

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MAY 19, 2021**

AGENDA

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. 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. PUBLIC HEARING:

- A. CONDUCT A PUBLIC HEARING ON PROPOSED SANITARY SEWER SERVICE CHARGE INCREASE FOR FISCAL YEAR 2021-2022
 - 1. Staff Presentation
 - 2. Open Public Hearing and Receive Testimony
 - 3. Close Public Hearing
 - 4. Board Discussion
 - 5. Adopt Ordinance No. 127 Amending Article VII, Sections 7001 through 7003, of the Cupertino Sanitary District Operations Code
 - 6. Set Public Hearing Date to Collect Sewer Charges on Tax Roll for June 16, 2021 – Approve Resolution No. 1330

4. MINUTES & BILLS

- A. APPROVAL OF THE MINUTES OF MAY 5, 2021
- B. APPROVED MINUTES OF APRIL 21, 2021
- C. PAYMENT OF BILLS AND APPROVAL OF FINANCIAL STATEMENT
- D. DIRECTOR'S MONTHLY TIMESHEETS

5. CORRESPONDENCE

NONE

**CUPERTINO SANITARY DISTRICT
SANITARY BOARD MEETING
WEDNESDAY, MAY 19, 2021**

6. MEETINGS

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE (TPAC) TO BE HELD ON MAY 20, 2021

7. REPORTS

- A. TELECONFERENCE MEETING OF THE SAN JOSE/SANTA CLARA TREATMENT PLANT TECHNICAL ADVISORY COMMITTEE (TAC) HELD ON MAY 17, 2021

8. UNFINISHED BUSINESS

- A. COVID-19 UPDATES
- B. OAKCREST PUMP STATION

9. NEW BUSINESS

NONE

10. STAFF REPORT

- A. FUTURE DEVELOPMENT PROJECTS
- B. I/I REDUCTION FOLLOW-UP
- C. MONTHLY MAINTENANCE REPORT

11. 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.

12. CALENDAR ITEMS

- A. NEXT REGULAR DISTRICT BOARD MEETING IS SCHEDULED TO BE HELD ON WEDNESDAY, JUNE 2, 2021

13. ADJOURNMENT



05.19.2021

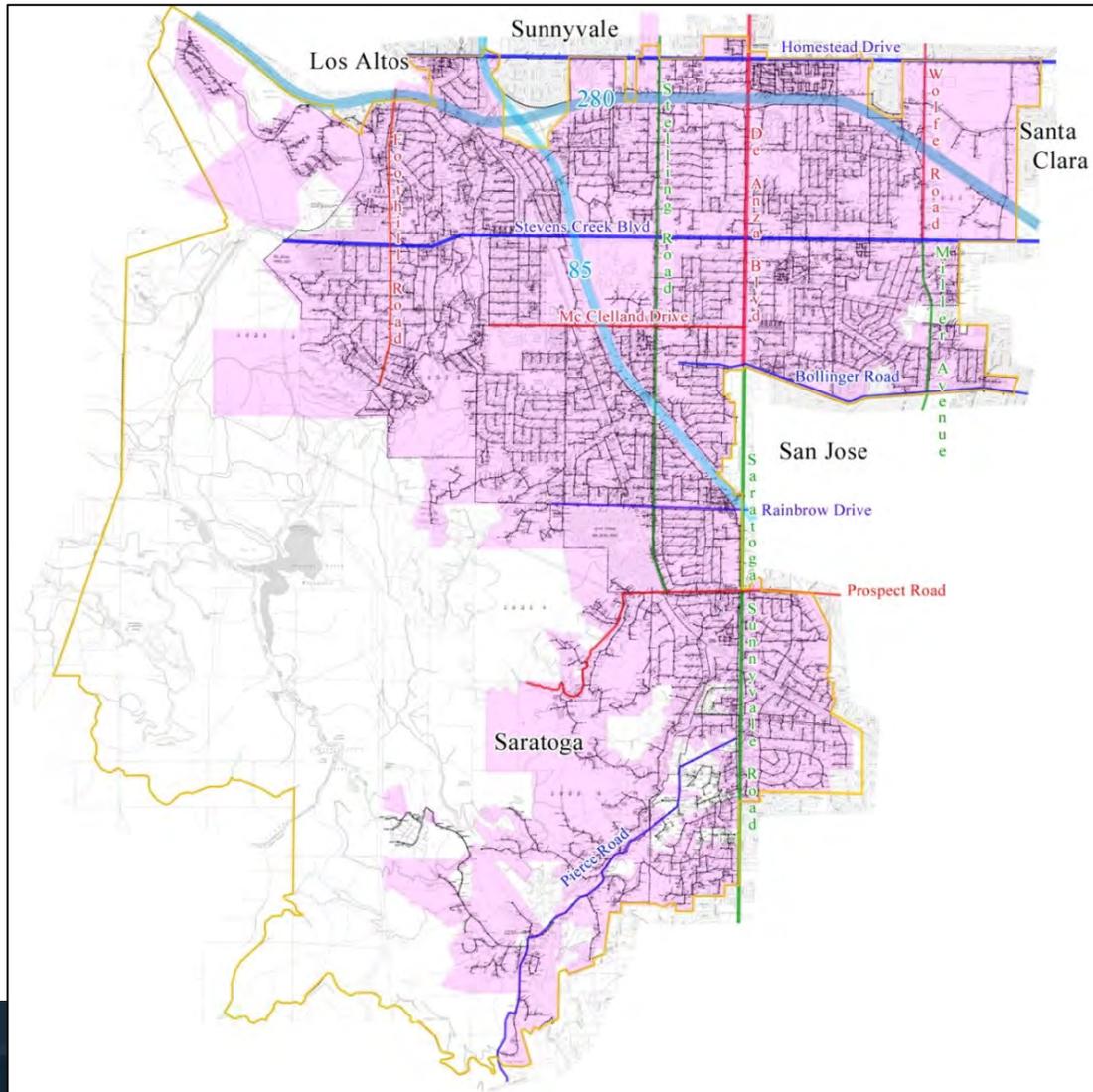
Item 3.A.1.

**PUBLIC HEARING TO CONSIDER
SANITARY SEWER SERVICES RATE
INCREASE FOR
FISCAL YEAR 2021-2022**



Presented by: Benjamin Porter, P.E.

CUPERTINO SANITARY DISTRICT

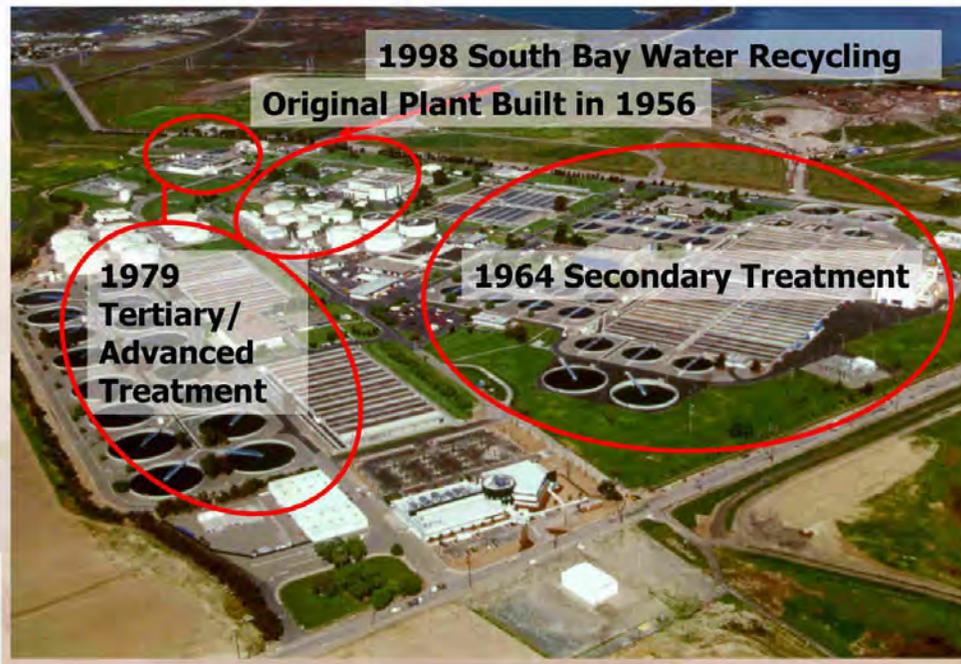


- District was established on April 30, 1956.
- District encompasses 12.7 square miles (20,750 residential and 1,540 commercial customers).
- District owns, operates and maintains over 200 miles of sewer mains, 100 miles of lower laterals and 17 pump stations.
- Current average annual flow is 4.5 MGD; 4.0 MGD utilizes the City of Santa Clara Interceptor and 0.5 MGD uses the City of San Jose interceptor system.
- District owns 7.875 MGD capacity rights at the San Jose-Santa Clara Regional Treatment Plant



SAN JOSE-SANTA CLARA REGIONAL TREATMENT FACILITY IMPROVEMENTS

Past Planning Efforts



- The plant was constructed in 1956 and upgraded in 1964 and 1979. Water recycling facilities were introduced in 1998.
- 2013: The City of San Jose adopted the Plant Master Plan (PMP) with a cost of \$1.4 Billion over next 10 years
- 2016: Tributary agencies entered mediation with San Jose on existing agreement
- March 23, 2018: The Tributary Agencies filed a complaint against the Cities of San Jose and Santa Clara



COST BREAKDOWN OF 10-YEAR CAPITAL IMPROVEMENTS FOR THE TREATMENT PLANT – FY 2021 THROUGH 2031

Tributary Discharger	%	Cost Share of \$1,404,798,000
City of San Jose	78.49%	\$1,102,627,912
City of Santa Clara	9.95%	\$139,842,318
City of Milpitas	4.47%	\$62,756,946
West Valley Sanitation District	4.01%	\$56,361,940
Cupertino Sanitary District	2.60%	\$36,506,124
County Sanitation District 2-3	0.33%	\$4,689,119
Burbank Sanitary District	0.14%	\$2,013,642



TIMELINE

- **2013:** Requested that San Jose provide a new agreement to cover PMP.
- **2014 and 2015:** San Jose and Tributary Agencies worked on implementation of the PMP with a financing program and a new agreement.
- **Aug 2015:** San Jose determined that the long-term bond financing was not a feasible option.
- **Oct 2015:** CuSD submitted a new agreement with redlined changes to San Jose.
- **Nov 2015:** San Jose provided their response to our revisions of the agreement.

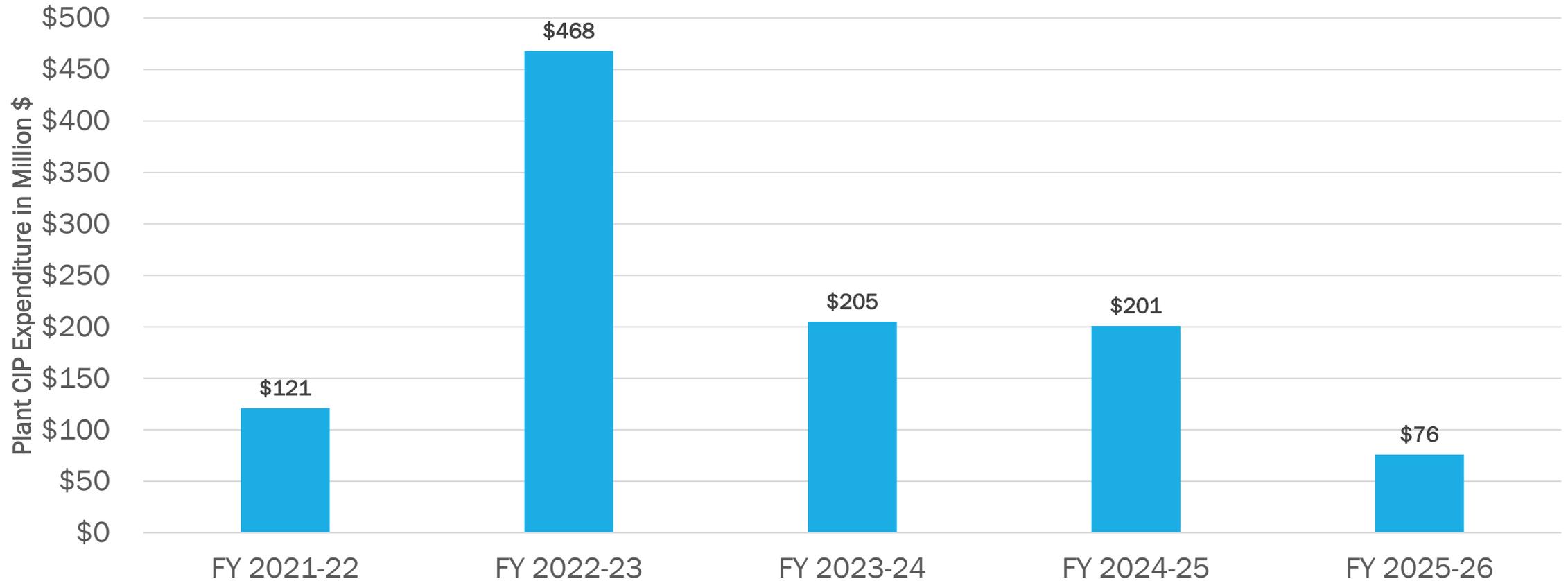


TIMELINE CONTINUED...

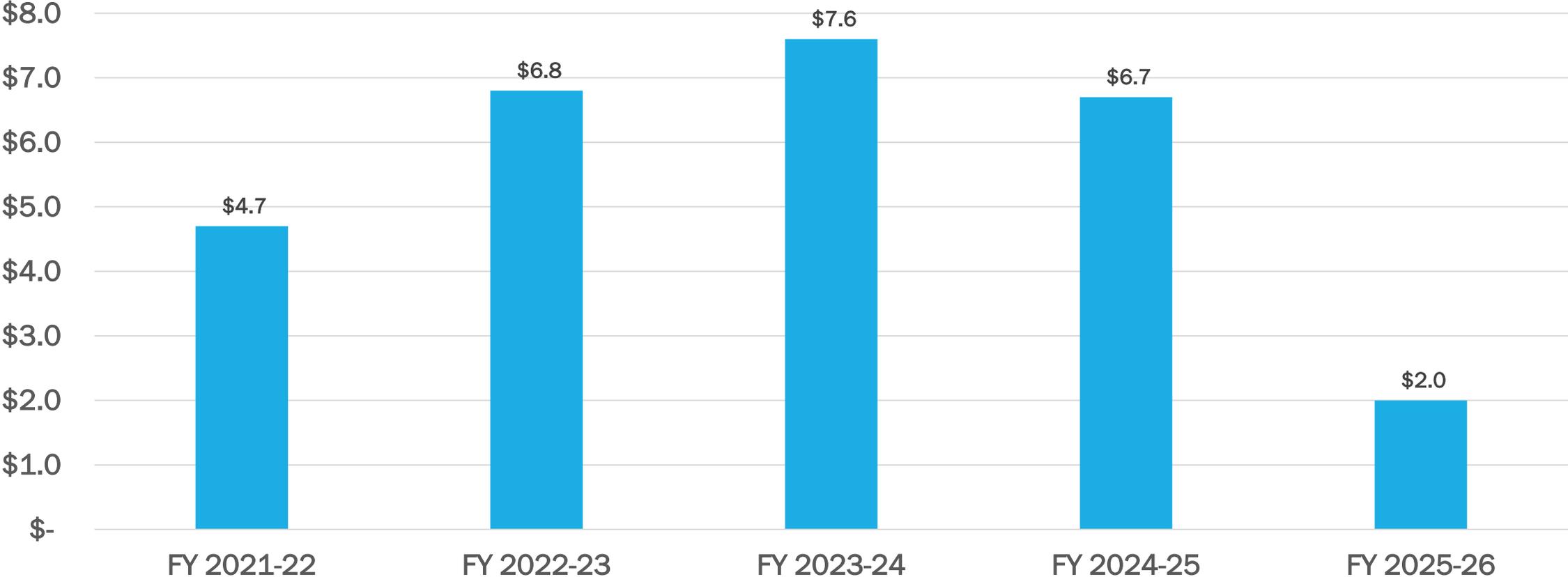
- **Jan 2016:** Tributary agencies filed formal grievance with City of San Jose TPAC
- **Jan 2016-May 2017:** Mediation to resolve issues followed by administrative claim
- **February 2017 - March 2017:** Construction phase was initiated for Fiber Optic Connection, Digester Gas Compressor Upgrade, and Emergency Diesel Generators
- **March 2018:** Formal complaint filed
- **Current:** Litigation is ongoing



PLANT CIP EXPENDITURE PLAN (IN MILLION DOLLARS)



CUSD SHARE OF TREATMENT PLANT COST (IN MILLION DOLLARS)



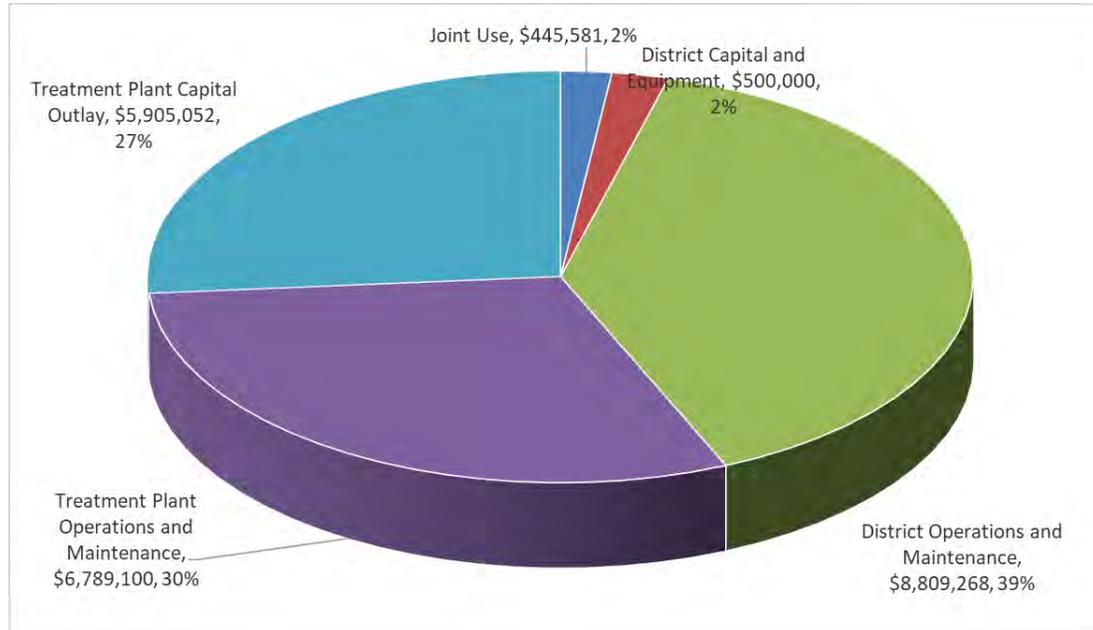
CUPERTINO PLANNED CIP

Year	Planned CIP (\$Million)
2021-2022	2.43
2022-2023	2.43
2023-2024	2.43
2024-2025	2.43
2025-2026	2.43
2026-2027	2.43
2027-2028	2.43
2028-2029	2.43
2029-2030	2.43

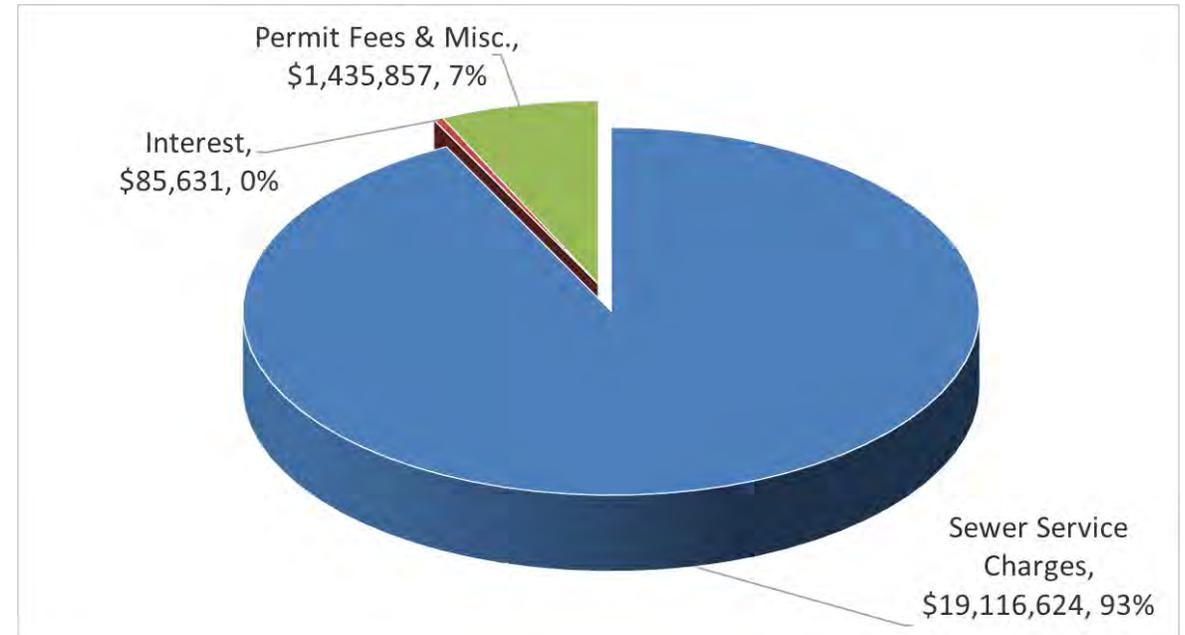


EXPENSES FOR DISTRICT'S OPERATIONS FY 2021-22

Expenses for District's Operations FY 2021-22



Revenue for District's Operations FY 2021-22



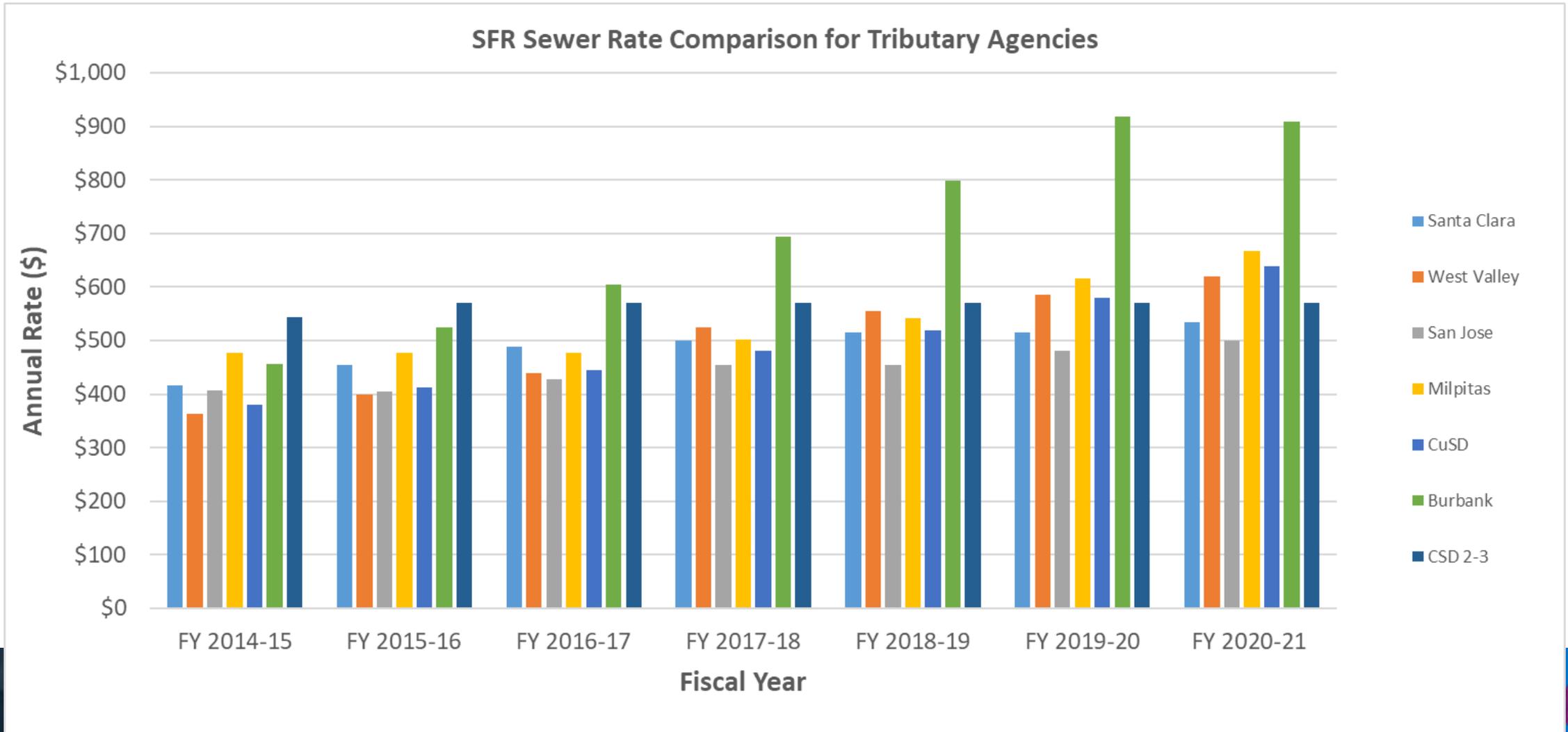
Key Facts

Treatment Plant/Outfall = 59%
District Expense = 41%

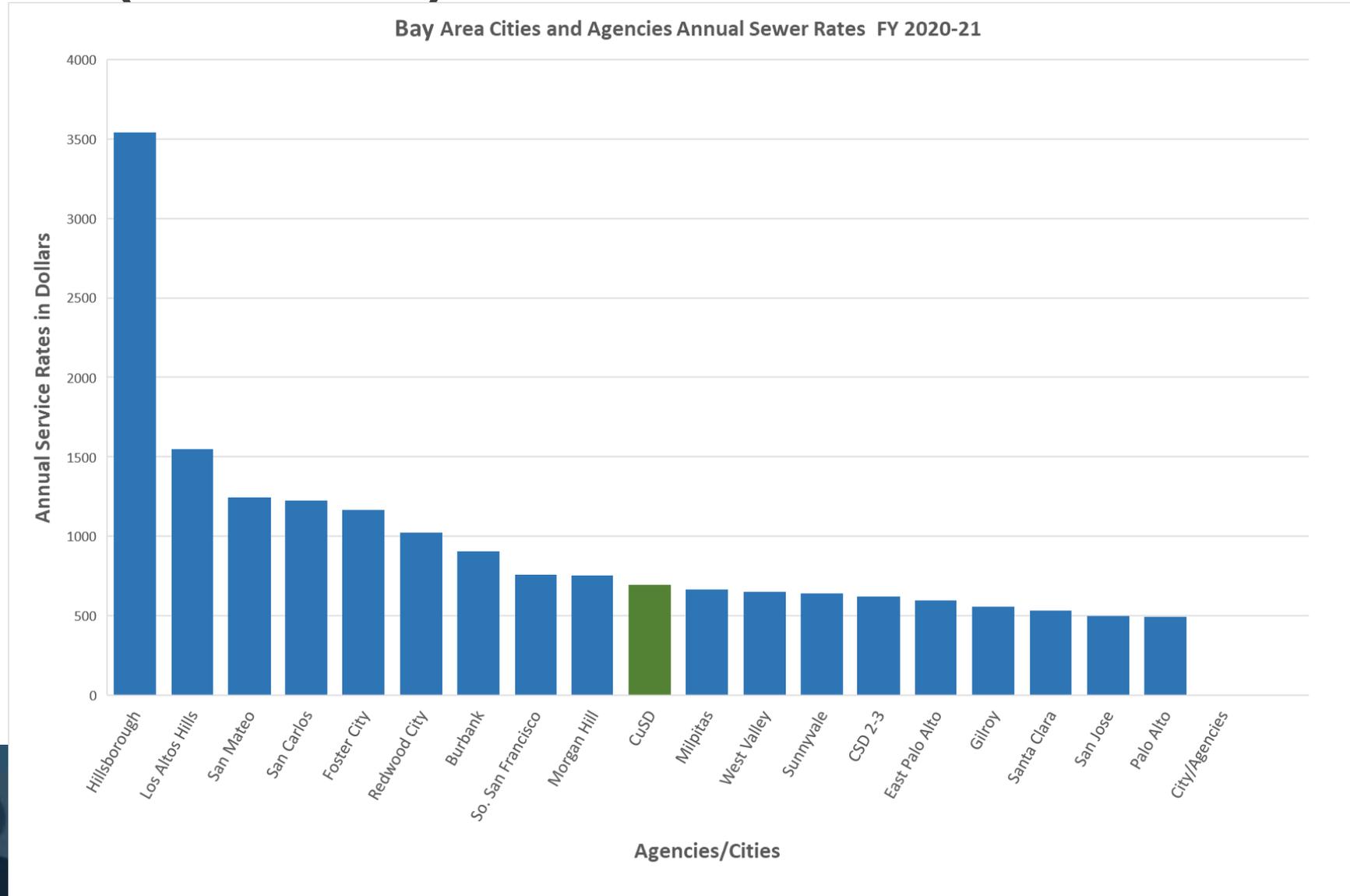
Total Revenue = \$20,638,111
Total Expenses = \$22,449,001



SINGLE FAMILY SEWER RATE COMPARISON FOR 7 AGENCIES DISCHARGING TO SJ-SC REGIONAL WASTE FACILITY



SINGLE FAMILY RESIDENTIAL ANNUAL WASTEWATER CHARGE (BAY AREA)



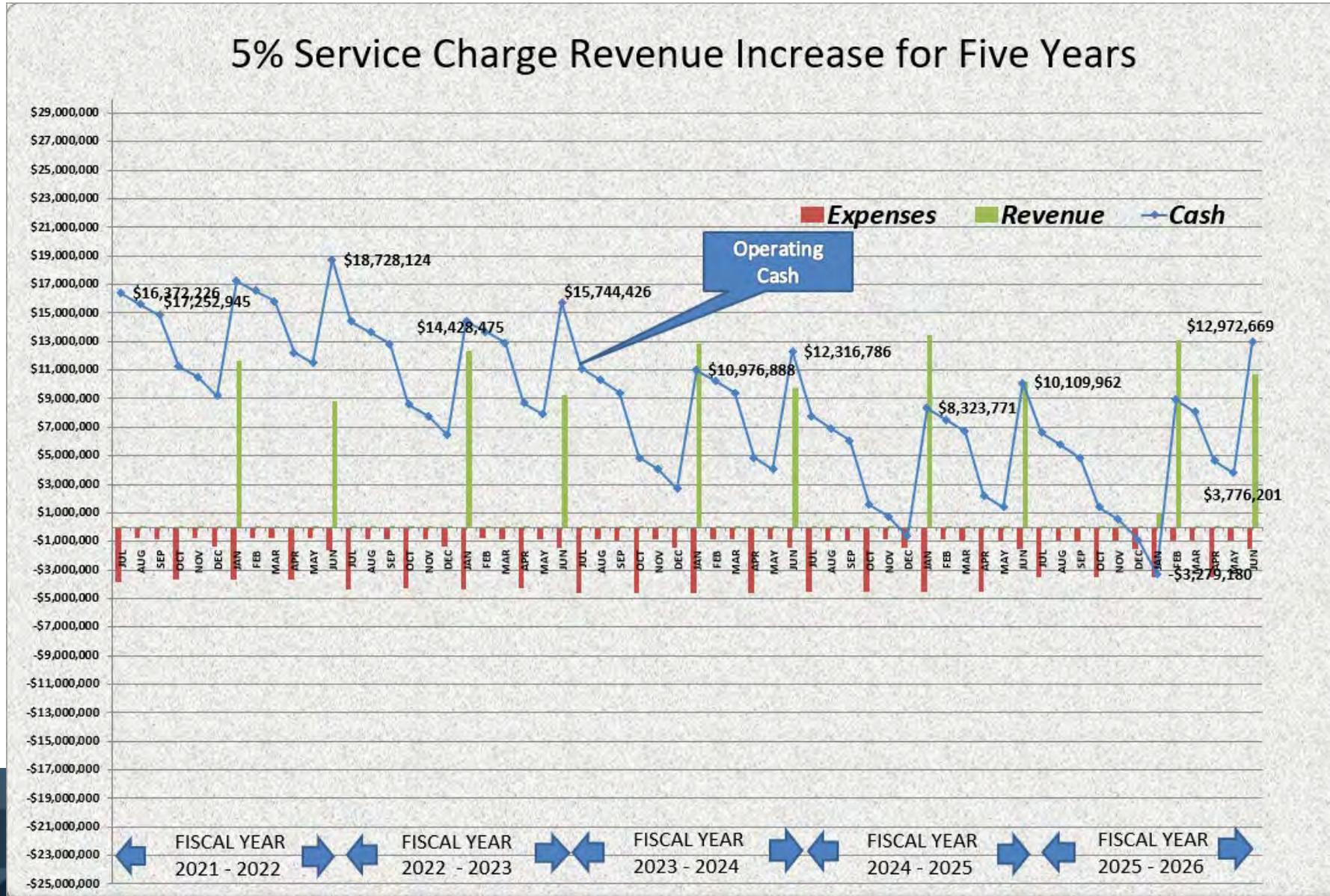
RATE INCREASE STUDY

Rate Increase Study - Cupertino Sanitary District Sewer Service Charges with 5% Revenue Increase For Five Years

	2020-21	2021-22	2022-2023	2023-2024	2024-2025	2025-2026
Rates (Single Residential) in Non Pump Station Zone	\$638.86	\$665.24	\$698.50	\$733.43	\$770.10	\$808.60
Rates (Single Residential) in Pump Station Zone	\$638.86	\$731.40	\$767.97	\$806.37	\$846.69	\$889.02
Rates (Multi-Family) in Non Pump Station Zone	\$638.86	\$512.36	\$537.98	\$564.88	\$593.12	\$622.78
Rates (Multi-Family) in Non Pump Station Zone	\$638.86	\$562.64	\$590.77	\$620.31	\$651.33	\$683.89
Rates (ADU) in Non Pump Station Zone	\$638.86	\$497.57	\$522.45	\$548.57	\$576.00	\$604.80
Rates (ADU) in Non Pump Station Zone	\$638.86	\$547.85	\$575.24	\$604.00	\$634.20	\$665.92
No. of Single.Res Units in Non Pump Station Zone	11,937	11,937	11,937	11,937	11,937	11,937
No. of Single.Res Units in Pump Station Zone	5,128	5,128	5,128	5,128	5,128	5,128
No. of Mult.Residential Units in Non Pump Station Zone	3,342	3,342	3,342	3,342	3,342	3,342
No. of Mult.Residential Units in Pump Station Zone	664	664	664	664	664	664
No. of ADUs in Non Pump Station Zone	148	148	148	148	148	148
No. of ADUs in Pump Station Zone	126	126	126	126	126	126
Residential Service Charges	\$13,636,467	\$13,920,159	\$14,616,167	\$15,346,975	\$16,114,324	\$16,920,040
Commercial	\$4,727,884	\$4,964,277.68	\$5,212,491.56	\$5,473,116.14	\$5,746,771.94	\$6,034,110.54
Handbilling	\$400,983	\$421,031.63	\$442,083.21	\$464,187.37	\$487,396.73	\$511,766.57
Service Charges Subtotal	\$18,765,333	\$19,305,468	\$20,270,741	\$21,284,278	\$22,348,492	\$23,465,917
(1% Collection Fee)	(\$183,644)	(\$188,844)	(\$198,287)	(\$208,201)	(\$218,611)	(\$229,542)
Total Service Charges	\$18,581,689.20	\$19,116,624	\$20,072,455	\$21,076,077	\$22,129,881	\$23,236,375
Interest Income	\$152,153	\$85,631	\$70,042	\$48,865	\$27,352	\$30,801
Other Revenue	\$3,504,031	\$1,435,857	\$1,512,910	\$1,621,380	\$1,716,184	\$1,796,414
Total Yearly Revenue	\$22,237,873	\$20,638,111	\$21,655,407	\$22,746,322	\$23,873,417	\$25,063,590
Treatment Plant CIP Allocation	\$2,707,387	\$4,704,510	\$6,844,178	\$7,615,388	\$6,738,996	\$1,970,515
Loan Payments		\$1,200,542	\$1,197,188	\$1,202,625	\$1,197,375	\$1,199,563
Net Cash required for TP CIP	\$2,707,387	\$5,905,052	\$8,041,366	\$8,818,013	\$7,936,371	\$3,170,078
Treatment Plant O&M	\$6,426,141	\$6,789,100	\$7,128,555	\$7,484,983	\$7,859,232	\$8,252,193
Joint Use (CSJ/SC Payments)	\$3,051,389	\$445,581	\$93,300	\$93,300	\$46,536	\$46,536
CuSD 5 Year CIP	\$230,781	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
CuSD O&M	\$8,389,779	\$8,809,268	\$9,249,731	\$9,712,218	\$10,197,828	\$10,707,720
Total Yearly Expense	\$20,805,478	\$22,449,001	\$25,012,952	\$26,608,513	\$26,539,967	\$22,676,527
Revenue/Expense Diff.	\$1,432,396	(\$1,810,890)	(\$3,357,544)	(\$3,862,191)	(\$2,666,550)	\$2,387,063
Cash on Hand	-	\$20,144,864	\$18,333,974	\$14,976,430	\$11,114,239	\$8,447,689
COH at End of FY	\$20,144,864	\$18,333,974	\$14,976,430	\$11,114,239	\$8,447,689	\$10,834,752



CASH FLOW STUDY



RATE INCREASE NEEDED TO...

- Pay City of San Jose for the treatment plant capital improvement projects on worst case assumption – CASH BASIS
- Make effort to complete CuSD capital project program per adopted 10-year CIP.
- In addition to rate increase:
 - Defer portion of District CIP to balance cash flows

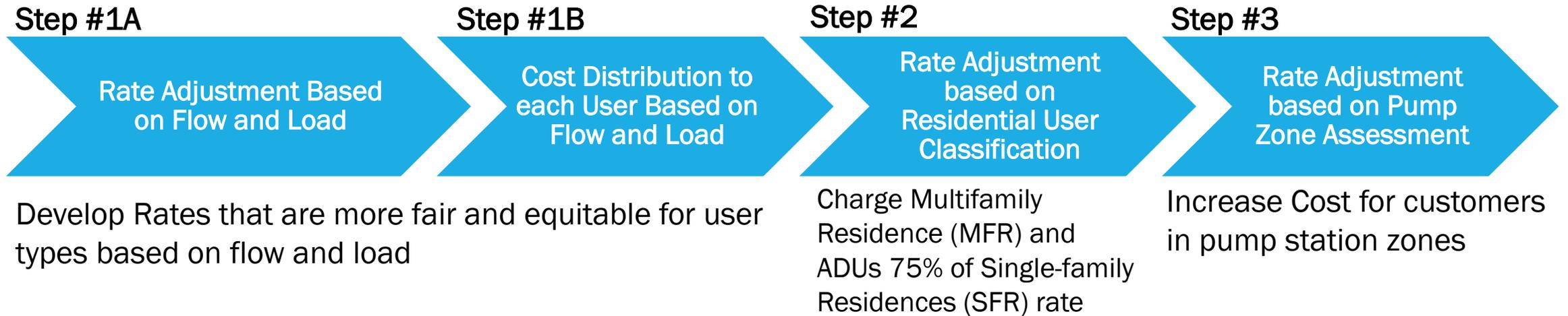


RATE STUDY METHODOLOGY BASED ON FY 2020-21



RATE STUDY METHODOLOGY

Rates proportional to customers flow and load, and cost of service



Final Base Rates include Rates from Rate Study Methodology and Rates after 5% rate increase for all users



RATE STUDY METHODOLOGY STEP 1A: RATE ADJUSTMENT BASED ON USERS FLOW AND LOAD CHARACTERISTICS

	Number of Sewer EDUs / Accounts	Annual Flow Volume	Working Days Per Year	Flow Data				Concentration			Load					
				Projected Flow Rate		Projected Flow Rate Per User Type	Projected Flow Rate Compared to Total	BOD	SS	NH3	BOD	SS	NH3	BOD	SS	NH3
				mgd	gpd per unit											
Count	HCF	Days	mgd	gpd per unit	%	%	mg/L									
Residential																
Single Family	17,065	1,618,228	365	3.316260	194	84.2%	60.4%	250	250	35	6,914.40	6,914.40	968.02	46.6%	59.9%	71.9%
Multi Family	4,006	284,909	365	0.583868	146	14.8%	10.6%	250	250	35	1,217.36	1,217.36	170.43	8.2%	10.5%	12.7%
Accessory Dwelling Unit	274	19,487	365	0.039935	146	1.0%	0.7%	250	250	35	83.26	83.26	11.66	0.6%	0.7%	0.9%
Total Residential	21,345	1,922,624		3.940062	486	100.0%	71.7%	750	750	105	8,215.03	8,215.03	1,150.10	55.4%	71.1%	85.4%
Commercial/Industrial																
Retail Professional Office	1,085	351,978	330	0.797818	735	56.4%	13.1%	130	80	11	864.99	532.30	73.19	5.8%	4.6%	5.4%
Domestic Laundry	4	1,474	360	0.003063	766	0.2%	0.1%	150	110	5	3.83	2.81	0.13	0.0%	0.0%	0.0%
Restaurant	236	227,170	360	0.472008	2,000	36.4%	8.5%	1,250	560	10	4,920.68	2,204.47	39.37	33.2%	19.1%	2.9%
Repair Shops and Service Station	25	4,965	360	0.010315	413	0.8%	0.2%	180	280	0	15.49	24.09	0.00	0.1%	0.2%	0.0%
Hotel/Motel with Food Service	5	17,171	365	0.035188	7,038	2.8%	0.6%	500	600	35	146.73	176.08	10.27	1.0%	1.5%	0.8%
Hotel/Motel	5	17,600	365	0.036067	7,213	2.8%	0.7%	310	121	7	93.25	36.40	2.11	0.6%	0.3%	0.2%
Printing Plant	2	319	273	0.000873	437	0.1%	0.0%	250	500	0	1.82	3.64	0.00	0.0%	0.0%	0.0%
Car Wash	17	3,429	330	0.007773	457	0.5%	0.1%	20	150	0	1.30	9.72	0.00	0.0%	0.1%	0.0%
Machinery Manufacturing	1	62	261	0.000179	179	0.0%	0.0%	290	550	0	0.43	0.82	0.00	0.0%	0.0%	0.0%
Total Commercial/Industrial	1,380	624,168		1.363285	19,238	100.0%	23.3%	3,080	2,951	68	6,048.53	2,990.33	125.06	40.8%	25.9%	9.3%
Institutional																
School	3	2,500	300	0.006235	2,078	1.9%	0.1%	130	100	30	6.76	5.20	1.56	0.0%	0.0%	0.1%
Hand Billing School	29	43,239	300	0.107809	3,718	32.3%	1.6%	130	100	30	116.89	89.91	26.97	0.8%	0.8%	2.0%
Hand Billing Retail	64	54,192	330	0.122835	1,919	40.5%	2.0%	130	100	30	133.18	102.44	30.73	0.9%	0.9%	2.3%
Convalescent Home	7	18,973	365	0.038882	5,555	14.2%	0.7%	230	85	15	74.58	27.56	4.86	0.5%	0.2%	0.4%
Multiple Occupancy Units	8	14,976	365	0.030692	3,836	11.2%	0.6%	950	467	28	243.17	119.54	7.04	1.6%	1.0%	0.5%
Total Institutional	111	133,881		0.306453	17,106	100.0%	5.0%	1,570	852	133	574.58	344.66	71.17	3.9%	3.0%	5.3%
Total	22,836	2,680,673		5.609800	36,830	100.0%		5,400	4,553	306	14,838	11,550	1,346	100.0%	100.0%	100.0%

Flow and Loadings from District CUSD Revenue Program for FY 2020-21



STEP 1B: COST DISTRIBUTION TO EACH USER TYPE BASED ON FLOW AND LOAD

				Cost Distribution				Cost Allocation	
	Number of Sewer EDUs / Accounts	Annual Flow Volume	Working Days Per Year	Flow	BOD	SS	NH3	Cost for FY 2020-21 based on Cash Requirement	Unit Rate based on Cost Allocation
	Count	HCF	Days	\$	\$	\$	\$	\$	\$
Residential									\$/Year
Single Family	17,065	1,618,228	365	\$5,953,393	\$1,602,465	\$1,656,537	\$1,939,339	\$11,151,734	\$653.49
Multi Family	4,006	284,909	365	\$1,048,167	\$282,133	\$291,653	\$341,444	\$1,963,398	\$490.11
Accessory Dwelling Unit	274	19,487	365	\$71,692	\$19,297	\$19,948	\$23,354	\$134,291	\$490.11
Total Residential	21,345	1,922,624		\$7,073,252	\$1,903,895	\$1,968,139	\$2,304,137	\$13,249,424	
Commercial/Industrial									\$/HCF
Retail Professional Office	1,085	351,978	330	\$1,294,914	\$200,469	\$127,528	\$146,634	\$1,769,544	\$5.03
Domestic Laundry	4	1,474	360	\$5,423	\$888	\$673	\$256	\$7,240	\$4.91
Restaurant	236	227,170	360	\$835,747	\$1,140,406	\$528,141	\$78,865	\$2,583,159	\$11.37
Repair Shops and Service Station	25	4,965	360	\$18,264	\$3,589	\$5,771	\$0	\$27,624	\$5.56
Hotel/Motel with Food Service	5	17,171	365	\$63,170	\$34,007	\$42,185	\$20,578	\$159,941	\$9.31
Hotel/Motel	5	17,600	365	\$64,748	\$21,611	\$8,720	\$4,218	\$99,297	\$5.64
Printing Plant	2	319	273	\$1,173	\$422	\$873	\$0	\$2,467	\$7.74
Car Wash	17	3,429	330	\$12,616	\$300	\$2,330	\$0	\$15,247	\$4.45
Machinery Manufacturing	1	62	261	\$230	\$100	\$197	\$0	\$527	\$8.43
Total Commercial/Industrial	1,380	624,168		\$2,296,286	\$1,401,792	\$716,418	\$250,551	\$4,665,047	
Institutional									\$/HCF
School	3	2,500	300	\$9,199	\$1,567	\$1,246	\$3,125	\$15,136	\$6.05
Hand Billing School	29	43,239	300	\$159,074	\$27,089	\$21,541	\$54,040	\$261,745	\$6.05
Hand Billing Retail	64	54,192	330	\$199,370	\$30,865	\$24,543	\$61,572	\$316,351	\$5.84
Convalescent Home	7	18,973	365	\$69,802	\$17,285	\$6,604	\$9,745	\$103,435	\$5.45
Multiple Occupancy Units	8	14,976	365	\$55,098	\$56,356	\$28,638	\$14,102	\$154,195	\$10.30
Total Institutional	111	133,881		\$492,543	\$133,163	\$82,572	\$142,584	\$850,862	
Total	22,836	2,680,673		\$9,862,082	\$3,438,850	\$2,767,129	\$2,697,273	\$18,765,333	

Flow and Loadings from District CUSD Revenue Program for FY 2020-21



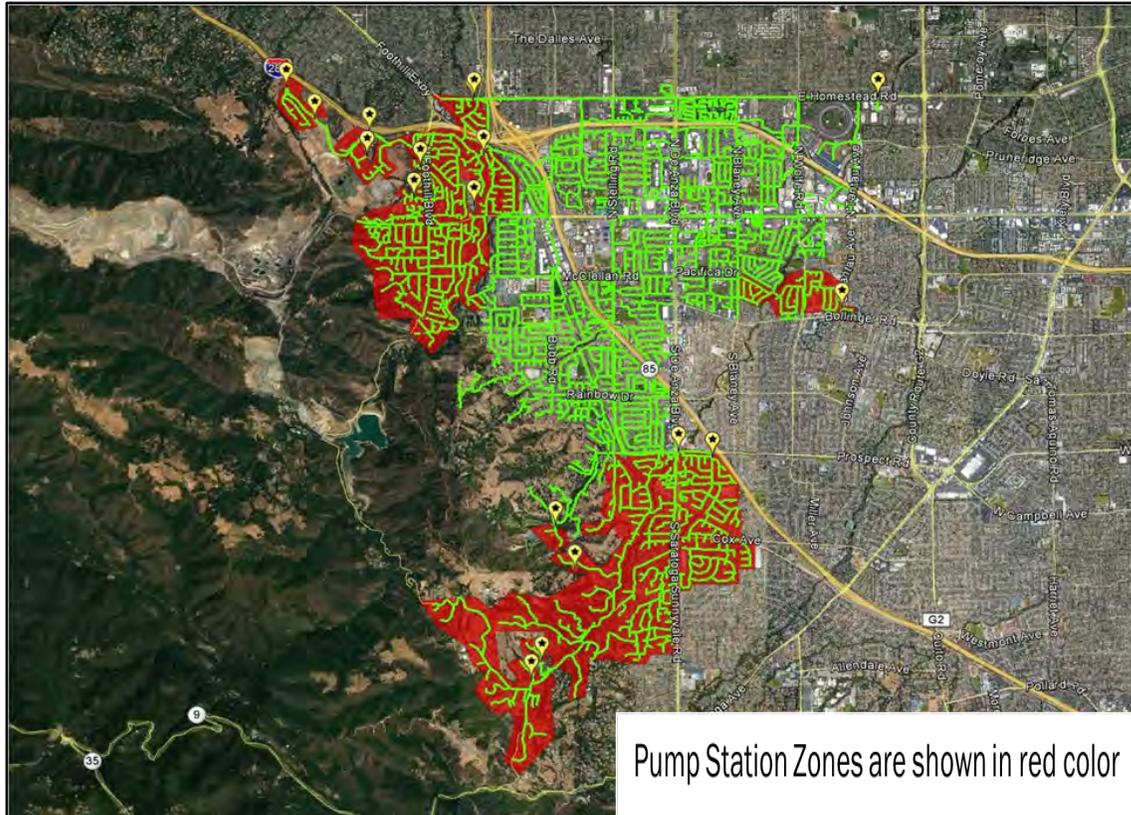
RATE STUDY METHODOLOGY STEP 2: RATE ADJUSTMENT BASED ON RESIDENTIAL USER CLASSIFICATION

	Number of Sewer EDUs / Accounts	Annual Flow Volume	Working Days Per Year	Unit Rate based on Cost Allocation
	Count	HCF	Days	\$
Residential				\$/Year
Single Family	17,065	1,618,228	365	\$653.49
Multi Family	4,006	284,909	365	\$490.11
Accessory Dwelling Unit	274	19,487	365	\$490.11
Total Residential	21,345	1,922,624		
Commercial/Industrial				\$/HCF
Retail Professional Office	1,085	351,978	330	\$5.03
Domestic Laundry	4	1,474	360	\$4.91
Restaurant	236	227,170	360	\$11.37
Repair Shops and Service Station	25	4,965	360	\$5.56
Hotel/Motel with Food Service	5	17,171	365	\$9.31
Hotel/Motel	5	17,600	365	\$5.64
Printing Plant	2	319	273	\$7.74
Car Wash	17	3,429	330	\$4.45
Machinery Manufacturing	1	62	261	\$8.43
Total Commercial/Industrial	1,380	624,168		
Institutional				\$/HCF
School	3	2,500	300	\$6.05
Hand Billing School	29	43,239	300	\$6.05
Hand Billing Retail	64	54,192	330	\$5.84
Convalescent Home	7	18,973	365	\$5.45
Multiple Occupancy Units	8	14,976	365	\$10.30
Total Institutional	111	133,881		
Total	22,836	2,680,673		

Charge Multifamily Residence and ADUs 75% of Single-Family Rate based on Flow and Load Calculations



RATE STUDY METHODOLOGY STEP 3: RATE ADJUSTMENT FOR USERS IN PUMP STATION ZONES



	Number of Sewer EDUs / Accounts	Annual Flow Volume	Working Days Per Year	Unit Rate based on Cost Allocation
	Count	HCF	Days	\$
Residential				\$/Year
Single Family	17,065	1,618,228	365	\$653.49
Multi Family	4,006	284,909	365	\$490.11
Accessory Dwelling Unit	274	19,487	365	\$490.11
Total Residential	21,345	1,922,624		
Commercial/Industrial				\$/HCF
Retail Professional Office	1,085	351,978	330	\$5.03
Domestic Laundry	4	1,474	360	\$4.91
Restaurant	236	227,170	360	\$11.37
Repair Shops and Service Station	25	4,965	360	\$5.56
Hotel/Motel with Food Service	5	17,171	365	\$9.31
Hotel/Motel	5	17,600	365	\$5.64
Printing Plant	2	319	273	\$7.74
Car Wash	17	3,429	330	\$4.45
Machinery Manufacturing	1	62	261	\$8.43
Total Commercial/Industrial	1,380	624,168		
Institutional				\$/HCF
School	3	2,500	300	\$6.05
Hand Billing School	29	43,239	300	\$6.05
Hand Billing Retail	64	54,192	330	\$5.84
Convalescent Home	7	18,973	365	\$5.45
Multiple Occupancy Units	8	14,976	365	\$10.30
Total Institutional	111	133,881		
Total	22,836	2,680,673		

Pump Station Zone Users
 28% of residential users
 4% of Commercial/industrial
 20% of institutional

Flow and Loadings from District CUSD Revenue Program for FY 2020-21



PUMP STATION ZONE COST DISTRIBUTION

			Pump Station Zone Distribution		Revenue Distribution Based on Fiscal Year 2020-21 Requirement			Pump Station Zone Additional Cost	Base Cost without Pump Station Zone Cost
	Number of Sewer EDUs / Accounts	Annual Flow Volume	In Pump Station Zone	NOT In Pump Station Zone	Total Revenue Required	Revenue Expected from Pump Station Zone	Revenue Expected from NON Pump Station Zone		
	Count	HCF			\$	\$	\$	\$	
Residential									
Single Family	17,065	1,618,228	5,128	11,937	\$11,151,734	\$3,351,075	\$7,800,659	\$339,681	\$10,812,053
Multi Family	4,006	284,909	664	3,342	\$1,963,398	\$325,436	\$1,637,962	\$32,988	\$1,930,410
Accessory Dwelling Unit	274	19,487	126	148	\$134,291	\$61,754	\$72,537	\$6,260	\$128,032
Total Residential	21,345	1,922,624	5,918	15,427	\$13,249,424	\$3,738,265	\$9,511,158	\$378,929	\$12,870,495
Commercial/Industrial									
Retail Professional Office	1,085	351,978	14,578	337,400	\$1,769,544	\$73,290	\$1,696,255	\$7,429	\$1,762,115
Domestic Laundry	4	1,474	332	1,142	\$7,240	\$1,631	\$5,610	\$165	\$7,075
Restaurant	236	227,170	5,940	221,230	\$2,583,159	\$67,544	\$2,515,615	\$6,847	\$2,576,313
Repair Shops and Service Station	25	4,965	716	4,249	\$27,624	\$3,984	\$23,640	\$404	\$27,220
Hotel/Motel with Food Service	5	17,171	0	17,171	\$159,941	\$0	\$159,941	\$0	\$159,941
Hotel/Motel	5	17,600	0	17,600	\$99,297	\$0	\$99,297	\$0	\$99,297
Printing Plant	2	319	0	319	\$2,467	\$0	\$2,467	\$0	\$2,467
Car Wash	17	3,429	0	3,429	\$15,247	\$0	\$15,247	\$0	\$15,247
Machinery Manufacturing	1	62	0	62	\$527	\$0	\$527	\$0	\$527
Total Commercial/Industrial	1,380	624,168	21,566	602,602	\$4,665,047	\$146,449	\$4,518,598	\$14,845	\$4,650,202
Institutional									
School	3	2,500	512	1,988	\$15,136	\$3,099	\$12,037	\$314	\$14,822
Hand Billing School	29	43,239	0	43,239	\$261,745	\$0	\$261,745	\$0	\$261,745
Hand Billing Retail	64	54,192	0	54,192	\$316,351	\$0	\$316,351	\$0	\$316,351
Convalescent Home	7	18,973	11,607	7,366	\$103,435	\$63,277	\$40,158	\$6,414	\$97,021
Multiple Occupancy Units	8	14,976	14,969	7	\$154,195	\$154,118	\$77	\$15,622	\$138,573
Total Institutional	111	133,881	27,088	106,793	\$850,862	\$220,494	\$630,368	\$22,350	\$828,512
Total Non-Residential	22,836	2,680,673	54,572	724,822	\$18,765,333	\$4,105,208	\$14,660,125	\$416,124	\$18,349,209

It costs the District an additional **\$416,124** annually to serve the sanitary sewer customers in the pump station zones. This cost includes the labor cost of \$340,584, Electrical cost of \$56,098, SCADA cost of \$9,000 and Chemical cost of \$10,442.



FINAL BASE RATES FROM RATE STUDY METHODOLOGY AND RATES AFTER 5% RATE INCREASE FOR USERS

	Based on 2020-21 Tax Roll			Based on 2020-21 Taxroll with 0% Rate Increase		Based on 2020-21 Taxroll with 5% Rate Increase	
	Number of Sewer EDUs / Account Count	Annual Flow Volume HCF	Current Adopted Rates: FY 2020 - 2021 \$	Revised Rates - NON Pump Station Zones \$	Revised Rates - Pump Station Zones \$	Revised Rates - NON Pump Station Zones \$	Revised Rates - Pump Station Zones \$
Residential							
Single Family	17,065	-	\$ 638.86	\$ 633.58	\$ 699.82	\$ 666.25	\$ 732.50
Multi Family	4,006	-	\$ 638.86	\$ 481.88	\$ 531.56	\$ 506.39	\$ 556.07
Accessory Dwelling Unit	274	-	\$ 638.86	\$ 467.27	\$ 516.95	\$ 491.77	\$ 541.45
Total Residential	21,345	-					
Commercial/Industrial							
Retail Professional Office	1,085	351,978	\$ 4.80	\$ 5.01	\$ 5.52	\$ 5.26	\$ 5.77
Domestic Laundry	4	1,474	\$ 4.69	\$ 4.80	\$ 5.30	\$ 5.05	\$ 5.54
Restaurant	236	227,170	\$ 10.90	\$ 11.34	\$ 12.49	\$ 11.91	\$ 13.06
Repair Shops and Service Station	25	4,965	\$ 5.23	\$ 5.48	\$ 6.05	\$ 5.76	\$ 6.33
Hotel/Motel with Food Service	5	17,171	\$ 8.94	\$ 9.31	\$ 9.31	\$ 9.78	\$ 9.78
Hotel/Motel	5	17,600	\$ 5.34	\$ 5.64	\$ 5.64	\$ 5.92	\$ 5.92
Printing Plant	2	319	\$ 9.02	\$ 7.74	\$ 7.74	\$ 8.13	\$ 8.13
Car Wash	17	3,429	\$ 4.36	\$ 4.45	\$ 4.45	\$ 4.67	\$ 4.67
Machinery Manufacturing	1	62	\$ 7.67	\$ 8.43	\$ 8.43	\$ 8.86	\$ 8.86
Total Commercial/Industrial	1,380	624,168					
Institutional							
School	3	2,500	\$ 6.79	\$ 5.93	\$ 6.54	\$ 6.23	\$ 6.84
Hand Billing School	29	43,239	\$ 6.79	\$ 6.05	\$ 6.05	\$ 6.36	\$ 6.36
Hand Billing Retail	64	54,192	\$ 4.80	\$ 5.84	\$ 5.84	\$ 6.13	\$ 6.13
Convalescent Home	7	18,973	\$ 5.04	\$ 5.11	\$ 5.67	\$ 5.39	\$ 5.94
Multiple Occupancy Units	8	14,976	\$ 10.08	\$ 9.25	\$ 10.30	\$ 9.77	\$ 10.81
Total Institutional	111	133,881					
Total Non-Residential	1,491	758,049					



From: hsiaomingshen1 [REDACTED]
Sent: Wednesday, April 7, 2021 10:00 PM
To: bporter@cupertinosanitarydistrict.org
Subject: APN#: 369-04-012

To whom this may concern,

On behalf of my 80-year-old mother, I write to ask you not to raise the portion of my mother's property tax charged by the Cupertino Sanitary District.

My mother's only income from the Social Security Administration barely covers my mother's high property tax bill and other essential expenses. Simply put, the proposed increase will place a tremendous burden on my mother. As a matter of fact, my mother would be grateful to you if you could explore the possibility of reducing the rate for which my mother has been responsible.

As a result, please grant my mother's request.

Thank you for your consideration,

Hsiaoming Shen

ps AAA auto and home insurance premium: \$140/month

AT&T, Cal Water, & Recology: \$80/month

Food cost(with Calfresh): \$60/month

ORDINANCE NO. 127

**AN ORDINANCE OF THE CUPERTINO SANITARY DISTRICT
AMENDING SECTIONS 7301, 7302 AND 7303 OF CHAPTER VII OF
THE CUPERTINO SANITARY DISTRICT OPERATIONS CODE
RELATING TO SEWER SERVICE CHARGES**

The Sanitary Board of the Cupertino Sanitary District, Santa Clara County, California, hereby ordains as follows:

SECTION 1: Sections 7301, 7302, and 7303 in Chapter VII of the Operations Code are amended to read as follows:

7301. CHARGE FOR RESIDENTIAL UNITS:

Single Family Residential – per unit (annual)	\$666.25
Single Family Residential in Pump Station Zone – per unit (annual)	\$732.50
Multi-Family Residential – per unit (annual)	\$506.39
Multi-Family Residential in Pump Station Zone – per unit (annual)	\$556.07
Accessory Dwelling Unit – per unit (annual)	\$491.77
Accessory Dwelling Unit in Pump Station Zone – per unit (annual)	\$541.45

Single Family Residential is defined as a parcel containing 1-4 residential units. Multi-Family residential is defined as a parcel containing five or more units. Accessory Dwelling units are defined by local zoning. Units that are served by one or more pump stations are defined as being in the Pump Station Zone.

7302. CHARGES FOR PARTICULAR UNITS:

A. Each Unit (as defined in Section 2109.A) of the particular uses listed below shall be charged Eight Dollars and 88/100th Cents (\$8.88) per year, plus an additional annual service charge per hundred cubic feet (HCF) of sewage discharged, to be determined by the District Manager utilizing water consumption for the months of December, January and February less 10% for irrigation and then annualized. Water consumption, if vacant during these months, will be determined by the District Engineer by reviewing typical monthly wet weather water usages. If water consumption data is not available during December, January, and February, or if water consumption during these months is determined to not be representative of typical use, the District Manager may determine water consumption using other available data, as appropriate. No credit, adjustment or refund shall be made if the premises or any part thereof is vacant unless said premises are disconnected from the sewer system. Additional annual service charges per hundred cubic feet (HCF) for various uses are as follows:

<u>Type of Use:</u>	<u>Service Charge:</u>
Auto Repair Shops & Service Stations	\$5.76
Auto Repair Shops & Service Stations in Pump Station Zone	\$6.33
Car Washes	\$4.67

Car Washes in Pump Station Zone (None)	N/A
Domestic Laundry	\$5.05
Domestic Laundry in Pump Station Zone	\$5.54
Machinery Manufacturers	\$8.86
Machinery Manufactures in Pump Station Zone (None)	N/A
Motels/Hotels without Food Service	\$5.92
Motels/Hotels without Food Service in Pump Station Zone (None)	N/A
Motels/Hotels with Food Service	\$9.78
Motels/Hotels with Food Service in Pump Station Zone (None)	N/A
Retirement Homes with Common Dining	\$9.77
Retirement Homes with Common Dining in Pump Station Zone	\$10.81
Convalescent Hospitals	\$5.39
Convalescent Hospitals in Pump Station Zone	\$5.94
Printing Plants	\$8.13
Printing Plants in Pump Station Zone (None)	N/A
Restaurants	\$11.91
Restaurants in Pump Station Zone	\$13.06
Retail or Professional Office	\$5.26
Retails or Professional Office in Pump Station Zone	\$5.77
Schools, Colleges, Day Care Facilities	\$6.23
Schools, Colleges, Day Care Facilities in Pump Station Zone	\$6.84
Hand Billing School	\$6.36
Hand Billing School in Pump Station Zone (None)	N/A
Hand Billing Retail	\$6.13
Hand Billing Retail in Pump Station Zone (None)	N/A

- B. Minimum Charge: In no event shall the annual service charge levied upon any Unit of the uses listed in Paragraph A above, be less than seventy-five percent (75%) of the service charge for a Single-Family Unit, as set forth in Section 7301 of this Chapter.
- C. Where different types of use are served by the same water meter, the District Manager shall estimate the quantity of discharge produced by each type of use and calculate the additional service charge applicable to each type of use based upon the estimated discharge from that Unit.
- D. Whenever the District Manager determines that a Unit has been inappropriately classified as one of the use types listed in Paragraph A of this Section, the District Manager may reclassify such Unit to another of the use types listed in Paragraph A of this Section or require that the annual service charge for such Unit be calculated in accordance with the provisions of Section 7303 of this Chapter. Any increase or decrease in the annual service charge for the affected Unit resulting from the reclassification shall be prospective only and implemented on the next regular billing by the District for annual sewer charges. No discharger shall be entitled to a retroactive refund of charges paid, or liable for payment of additional charges, for any period prior to the effective date of the reclassification.

7303. CHARGES FOR ALL OTHER UNITS

A. For each Unit not listed in Section 7302, the annual service charge shall be the sum of the annual Capital Cost Recovery Charge and the annual Maintenance and Operation Cost Recovery Charge, as determined by the District Manager, calculated as follows:

(1) Capital Cost Recovery Charge:

Infiltration/Inflow (I/I)	\$9.66 per year for each unit; <i>plus</i>
Flow	\$417,157.33 per year for each million gallons per day of sewage treatment plant capacity required to treat the sewage discharged from the Unit into the sanitary sewer system; <i>plus</i>
Biochemical Oxygen Demand (BOD)	\$60,915.55 per year for each thousand pounds per day of sewage treatment plant capacity required to remove the biochemical oxygen demand contained in sewage discharged from the Unit into the sanitary sewer system; <i>plus</i>
Suspended Solids (SS)	\$56,313.37 per year for each thousand pounds per day of sewage treatment plant capacity required to remove the suspended solids contained in the sewage discharged from the Unit into the sanitary sewer system; <i>plus</i>
Ammonia (NH ₃)	\$184,850.16 per year for each thousand pounds per day of sewage treatment plant capacity required to remove ammonia contained in the sewage discharge from the Unit into the sanitary sewer system.

(2) Operation and Maintenance Cost Recovery Charge:

Flow	\$3,631.91 for each million gallons per year of sewage discharged from the Unit into the sanitary sewer system; <i>plus</i>
Biochemical Oxygen Demand (BOD)	\$413.50 for each thousand pounds per year of biochemical oxygen demand discharged from the Unit into the sanitary sewer system; <i>plus</i>
Suspended Solids (SS)	\$539.92 for each thousand pounds per year of suspended solids discharged from the Unit into the sanitary sewer system; <i>plus</i>

Ammonia (NH3)

\$4,457.95 for each thousand pounds per year of ammonia discharged from the Unit into the sanitary sewer system.

- B. In determining the Capital Cost Recovery Charge and the Operation and Maintenance Cost Recovery Charge, the District Manager may utilize information on the content of discharges from particular Units provided by the Treatment Plant, or other source of information deemed by the District Manager to be appropriate, or actual grab samples of such discharges taken by the District, or any combination thereof. The District Manager is authorized to modify the annual service charge from time to time, based upon such information and samples; *provided, however*, any increase or decrease in the annual service charge shall be prospective only and implemented on the next regular billing by the District for annual sewer charges. No discharger shall be entitled to a retroactive refund of charges paid, or liable for payment of additional charges, for any period prior to the effective date of the modification.
- C. Where multiple Units having different flow content are served by the same water meter, the District Manager shall allocate the Capital Cost Recovery Charge and the Operation and Maintenance Cost Recovery Charge between each individual Unit based upon his estimate of the discharge material produced by each Unit.

SECTION 2: Upon adoption, this Ordinance shall be entered into the minutes of the Sanitary Board and a summary of this Ordinance prepared by the District Counsel shall be published once in the Cupertino Courier and the Saratoga News, being newspapers of general circulation in the District. A certified copy of the full text of this Ordinance shall be posted in the office of the District Clerk.

SECTION 3: This Ordinance shall become effective July 1, 2021.

PASSED AND ADOPTED at a regular meeting of the Sanitary Board of the Cupertino Sanitary District held on the 19th day of May 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President of the Sanitary Board

ATTEST:

Secretary of the Sanitary Board

APPROVED AS TO FORM:

District Counsel

RESOLUTION NO. 1330

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CUPERTINO SANITARY DISTRICT FIXING TIME AND PLACE FOR HEARING ON REPORT ON RATES AND CHARGES FOR SERVICE AND FACILITIES FURNISHED BY THE DISTRICT FOR THE FISCAL YEAR 2021-2022 AND PROVIDING FOR NOTICE THEREOF

RESOLVED, by the Sanitary Board of the Cupertino Sanitary District, Santa Clara County, California, that

WHEREAS, this District has elected to have certain rates and charges for services and facilities furnished by it which have become delinquent and the rates and charges for services and facilities furnished by the District for the fiscal year 2021-2022 collected on the tax roll of the County of Santa Clara, State of California, pursuant to Sections 5470 through 5473.11 of the Health and Safety Code of the State of California; and

WHEREAS, pursuant thereto, a report on said rates and charges will be filed with the Secretary of this District on June 2, 2021;

NOW, THEREFORE, IT IS HEREBY ORDERED that Wednesday, the 16th day of June 2021, at the hour of 7:00 o'clock P.M., via teleconference in accordance with Executive Order N-33-20, are hereby fixed as the time and place for hearing on the report on rates and charges for services and facilities furnished by the District filed with the Secretary of this District, pursuant to law, and the Secretary shall publish notice of said hearing and of the filing of said report, once a week for two successive weeks prior to the date set for said hearing, in both the Cupertino Courier and Saratoga News, both a newspaper of general circulation published in the District.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Cupertino Sanitary District, at a meeting thereof held on the 19th day of May 2021, by the following vote:

AYES, Members:

NOES, Members:

ABSENT, Members:

Secretary, Cupertino Sanitary District

APPROVED:

President, Cupertino Sanitary District

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MAY 05, 2021

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 Saadati 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, Deputy District Manager Robert Woodhouse, and Counsel Marc Hynes.

District Consultant: Richard Tanaka

Public: None

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Saadati adjourned the regular meeting session and opened the closed session at 7:01 p.m. Manager Porter and Deputy Manager Woodhouse were excused from the closed session.

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

Closed session was adjourned at 7:15 p.m. and the regular meeting was called to order. District Manager Porter and Deputy District Manager Woodhouse rejoined the regular meeting. There was no reportable action.

4. MINUTES:

A. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0 the minutes of Wednesday, April 21, 2021 were approved.

B. By consensus, the Minutes of Wednesday, April 7, 2021 are to be Noted & Filed.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MAY 05, 2021

5. CORRESPONDENCE:

- A. The Board reviewed the LAFCO Adoption of Proposed Budget for FY 2022 & Notice of Public Hearing. It is to be Noted & Filed.

6. MEETINGS:

- A. Manager Porter plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Technical Advisory Committee (TAC) scheduled to be held on May 17, 2021.
- B. Director Gatto plans to attend the teleconference meeting of The San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) scheduled to be held on May 20, 2021.

7. REPORTS:

There were none.

8. UNFINISHED BUSINESS:

- A. The Board reviewed updates to the Sewer System Management Plan. On a motion by Director Kwok, seconded by Director Gatto, by a vote of 5-0-0 the Sewer System Management Plan was approved for recertification.
- B. The Board reviewed the V & A Agreement for smoke testing services. Deputy Manager Woodhouse presented the reasoning for selecting certain basins for the smoke testing work. On a motion by Director Chen, seconded by Director Gatto, by a vote of 5-0-0 the V & A Agreement for smoke testing services was approved as written.
- C. The Board reviewed the Akel Engineering Agreement for hydraulic modeling. On a motion by Director Kwok, seconded by Director Gatto, by a vote of 5-0-0 the Akel Engineering Agreement was approved as written.
- D. Manager Porter reported on COVID-19 updates.

9. NEW BUSINESS:

- A. The Board discussed Form 470 filing. Manager Porter will send a PDF version of Form 470 to all Board Members in the following week.
- B. The Board reviewed the ESRI ARC-GIS renewal agreement. On a motion by Director Gatto, seconded by Director Chen, by a vote of 5-0-0 the Board authorized Manager Porter to renew the ESRI agreement for a three-year term at \$25,000 per year.

10. STAFF REPORTS:

- A. Manager Porter reported on the Planning for Future Development Projects.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, MAY 05, 2021

11. CALENDAR ITEMS:

- A. The next regular District Board meeting is scheduled to be held on Wednesday, May 19, 2021.
Board comment: Better to hold the closed session at the end of the Agenda for May 19, 2021.
- B. A Public Hearing on Consideration of Rate Increase is scheduled to be held on Wednesday, May 19, 2021.

12. ADJOURNMENT:

On a motion properly made and seconded, at 8:26 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 21, 2021

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 Saadati 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, Deputy District Manager Robert Woodhouse, and Counsel Marc Hynes.

District Consultant: Richard Tanaka

Public: None

2. PUBLIC COMMENTS:

There were none.

3. CLOSED SESSION:

President Saadati adjourned the regular meeting session and opened the closed session at 7:01 p.m. Manager Porter and Deputy Manager Woodhouse were excused from the closed session.

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

Closed session was adjourned at 7:19 p.m. and the regular meeting was called to order. District Manager Porter and Deputy District Manager Woodhouse rejoined the regular meeting. There was no reportable action.

4. MINUTES & BILLS:

- A. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0 the minutes of Wednesday, April 7, 2021 were approved as written.
- B. By consensus, the Minutes of Wednesday, March 17, 2021 is to be Noted & Filed.
- C. The Board reviewed March payable warrants and financial statements. Board requested a summary sheet of Mark Thomas invoicing on future bills and commented that it would be beneficial to have the invoicing summary sheet in the same order as the monthly budget expenditures table. The

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 21, 2021

financial statements reflect that the dewatering project and the Legacy Lagoons project were not invoiced by the City of San Jose this year. On a motion by Director Kwok, seconded by Director Gatto, by a vote of 5-0-0, the financial statement and payment of bills were approved as written.

D. Board members will submit their April timesheets to Manager Porter.

5. CORRESPONDENCE:

A. The Board reviewed the CASA annual summer conference survey. It is to be Noted & Filed.

6. MEETINGS:

There are none.

7. REPORTS:

A. Director Gatto reported on the teleconference meeting of the San Jose/Santa Clara Treatment Plant Advisory Committee (TPAC) held on April 8, 2021.

8. UNFINISHED BUSINESS:

A. Manager Porter and Deputy Manager Woodhouse presented on the draft Sewer System Management Plan.

B. Manager Porter presented on the Budget Workshop. Add budget line items in this year's budget for SSMP Certification (\$200,000) and the I/I Reduction Program (\$100,000) with zero net change to the budget by reallocating funds from the Repair budget which is underspent.

Add budget line items in next year's budget for SSMP Implementation (\$100,000) and the I/I Reduction Program (\$500,000).

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

C. Manager Porter reported on the COVID-19 updates. Mark Thomas is surveying staff about returning to the office.

9. NEW BUSINESS:

A. The Board reviewed D&B Legacy Installer's Agreement Closeout Memo and Resolution No. 1328. On a motion by Director Gatto, seconded by Director Chen, by a vote of 5-0-0, the Board approved Resolution No. 1328, Accepting Improvements at 10310 North Foothill Blvd.

B. The Board reviewed Proposal for Hydraulic Modeling Consulting Services Memo. On a motion by Director Gatto, seconded by Director Chen, by a vote of 5-0-0, the Board approved Akel Engineering to go ahead with review of District's XPSWMM model.

CUPERTINO SANITARY DISTRICT BOARD MEETING
WEDNESDAY, APRIL 21, 2021

C. The Board reviewed Oak Crest and Forum 2 Pump Station Repairs Memo. The Board inquired whether there are materials that can be used that will not corrode as much in the future. On a motion by Director Gatto, seconded by Director Bosworth, by a vote of 5-0-0, the Board approved construction and awarded the bid to C2R Engineering at a total cost of \$28,550.00. Board also approved electrical work to be done by St. Francis Electrical for \$5,000. The total project budget including contingency (10%) is \$36,905.

10. STAFF REPORTS:

A. Manager Porter reported on Future Development Projects. District staff is continuing discussions with Vallco on their development plans and proposed encasement of the District pipe that was exposed by their construction activities.

B. Manager Porter reported on the Monthly Maintenance Report.

11. CALENDAR ITEMS:

The next regular District Board meeting is scheduled to be held on Wednesday, May 5, 2021.

12. ADJOURNMENT:

On a motion properly made and seconded, at 8:50 p.m. the meeting was adjourned.

Secretary of the Sanitary Board

President of the Sanitary Board

**CUPERTINO SANITARY DISTRICT
WARRANTS PAYABLE - May 19, 2021**

<u>WARRANT</u>						
<u>NUMBER</u>	<u>FUND</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>		
N/A	M&O	\$ 2,631.64	ADP	Directors' Salary		
19132	M&O	\$ 992.08	Dooley Insurance Services	Insurance - Group Life & Dental		
19133	M&O	\$ 566.00	CWEA	Memberships		
N/A	M&O	\$ 325.64	CalBank Credit Card Processing Fees	Operating Exp. - Credit Card Processing Fees		
19134	M&O	\$ 334,431.49	Mark Thomas	Office Rent		400.00
				SSMP		22,644.07
				Peak Flow Reduction		8,665.63
				Management Services		32,931.56
				Engineering Services		92,073.35
				Plan Checking & Inspection		29,863.54
				Repairs		21,175.91
				Maintenance		116,561.93
				Utilities		1,052.70
				Emergency Funds		8,364.30
				District Sewer Capital & Support		698.50
19135	M&O	\$ 2,400.00	Richard K. Tanaka	Legal - Consultant Services		
19136	M&O	\$ 4,104.00	Armento & Hynes, LLP	Legal - District Counsel (March Services)		
19137	M&O	\$ 141,689.00	Hunton Andrews Kurth	Legal - CIG/Tribs (CuSD Advance Pay)		110,517.42
				Legal - CIG/Tribs (CuSD Share)		31,171.58
19138	M&O	\$ 135.00	Jose Silva Gardening	Maintenance		
19139	M&O	\$ 88.00	Mission Communications	Maintenance		
19140	M&O	\$ 14,054.00	RotoRooter	Maintenance		
19141	M&O	\$ 79,940.03	Able Underground Construction	Maintenance		
19142	M&O	\$ 54,235.00	AB/JDD Plumbing Heating & AC	Maintenance		50,417.50
				Emergency		3,817.50
19143	M&O	\$ 15,461.63	C2R Engineering	Emergency		
19144	M&O	\$ 63.41	City of Santa Clara Utilities	Utilities		
19145	M&O	\$ 3,790.64	PG&E	Utilities		
19146	M&O	\$ 101.61	San Jose Water Company	Utilities		

TOTAL WARRANTS \$ 655,009.17

Maintenance Total: \$ 261,196.46 Mark Thomas, Jose Silva, Mission, Roto Rooter, ABLE, AB/JDD
Utilities Total: \$ 5,008.36 Mark Thomas, Santa Clara, PG&E, San Jose Water
Emergency Total: \$ 27,643.43 Mark Thomas, AB/JDD, C2R Engineering

EMERGENCY DETAILS:

Roto-Rooter - no emergencies this month

Able - no emergencies this month

AB/JDD Plumbing - four emergencies this month

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH APRIL 2021
(10th Month of Operations - 83% into FY Operations)
 FISCAL YEAR: July 1, 2020 to June 30, 2021

EXPENSE SUMMARY REPORT - ADJUSTED BUDGET

Account Name	Account Number	BUDGET	Prior Expenses	Amount Payable	Total To Date Expenses	Remaining Balance	(#H{shqghg# Gdwh	Comments
APR SERVICES								
OPERATING EXPENSES								
Loan Payments	41000	\$1,200,542	\$600,639.58	\$0.00	\$600,639.58	\$599,902.42	50.0%	None this month
Directors Fees	41030	\$35,000	\$29,481.60	\$2,631.64	\$32,113.24	\$2,886.76	91.8%	On Target; slightly ahead of schedule
Gasoline, Oil & Fuel	41060	\$3,000	\$1,040.25	\$0.00	\$1,040.25	\$1,959.75	34.7%	None this month
Insurance	41070	\$135,000	\$126,466.16	\$992.08	\$127,458.24	\$7,541.76	94.4%	Dooley Insurance - June 2021 Coverage
Memberships	41080	\$57,000	\$27,624.59	\$566.00	\$28,190.59	\$28,809.41	49.5%	CWEA Membership Renewal for four Inspectors
Office Rent	41090	\$6,000	\$3,600.00	\$400.00	\$4,000.00	\$2,000.00	66.7%	On Target
Operating Expenses - General	41100	\$3,000	\$289.30	\$0.00	\$289.30	\$2,710.70	9.6%	None this month
Operating Expenses - Credit Card Processing Fees	41100-1	\$3,700	3,592.57	\$325.64	\$3,918.21	-\$218.21	105.9%	April Credit Card Processing Fees; ahead of schedule for Fiscal Year
Contractual Services:								
Outfall Maintenance	41113	\$71,000	\$46,535.89	\$0.00	\$46,535.89	\$24,464.11	65.5%	None this month
T.P. Oper. & Maint.	41114	\$8,630,553	\$6,426,140.00	\$0.00	\$6,426,140.00	\$2,204,413.00	74.5%	Q4 FY2020-2021; 100% paid this fiscal year (O&M reduced because of Legacy Lagoon delay)
Professional Services:								
SSMP Certification and Implementation	41121	\$200,000	155,343.22	\$22,644.07	\$177,987.29	\$22,012.71	89.0%	SSMP Certification has been completed as of May 2021
Peak Flow Reduction	41122	\$100,000	\$6,162.64	\$8,665.63	\$14,828.27	\$85,171.73	14.8%	Peak flow reduction program including Infiltration and Inflow Reduction
Management Services	41121	\$515,000	\$420,985.45	\$32,931.56	\$453,917.01	\$61,082.99	88.1%	On target
Engineering Services	41122	\$1,200,000	\$957,031.65	\$92,073.35	\$1,049,105.00	\$150,895.00	87.4%	On Target; slightly ahead of schedule
Plan Checking & Inspection	41123	\$200,000	\$179,990.45	\$29,863.54	\$209,853.99	-\$9,853.99	104.9%	Ahead of schedule due to increased inspection and Valco effort
Legal - Consultant Services	41124	\$25,000	\$11,600.00	\$2,400.00	\$14,000.00	\$11,000.00	56.0%	Richard Tanaka - Consulting Services for April 2021
Legal - District Counsel	41124	\$60,000	\$44,201.50	\$4,104.00	\$48,305.50	\$11,694.50	80.5%	Marc Hynes - April Services
Legal - Common Interest Group (CuSD Advance Pay)	41124	\$980,000	\$1,001,026.47	\$110,517.42	\$1,111,543.89	-\$131,543.89	113.4%	Hunton Andrews Kurth - March Legal Services
Legal - Common Interest Group (CuSD Share)	41124	\$222,000	\$282,340.80	\$31,171.58	\$313,512.38	-\$91,512.38	141.2%	Hunton Andrews Kurth - March Legal Services
Audit	41125	\$11,500	\$11,600.00	\$0.00	\$11,600.00	-\$100.00	100.9%	FY19-20 Audit - paid in full
Printing & Publications	41130	\$28,000	\$18,400.44	\$0.00	\$18,400.44	\$9,599.56	65.7%	None this month
Repairs	41150	\$500,000	\$193,321.67	\$21,175.91	\$214,497.58	\$285,502.42	42.9%	On target
Maintenance	41151	\$3,200,000	\$2,551,396.08	\$261,196.46	\$2,812,592.54	\$387,407.46	87.9%	On Target
Travel & Meetings Staff	41170	\$15,000	\$580.00	\$0.00	\$580.00	\$14,420.00	3.9%	None this month
Travel & Meetings BOD	41170	\$18,000	\$1,450.00	\$0.00	\$1,450.00	\$16,550.00	8.1%	None this month
Utilities	41190	\$65,000	\$50,588.67	\$5,008.36	\$55,597.03	\$9,402.97	85.5%	On Target
Refunds & Reimbursements:								
Miscellaneous	41201	\$50,000	\$27,388.14	\$0.00	\$27,388.14	\$22,611.86	54.8%	None this month
Connection Fees	41202	\$2,000	\$0.00	\$0.00	\$0.00	\$2,000.00	0.0%	None to date
Checking & Inspection	41203	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	0.0%	None to date
Emergency Funds	48000	\$250,000	\$83,770.18	\$27,643.43	\$111,413.61	\$138,586.39	44.6%	Five Emergencies this month (includes C2R Emergency Spot Repair of \$15.4K)
Consolidated Election	48001	\$150,000	\$105,859.00	\$0.00	\$105,859.00	\$44,141.00	70.6%	None this month
TOTAL OPERATING EXPENSES		\$17,939,295	\$13,368,446.30	\$654,310.67	\$14,022,756.97	\$3,916,538.03	78.2%	
CAPITAL EXPENSES								
District Sewer Capital & Support	46041	\$560,000	\$208,550.94	\$698.50	\$209,249.44	350,750.56	37.4%	Engineering Expenses for CIP Master Plan
Treatment Plant Capital	46042	\$6,392,192	\$2,707,387.00	\$0.00	\$2,707,387.00	\$3,684,805.00	42.4%	100% paid this fiscal year (projects delayed, specifically dewatering)
Outfall Capital	46042	\$3,012,000	\$3,004,853.54	\$0.00	\$3,004,853.54	7,146.46	99.8%	None this month
District Equipment	46043	\$150,000	\$4,033.00	\$0.00	\$4,033.00	\$145,967.00	2.7%	None this month
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	\$5,924,824.48	\$698.50	\$5,925,522.98	\$4,488,669.02	56.9%	
TOTAL EXPENSES		\$28,353,487	\$19,293,270.78	\$655,009.17	\$19,948,279.95	\$8,405,207.05	70.4%	

CUPERTINO SANITARY DISTRICT
MONTHLY FINANCIAL REPORT THROUGH APRIL 2021
(10th Month of Operations - 83% 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 APR	Total Amount Received	Remaining Balance to Collect	% Earned To Date	Comments
OPERATING REVENUES								
Service Charges								
Handbilling	31010	\$552,035.00	\$3,201.49	\$258,359.80	\$261,561.29	\$290,473.71	47.4%	Handbilling - 3 payments received this month
Tax Roll	31010	\$18,364,000.00	\$10,409,025.60	\$0.00	\$10,409,025.60	\$7,954,974.40	56.7%	None this month
Permit Fees	31020	\$130,000.00	\$47,713.01	\$7,795.06	\$55,508.07	\$74,491.93	42.7%	Twenty-three payments received this month; 151 payments to-date
Connection Fees	31031	\$600,000.00	\$150,036.82	\$11,034.00	\$161,070.82	\$438,929.18	26.8%	One payment received this month - for property address 22101 Rolling Hills Drive
Capacity Fees	31032	\$600,000.00	\$240,137.36	\$100,241.86	\$340,379.22	\$259,620.78	56.7%	Vallco Deposit (\$75K); D&B Legacy IA (\$22,529); 22101 Rolling Hills Dr. (\$2,712)
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	\$200,000.00	\$64,340.97	\$9,050.00	\$73,390.97	\$126,609.03	36.7%	Twenty-three payments received this month; 179 payments received to-date
Annexation	32010	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	0.0%	None to date
Interest	32050	\$220,000.00	\$143,605.28	\$0.00	\$143,605.28	\$76,394.72	65.3%	None this month
City of San Jose Credit(s)	32091	\$500,000.00	\$2,778,585.00	\$0.00	\$2,778,585.00	(\$2,278,585.00)	555.7%	None this month; Credits received for this Fiscal Year in February
Legal - Common Interest Group (Tributaries)	32092.1	\$980,000.00	\$457,463.45	\$3,386.40	\$460,849.85	\$519,150.15	47.0%	Received from Burbank Sanitary District for FY20-21 Q2 billing
Legal - Common Interest Group (2% Admin Fees)	32902.2	\$14,000.00	\$4,256.83	\$69.11	\$4,325.94	\$9,674.06	30.9%	Received from Burbank Sanitary District for FY20-21 Q2 billing
Refunds/Reimbursements - Misc.	32091	\$10,000.00	\$46,835.96	\$0.00	\$46,835.96	(\$36,835.96)	468.4%	None this month
Lateral Construction	32093	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00	0.0%	None to date
TOTAL OPERATING REVENUE		\$22,267,535.00	\$14,345,201.77	\$389,936.23	\$14,735,138.00	\$7,532,397.00	66.17%	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	Reserve Account
TOTAL OPERATING REVENUE		\$22,267,535.00	\$14,345,201.77	\$389,936.23	\$14,735,138.00	\$7,532,397.00	66.17%	

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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
August 31, 2020	\$14,180,940.69	\$3,000,000.00	\$11,180,940.69	\$648,776.35	\$180,712.33	\$15,010,429.37
September 30, 2020	\$13,711,877.70	\$3,000,000.00	\$10,711,877.70	\$656,635.22	\$180,718.25	\$14,549,231.17
October 31, 2020	\$10,142,271.46	\$3,000,000.00	\$7,142,271.46	\$668,309.14	\$180,724.18	\$10,991,304.78
November 30, 2020	\$7,788,382.95	\$3,000,000.00	\$4,788,382.95	\$680,713.93	\$180,730.30	\$8,649,827.18
December 31, 2020	\$7,255,228.33	\$3,000,000.00	\$4,255,228.33	\$690,072.87	\$180,736.42	\$8,126,037.62
January 31, 2021	\$14,311,021.11	\$3,000,000.00	\$11,311,021.11	\$700,327.61	\$180,742.17	\$15,192,090.89
February 28, 2021	\$16,337,258.61	\$3,000,000.00	\$13,337,258.61	\$708,885.77	\$180,747.71	\$17,226,892.09
March 31, 2021	\$15,955,172.05	\$3,000,000.00	\$12,955,172.05	\$722,648.98	\$180,754.25	\$16,858,575.28
April 30, 2021	\$13,104,035.65	\$3,000,000.00	\$10,104,035.65	\$736,385.52	\$180,759.40	\$14,021,180.57

FOR CAL BANK SUMMARY, SEE ATTACHED DETAIL.

CALIFORNIA BANK AND TRUST ACCOUNT SUMMARY AS OF 4/30/2021

Cal Bank Activities				Total Interest	Interest prorated to Loan Balance	Loan Balance w/Interest	Interest prorated to \$600K District Saving	District portion of saving balance	Total Savings balance	Checking Acct Balance	TOTAL AT CAL BANK	
<u>No.</u>	<u>Payee</u>	<u>Date</u>	<u>Check Amount</u>			\$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	
Balance as of 8/31/2020				\$154.53	\$35.74	\$180,712.33	\$118.79	\$600,556.30	\$781,268.63	\$48,220.05	\$829,488.68	
Balance as of 9/30/2020				\$25.62	\$5.93	\$180,718.25	\$19.69	\$600,576.00	\$781,294.25	\$56,059.22	\$837,353.47	
Balance as of 10/31/2020				\$25.62	\$5.93	\$180,724.18	\$19.69	\$600,595.69	\$781,319.87	\$67,713.45	\$849,033.32	
Balance as of 11/30/2020				\$26.47	\$6.12	\$180,730.30	\$20.35	\$600,616.04	\$781,346.34	\$80,097.89	\$861,444.23	
Balance as of 12/31/2020				\$26.47	\$6.12	\$180,736.42	\$20.35	\$600,636.39	\$781,372.81	\$89,436.48	\$870,809.29	
Balance as of 1/31/2021				\$24.83	\$5.74	\$180,742.17	\$19.09	\$600,655.47	\$781,397.64	\$99,672.14	\$881,069.78	
Balance as of 2/28/2021				\$23.98	\$5.55	\$180,747.71	\$18.43	\$600,673.91	\$781,421.62	\$108,211.86	\$889,633.48	
Balance as of 3/31/2021				\$28.26	\$6.54	\$180,754.25	\$21.72	\$600,695.63	\$781,449.88	\$121,953.35	\$903,403.23	
Balance as of 4/30/2021				\$22.27	\$5.15	\$180,759.40	\$17.12	\$600,712.75	\$781,472.15	\$135,672.77	\$917,144.92	
TOTAL OR BALANCE AMOUNT				\$9,856,961.80	\$38,433.95	\$37,721.20	\$180,759.40	\$712.75	\$600,712.75	\$781,472.15	\$135,672.77	\$917,144.92

SSOs

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

PLSDs (Private Lateral Sewage Discharge)

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

Emergency Calls - Causes

Call Rec'd Business Hours	# of Calls	Call Rec'd After Hours	# of Calls	Call Rec'd Weekend	# of Calls
Root Intrusion	4	Root Intrusion	1	Root Intrusion	1
Onsite	1	Onsite	0	Onsite	0
Grease	0	Offset	0	Offset	1
Debris	0	Debris	0	Grease	0
Others	1	Others	1	Others	0
Pump Station	0	Broken Pipe	1	Broken Pipe	1
Total:	6	Total:	3	Total:	3

Repairs

Address	Main/Lat	Description of Work
731 Homestead Rd	Lat	Emergency spot repair to lower lateral due to damage caused by utility company

Mainline Maintenance

Size of Pipe	4"	6"	8"	10"	12"	14"	15"	16"	18"	> 20"	Total	FY2020-21 YTD	FY2020-21 Annual Schedule	% Complete (YTD/Annual Schedule)
Mainline Cleaning (ft)	0	21,182	55,741	6,702	20,219	625	3,147	0	1,436	3,212	112,264	1,212,541	987,432	123%
Easement Cleaning (ft)	0	3,513	10,982	954	0	625	1,243	0	1,436	0	18,753	176,047	159,062	111%
CCTV (ft)	0	0	4,434	0	0	0	0	0	0	0	4,434	130,018	207,880	63%

Lateral Maintenance

Activity	# of Laterals	FY2020-21 YTD	FY2020-21 Annual schedule	% Complete (YTD/Annual schedule)
Cleaning	464	4,097	4,247	96%
CCTV	11	92		
Inspection	14	165		

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

	# of Inspections	YTD FY2020-21	FY2020-21 Annual Schedule	% Complete (YTD/Annual schedule)
Performed	26	252		
Completed	15	183	283	65%
Follow up Needed	7			

**CUPERTINO SANITARY DISTRICT
MEETING/EVENT SCHEDULE**

Item 12.A.

MAY 2021

05/05: 1st Regular Meeting
 05/17: TAC
 05/19: 2nd Regular Meeting
 05/20: TPAC

MAY 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 1 st Regular Meeting	6	7	8
9	10	11	12	13	14	15
16	17 TAC	18	19 2 nd Regular Meeting	20 TPAC	21	22
23	24	25	26	27	28	29
30	31 MEMORIAL DAY					

JUNE 2021

06/02: 1st Regular Meeting
 06/07: SCCSDA
 06/08: TAC
 06/10: TPAC
 06/16: 2nd Regular Meeting
 06/24: CSRMA Board of Directors Meeting
(Bosworth attending)

JUNE 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 1 st Regular Meeting	3	4	5
6	7 SCCSDA	8 TAC	9	10 TPAC	11	12
13	14	15	16 2 nd Regular Meeting	17	18	19
20	21	22	23	24 CSRMA	25	26
27	28	29	30			

JULY 2021

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

JULY 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 TAC	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