is a map of the project area and survey information that was used to determine the feasibility of transferring flows from Sunnyvale to CUSD on East Estates Drive and then back to the City of Sunnyvale at the intersection of Miller Avenue and Phil Lane.

Sunnyvale Flow Diversion to CUSD

The City of Sunnyvale currently serves the area west of East Estates Drive through a suspended pipeline over Calabazas Creek. This suspended pipeline needs to be taken out of service in the Spring of 2021 to meet requirements of the Santa Clara Valley Water District. As a result, the City has proposed to remove the existing plug in an 8-inch diameter pipe that connects to the CUSD Flushing Inlet 2088-1F which is located on East Estates Drive just north of Lindenbrook Lane. The Sunnyvale pipe has an invert elevation of 223.13 where the flow is diverted and the CUSD Flushing Inlet has an invert elevation of 221.52 which

provides a fall of 1.61 feet over a distance less than 20 feet.

The proposed connection would add approximately 17,500 gallons per day (91 residential units with an average flow of 192 gpd/unit) of average dry weather flow and 32,700 peak dry weather flow to the CUSD sewer system. See Figure 2 for a map of the Sunnyvale service area (Area A) that is proposed to be served by the CUSD sewer system.

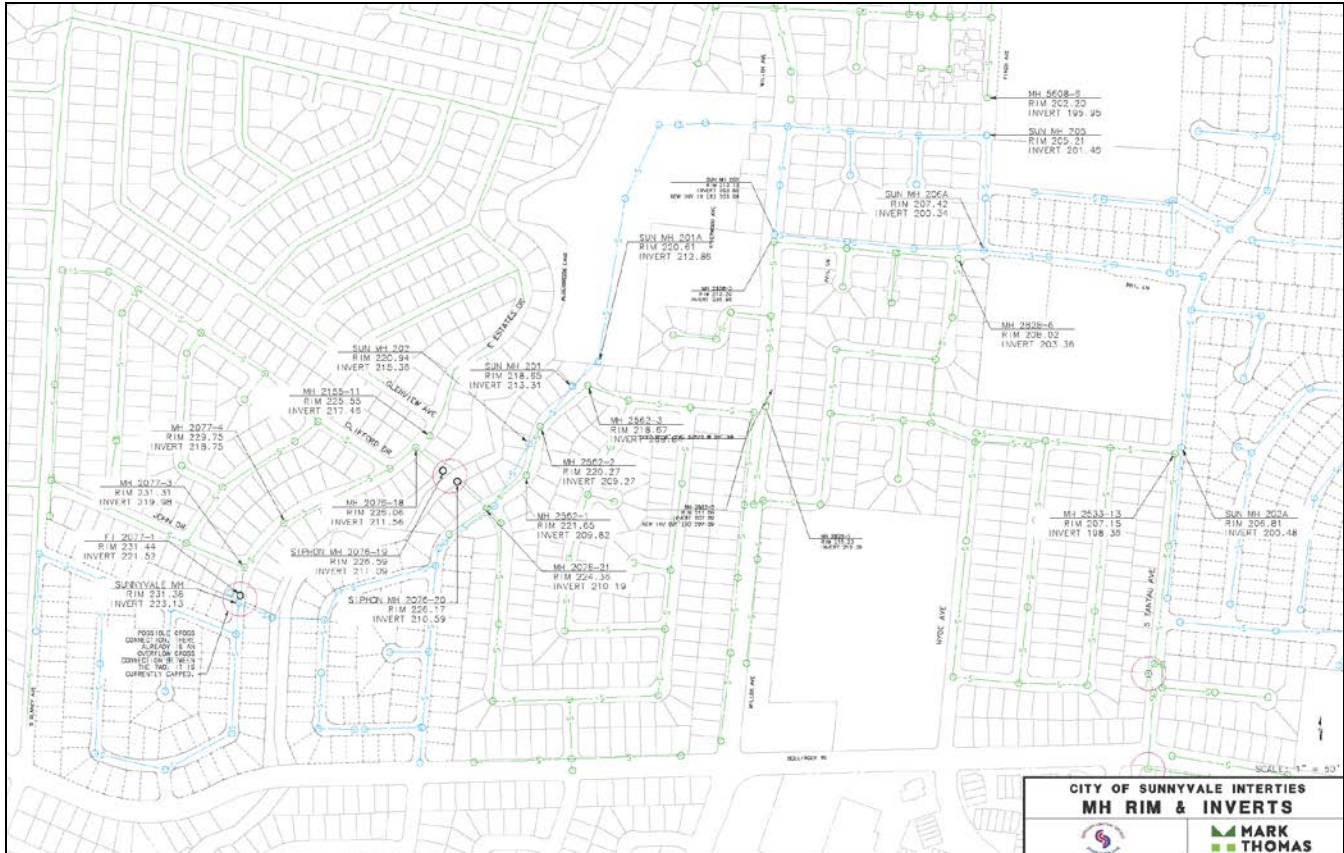


Figure 1. Project Area and Survey Information

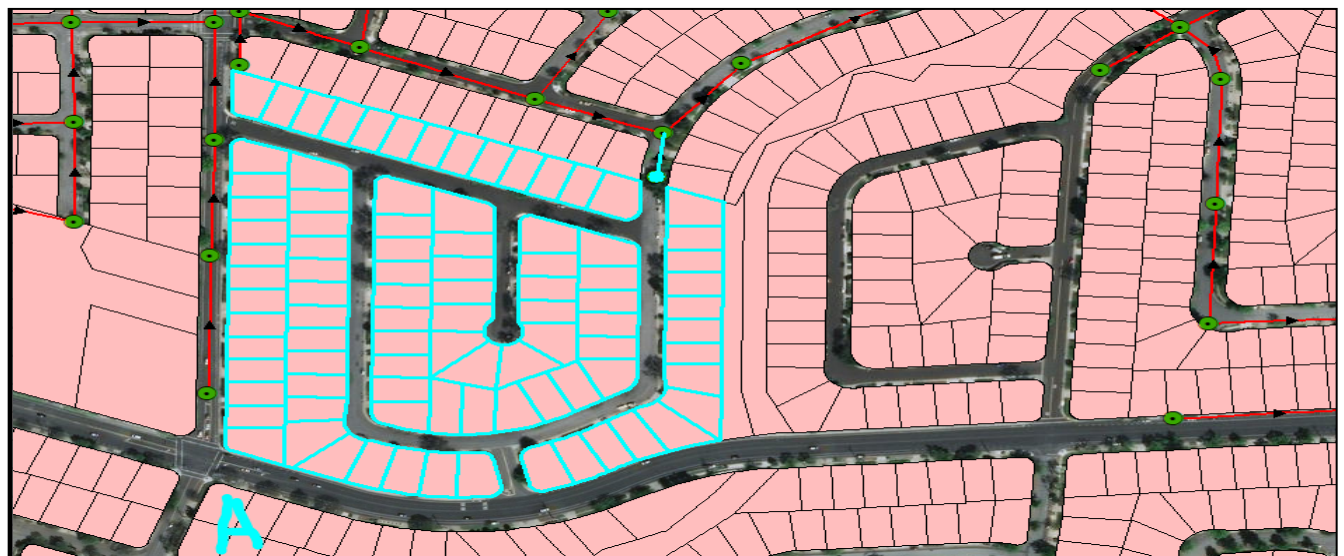


Figure 2. Sunnyvale Area Flow Diversion

Flow Diversion on East Estates Drive and Through the Twin Siphons at Calabazas Creek

The capacity of the pipes on East Estates Drive in the area where the Sunnyvale flows would enter were determined using the District's XPSMM hydraulic model. See Figure 3 for a map of the sewer system in the areas where the flow transfer is proposed from the City of Sunnyvale to CUSD on East Estates Drive. The 8-inch diameter pipes upstream of the siphon and the twin 6-inch siphon pipes have sufficient flow capacity to accommodate both the average dry weather flow and the peak dry weather flows from Sunnyvale and still flow less than 75% full.

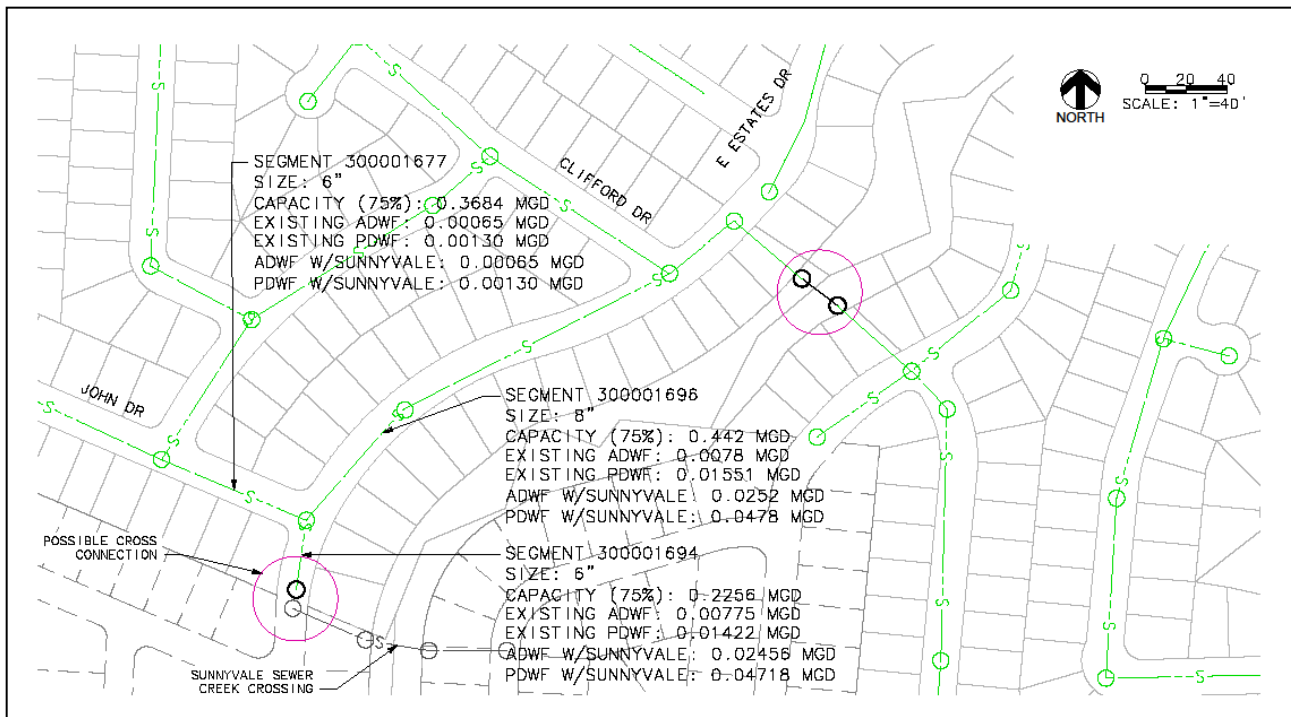


Figure 3. Sunnyvale Flow Diversion to CUSD

Condition of the Calabazas Creek Siphon

Calabazas Creek is deep where the siphon crossing occurs with a depth of 23 feet from the rim elevation of the upstream manhole to the invert elevation of the creek. A recent inspection of the siphon pipes under Calabazas Creek (described below) indicated a build-up of grease which has reduced the size of the siphon pipes to less than 6 inches in diameter. The siphon was constructed in 1958 and has functioned without problems for the past 62 years. To assess the condition of the siphon a field inspection team made up of CUSD field inspectors, CCTV crew, and Able Septic Tank Service cleaning crews and Vactor truck were deployed to the site on Friday, March 27, 2020. Shown on Figure 4 is a cross section of the siphon where it crosses Calabazas Creek.

To inspect the siphon pipes the field crews plugged the flow in the 8-inch pipe just upstream of the siphon and then began pumping out the sewage from the siphon pipes so they could be televised with a push CCTV camera. Using the push CCTV camera, the crews were only able to see the top half of each 6 inch pipe. The camera went under water approximately 30 feet from the upstream manhole (The overall length of the siphon is 90 feet, so we were only able to televise one third of the siphon length). The field crew concluded that the hoses used by Able had couplings every 30 feet and the couplings got hung up at the entrance to the siphon pipes which limited the length their pumping hose could extend into the siphon. Viewing the CCTV images for the 30 feet that were televised, staff was able to see a heavy amount of grease that had accumulated around the pipe circumference. The flow area may have been reduced an inch or more in the

top half of the pipe. Both siphon pipes had the same amount of grease build-up. Viewing the CCTV images for the 30 feet that were televised we were able to see a heavy amount of grease that had accumulated around the pipe circumference. It appeared as though the flow area may have been reduced an inch or more in the top half of the pipe that we could see. Both siphon pipes had the same amount of grease build-up. The siphon pipes have been in service for 62 years and the siphon is a critical piece of the collection system infrastructure which would be very costly to replace if a failure occurs.

Cost for Comprehensive Cleaning of the Siphon

The total cost for the cleaning and partial inspection of the siphon pipes on March 27 was \$7500. It is estimated that approximately \$25,000 will be needed to perform a more comprehensive cleaning of the entire length of both siphon pipes to remove all the grease that has accumulated over the past two years. Once the comprehensive cleaning project is completed, the District will develop a plan to regularly clean the grease build-up from the siphon barrels to sustain the capacity of twin 6-inch barrel siphon pipes so they can convey the additional flows from the City.

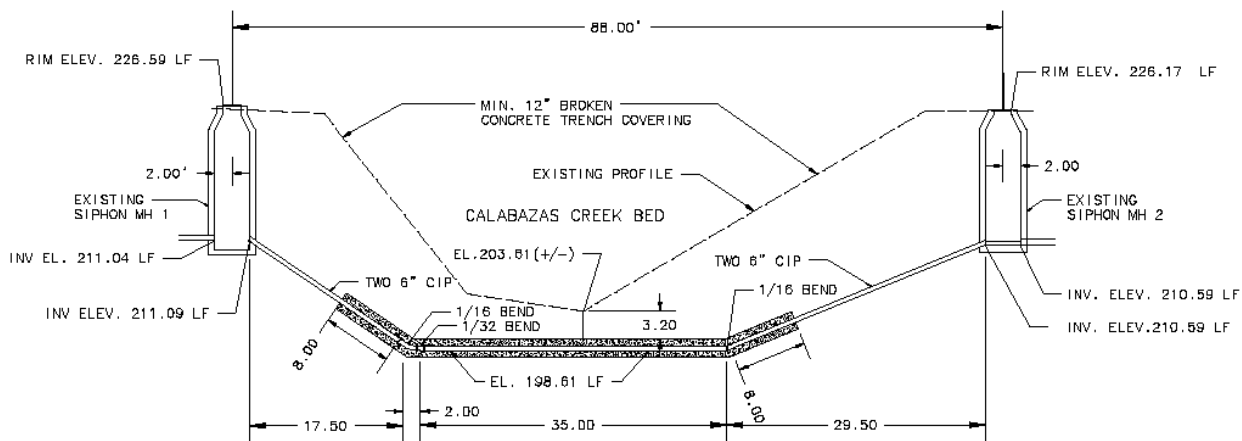


Figure 4. Existing Siphon at Calabazas Creek

Flow Diversion at Manhole 2562-6 to Return Flow to Sunnyvale at Phil Lane

After the flow leaves the siphon, CUSD will convey flow along Alderbrook Lane and Atherwood Avenue to Miller Avenue. A portion of the flow (flows from 91 homes) will then be diverted at Manhole 2562-6 to flow from Atherwood and Miller Avenue in a new sewer north along Miller Avenue to Phil Lane as shown in red on Figure 5. The new sewer will connect to an existing Sunnyvale sewer manhole at Miller Avenue and Phil Lane. The invert elevation of CUSD manhole 2562-6 at the intersection of Atherwood Avenue and Miller Avenue is 207.29. The invert elevation of Sunnyvale manhole SUN MH 208 is 203.98. Connected these two manholes will provide for 3.31 feet of fall over the 225 feet length for a slope of approximately 1.5 %.

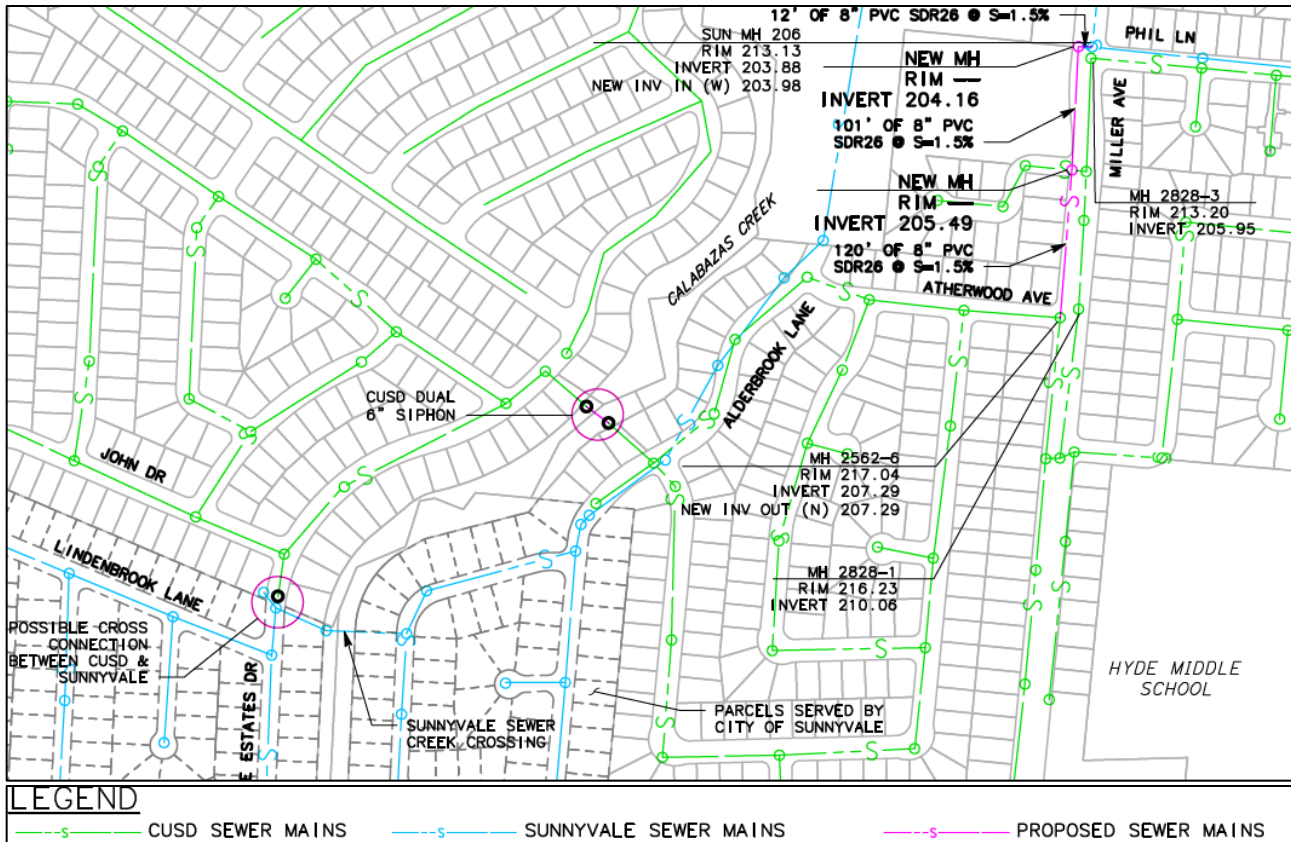


Figure 5. Proposed New Sewer for Returning Flow to Sunnyvale

The cost estimate to design and construct the new 8-inch diameter sewer on Miller Avenue from Atherwood Lane to Phil Lane is provided in the Table 1.

Table 1. Estimated Cost for New 8-inch sewer on Miller Avenue

Item	Quantity	Units	Unit Cost	Cost
New 8 inch sewer on Miller Ave	225	ft	200	45,000
New 4 ft diameter Manholes	2	Each	8000	16,000
Modify Existing Manholes	2	Each	2000	4,000
Shoring	1	LS	4000	4,000
Base-Line Construction Cost				73,000
Traffic Control (10% of Baseline Cost)				7,300
Subtotal				80,300
Mob/De-Mob (5%)				4,000
Subtotal				84,300
Contingencies (30%)				25,300
Subtotal				109,600
Engineering, Admin, Legal (25%)				27,400
Total Project Cost				\$137,000

BOARD'S CONSIDERATION:

If the Board agrees to accept the City of Sunnyvale Flow, it may direct staff to:

- 1) Begin negotiation with City of Sunnyvale

- a. City agrees to share in the cost of a one-time deep cleaning of the dual 6-inch diameter siphons that cross Calabazas creek. This cost to partially clean the siphon pipes on March 26 was \$7500. It is estimated that the cost to perform a more comprehensive cleaning of the siphon pipes and remove the accumulated grease from the siphon pipes is approximately \$25,000.
 - b. City agrees to share in the cost for future maintenance of the sewer system between East Estates Drive and the intersection of Phil Avenue and Miller Avenue, including the siphon pipes that cross under Calabazas Creek. It is estimated that the future maintenance costs for cleaning and maintaining the CUSD sewers from East Estates Drive and Phil Lane and the cost for regular cleaning of the siphon pipes to keep them free of grease accumulation will be \$12,000 per year of which the City will be asked to pay 37 percent (91 DU Sunnyvale/242 DU Sunnyvale and CUSD) which is \$4500 per year.
 - c. City agrees to pay Cupertino Sanitary District for the full cost of design and construction of new 8-inch diameter sewer to convey flow north along Miller Avenue to Phil Lane. The new sewer will connect to an existing Sunnyvale sewer manhole at Miller Avenue and Phil Lane. The estimated cost for design and construction of the new 8-inch diameter sewer is \$137,000.
 - d. Resolve discussion on border parcel discrepancies.
 - e. Discuss additional overflow capacity during wet weather to City of Sunnyvale
- 2) Once negotiation is completed, and an agreement is in place, District staff will proceed with the design and construction of the new pipe on Miller Avenue to connect the CUSD sewer system with the City system at Phil Lane. CUSD District staff will perform the design and manage the construction of the new sewer.
 - 3) Once negotiation is completed, and an agreement is in place, the City can proceed with the diversion of flows into the CUSD sewer on East Estates Drive.

DISTRICT MANAGER-ENGINEER

MARK THOMAS & COMPANY, INC.

BENJAMIN T. PORTER

DISTRICT COUNSEL

ATKINSON • FARASYN, LLP.

MARC HYNES



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ANGELA S. CHEN

TAGHI S. SAADATI

20863 STEVENS CREEK BOULEVARD, SUITE 100

CUPERTINO, CALIFORNIA 95014-2154

PHONE (408) 253-7071 • Fax (408) 253-5173

December 12, 2019

Ms. Debbie Pedro, Community Development Director
Community Development Department
1377 Fruitvale Avenue
Saratoga, CA 95070

Re: DRAFT ENVIRONMENTAL IMPACT REPORT FOR MOUNTAIN WINERY PROJECT

Dear Ms. Pedro:

The Cupertino Sanitary District has reviewed the Draft Environmental Impact Report (DEIR) for the Mountain Winery Annexation Project. The following comments are provided for your review, incorporating our comments, and updating the DEIR to produce Final EIR.

Executive Summary, Section 1.1: The DEIR states that the Cupertino Sanitary District is expected to apply to LAFCo to annex parcels 503-46-007 and 503-46-006. This statement should be revised as Cupertino Sanitary District will not apply to the LAFCo for Annexation. This is the responsibility of the developer. When LAFCo requests our concurrence, we will provide LAFCo with our resolution for approval to annex.

1-2

Impact PSU-2: The statement "Since the Cupertino Sanitary District has capacity to serve the project site and no additional infrastructure would be required, the impact would be less than significant." is incorrect. District has not performed due diligence in determining if the District's downstream infrastructure has sufficient capacity to serve the project site. Most likely, the Pierce Pump Station would not have sufficient capacity. Please consider revising the mitigation to: Owner/Developer will work with District as time arises for a need to connect to Cupertino Sanitary District and that owner/developer is expected to comply with District's requirements for any required upgrading.

1-28

Impact PSU-4: The statement "Cupertino Sanitary District has confirmed that existing infrastructure and capacity are sufficient to serve the project site" is inaccurate. Based on our Master Plan, currently we have a capacity right at the San Jose-Santa Clara Regional Wastewater Facility of 7.8 MGD average dry flow and interceptor capacity right through City of Santa Clara of 13.8 MGD. With the full implementation of City of Cupertino General Plan, District will not exceed the capacity right at the treatment plant. However, District

1-29

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will most likely exceed the interceptor capacity right through City of Santa Clara. District does not currently have any plans to negotiate increasing the District's capacity right or keeping the wet weather peak flow below the District's capacity right through City of Santa Clara. City of Cupertino is mandated to issue a building moratorium if the District exceeds our capacity right. Your FEIR should consider a mitigation requirement to include 1) building moratorium similar to City of Cupertino General Plan requirement and/or 2) provide sufficient onsite sewer storage capacity so that no flow is discharge from Mt. Winery during peak wet weather flows so the flow through Santa Clara does not exceed 13.8 MGD.

1-29
Cont'd

Annexation: Please correct that owner is expected to apply for annexation. District will cooperate with owner for annexation.

3-14

Impact GEO-5: Shouldn't the word "likely" be deleted since new lodging would require connection to Cupertino Sanitary District?

11-16

Greenhouse Gas Emissions (Water and Wastewater): DEIR states using recycled water. Cupertino Sanitary District does not have any recycled water and do not anticipate any in the future. What is the owner/developer plans for obtaining recycled water?

12-18

Hydrology-14.4.2 Impact HYD-1: Please expand the discussion to comply with the regulations set forth within the Cupertino Sanitary District. In addition to the listed item, please add the District's capacity limitation through City of Santa Clara and potential for owner to provide improvements to downstream District's infrastructure at the owner's expense.

14-11

Land use policy C-GD 3: Please delete the statement that CuSD indicates that it would have capacity to service the Project site or revise it per our earlier comments.

15-10

SOI Policy 6: Delete last sentence regarding capacity or revise it per our earlier comments.

15-12

USA Policy 4 Project Consistency: District supports annexation, however statement that district has adequate infrastructure and capacity is inaccurate. Please revise per our earlier comments.

15-15

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USA Policy 11. Fee statement is incorrect, District currently levies three fees. The first fee is development fee which recovers the cost of connecting to Cupertino Sanitary District owned collection system. The second fee is the treatment plant fee that is a “buy-in” to the regional treatment plant. The third fee is the pump zone area fees.	15-19
Annexation Policy 3 Project Consistency: Please delete statement regarding District having sufficient capacity or rephrase per our earlier comments.	15-20
Annexation Policy 12 Project Consistency: Please delete statement regarding District having sufficient capacity or rephrase per our earlier comments.	15-23
Land use-Impact LU-2: Please expand discussion stating that the future connection would be allowed to occur within this area and add a discussion regarding requirements for downstream District’s infrastructure would be a separate environmental review process to be performed by Cupertino Sanitary District.	15-32
Public Service 17.1 Introduction: Please add to third bullet. “, paying fees and meeting/satisfying District’s requirements for discharge and upsizing as required.”	17-1
Section 17.2.2 Utilities: It mentions that the site would generate a peak flow of 224,377 gallons per month during the months of June to September. We have not yet performed our review of District’s infrastructure as to impact of this flow to our system.	17-5
Impact PSU-2: Statement that District has capacity to serve is incorrect. Please revise last sentence per our earlier responses.	17-20
Impact PSU-4: Same comments as PSU-2.	17-22

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If you have any questions, please feel free to contact me.

Sincerely,

MARK THOMAS

Benjamin T. Porter

District Manager-Engineer

Cupertino Sanitary District - Monthly Maintenance Summary - July 2020

SSOs

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

PLSDs (Private Lateral Sewage Discharge)

<u>Start Date</u>	<u>Location</u>	<u>Cause of PLSD</u>	<u>Main/Lat</u>	<u>Spill Volume (Gal)</u>	<u>Spill Recovered (Gal)</u>	<u>Volume of Wash Water Used (Gal)</u>
7/24/2020	20754 Granada Ct, Cup	Large offset at POC	Lateral	Unknown		800

Emergency Calls - Causes

<u>Call Rec'd Business Hours</u>	<u># of Calls</u>	<u>Call Rec'd After Hours</u>	<u># of Calls</u>	<u>Call Rec'd Weekend</u>	<u># of Calls</u>
Root Intrusion	2	Root Intrusion	0	Root Intrusion	0
Onsite	4	Onsite	2	Onsite	1
Offset	1	Offset	0	Offset	0
Debris	0	Debris	0	Debris	0
Others	1	Others	0	Others	0
Pump Station	0	Pump Station	1	Pump Station	0
Total:	8	Total:	3	Total:	1

Repairs

<u>Address</u>	<u>Main/Lat</u>	<u>Description of Work</u>
None		

Mainline Maintenance

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	FY2020-21 YTD	FY2020-21 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	14,675	80,662	8,138	6,426	0	3,838	0	4,978	969	0	987,432	12%
Easement Cleaning (ft)	0	1,665	12,503	538	366	0	1,487	0	3,661	227	119,686	159,062	13%
CCTV (ft)	0	2,940	9,283	2,881	0	0	0	0	0	0	20,447	207,880	7%

Lateral Maintenance

<u>Activity</u>	<u># of Laterals</u>	<u>FY2020-21 YTD</u>	<u>FY2020-21 Annual schedule</u>	<u>% Complete (YTD/Annual schedule)</u>
Cleaning	476	476	4,247	11%
CCTV	9	9		
Inspection	19	19		

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

	<u># of Inspections</u>	<u>YTD FY2020-21</u>	<u>FY2020-21 Annual Schedule</u>	<u>% Complete (YTD/Annual schedule)</u>
Performed	25	25		
Completed	16	16	283	6%
Follow up Needed	3			