

ANNUAL REPORT

COUNTY SANITATION DISTRICT NO. 4
OF SANTA CLARA COUNTY, CALIFORNIA

FISCAL YEAR 1957 - 1958

BOARD OF DIRECTORS

Burton R. Brazil	Mayor of City of Saratoga
Myron L. Fairchild	Councilman of City of Campbell
Thomas B. Inglis	Mayor of City of Monte Sereno
A. E. Merrill	Mayor of Town of Los Gatos
Joseph J. Rebeiro	Councilman of City of Santa Clara
Oran L. Slaght	Chairman of Santa Clara County Board of Supervisors
Louis S. Solari	Mayor of City of San Jose

ADMINISTRATIVE OFFICERS

Stephen H. Goodman	District Manager
Thelo A. Perrott	District Engineer
Margaret Leick	District Secretary
David H. Adams	General Counsel

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OPERATION REPORT

DESCRIPTION OF DISTRICT

County Sanitation District No. 4 of Santa Clara County, California provides sanitary sewerage facilities for the Cities of Campbell, Monte Sereno, Saratoga, the Town of Los Gatos, and the unincorporated area bounded on the North by the Cities of Santa Clara and San Jose, on the East by the City of San Jose, on the South by the Southerly boundaries of the Town of Los Gatos, City of Monte Sereno and the City of Saratoga, and on the West primarily by Saratoga Avenue, and contains approximately 19,900 acres of primarily residential land.

Approximately 40 percent of the area of the Sanitation District is presently served by a network of sewers, consisting of 139 miles of trunk and main sewers and 48 miles of lateral sewers within the Sanitation District (excluding the sewerage system within the Town of Los Gatos) and approximately 10 miles of trunk sewers used jointly with the City of San Jose.

BOUNDARY CHANGES

Annexations. During the 1957-58 fiscal year the Sanitation District annexed 88.4 acres of land lying within the boundaries of the City of Saratoga.

Disannexations. By agreement, the Sanitation District must consent to the disannexation of area that has been annexed to the City of San Jose. During the fiscal year 1957-58 the City of San Jose had 613.4 acres of its area disannexed from the District.

Proposed Annexations. There are several small proposed annexations to the District that are presently being processed. There are no major proposed annexations to the District at this time. However, there is a large area of the City of Saratoga that does not lie within either the Sanitation District or the Cupertino Sanitary District that can logically be annexed to the Sanitation District. Annexation proceedings for this area within the City of Saratoga will have to be initiated either by representative property owners or the City of Saratoga.

EXPANSION OF SEWERAGE SYSTEM

Construction. During the fiscal year 1957-58 the Sanitation District's sewerage system was expanded by construction of sanitary sewers by land developers and assessment districts. The amounts constructed by each are:

1. By land developers:

Main and trunk sewers	12.0 miles
Lateral sewers	8.0 miles

2. By assessment proceedings to eliminate septic tanks:

Main and trunk sewers	6.4 miles
Lateral sewers	<u>2.0 miles</u>

TOTALS:

Main and trunk sewers	18.4 miles
Lateral sewers	10.0 miles

Sewer Connections. The number of premises connected to the Sanitation District's sewerage system continues to increase as new homes and commercial units are constructed within the District and septic tanks are abandoned. The number of sewer connections within the Sanitation District the past several years are as follows:

<u>Year Ending June 30</u>	<u>Sewer Connections</u>
1954	6,370
1955	6,960
1956	8,080
1957	9,070
1958	10,170
(1959)	11,389

The sewer connections by areas of the Sanitation District are:

<u>Area</u>	<u>Sewer Connections</u>	
	(1958)	(1959)
City of Campbell (former Sanitary District)	1,342	1,349
Town of Los Gatos	2,500	3,000 (Est)
City of Saratoga (former Sanitary District)	440	441
Remainder of District	5,888	6,599
		<u>11,389</u>

Reimbursement Program. The Sanitation District's program for reimbursing installers for the cost of the portion of a sewerage system that benefits lands other than their own continues to grow. At the close of the 1957-58 fiscal year 53 accounts were listed for a total initial reimbursement of \$116,192.17. Current trends indicate that the accounts will be cleared in approximately 10 years.

The Sanitation District is recovering approximately \$80,806.36 through this reimbursement program for advances to assessment districts and for trunk sewers constructed with general tax monies.

Trunk Sewer Extension Program. In June 1958 the Board of Directors of the Sanitation District adopted Resolution No. 247.4, establishing a method for participation by the Sanitation District in extensions of trunk sewers to facilitate subdivisions of land and to eliminate septic tanks within existing subdivisions. Funds in the amount of \$78,000.00 have been included in the 1958-59 fiscal budget to finance this trunk sewer extension program.

SEWAGE TREATMENT

Existing Sewage Treatment Facilities. The Sanitation District contracts with the City of San Jose for treatment of its sewage in the City's 50-million gallons per day capacity primary sewage treatment plant, situated easterly of the City of Alviso. The treated sewage is discharged from the treatment plant to the southerly extremity of San Francisco Bay. The average flow of sewage from the Sanitation District to the treatment plant for the 1957-58 fiscal year was 2.245 million gallons per day. It cost the Sanitation District \$34.30 per day per million gallons for primary sewage treatment and disposal.

Secondary Sewage Treatment. The San Francisco Bay Regional Water Pollution Control Board of the State of California has ordered the City of San Jose to submit plans for the construction of a secondary sewage treatment plant to be used in combination with the existing primary sewage treatment plant in order to decrease the present pollution of the Southern end of the San Francisco Bay. The engineering firm of Brown and Caldwell has been retained by the City of San Jose for the preparation of plans for the secondary sewage treatment plant, which will probably be under construction in the year 1960. At that time the Sanitation District should be prepared to pay for its share of the cost of constructing the secondary treatment plant and subsequent operational costs.

DISTRICT OFFICE AND CORPORATION YARD

In April 1957 the Sanitation District purchased 1.23 acres of land on Sunnyoaks Avenue, within the City of Campbell, for use as a site for the District office building and corporation building and yard. On February 15, 1958 these facilities were dedicated and occupied by District personnel and equipment. The office building contains 1800 square feet of floor space and the corporation building, 1300 square feet of floor space. The cost of acquisition and construction of all facilities, including land, buildings, paving, fencing and other appurtenances, was \$54,000.00.

ADMINISTRATION AND OPERATION

General. The administrative personnel of the Sanitation District has continued to work in close cooperation with the Board of Directors in carrying out its policies. Most engineering and legal services were furnished by consultants retained by the Board of Directors.

Classification and Compensation Plan. To insure an adequate personnel classification and compensation plan for the Sanitation District, the Board of Directors approved the employment of Associated Consultants, San Francisco, California, for the purpose of conducting a survey and submission of recommendations. The recommendations of Associated Consultants were incorporated in Resolution No. 247, adopted by the Board of Directors on June 11, 1958.

Personnel Roster. The personnel employed by the District and the classifications on June 30, 1958 were as follows:

Administration:

Stephen H. Goodman	District Manager
Everett M. Olson	Assistant District Manager

Engineering:

Thelo A. Ferrott	District Engineer (Consultant)
Richard A. Greene	Associate Map Draftsman
Fremont O. Zschokke	Sewer Construction Inspector

Maintenance and Operation:

Walter R. Silberbauer	Superintendent of Maintenance and Operation
Albert J. Landers	Maintenance Leadingman
Paul D. Brownfield	Senior Maintenance Man
Willard C. Cary	Maintenance Man

Personnel Roster (continued):

Clerical:

Margaret K. Leick	Senior Account Clerk
Claribel S. Johnson	Intermediate Stenographer Clerk
Kathryn Blasingame	Cashier Clerk

Legal:

David H. Adams	District Counsel (Consultant)
Kenneth I. Jones	Assessment Counsel (Consultant)

Engineering. As mentioned above, most of the engineering services required by the Sanitation District during the 1957-58 fiscal year were provided by Thelo A. Perrott, District Engineer, retained on a consulting basis. The District Engineer and his personnel designed and inspected the construction of sanitary sewerage systems within the two assessment projects undertaken and completed during the 1957-58 fiscal year. Fremont O. Zschokke, Sewer Construction Inspector was responsible for the inspection of sewer construction within subdivision of lands. Richard A. Greene, Associate Map Draftsman, prepared the code maps used by the other personnel of the Sanitation District for maintenance, operational, and clerical purposes. In addition, Richard Greene assisted in effecting a transfer of the District's standard sewer service charges from direct billing to an addition to the County tax bill.

Maintenance and Operation. Walter R. Silberbauer, Superintendent of Maintenance and Operation, and his maintenance crew were charged with the responsibility for the maintenance and operation of the Sanitation District's sewerage system. The items of work, and the cost thereof, accomplished by the Maintenance and Operation Department during the 1957-58 fiscal year is listed below:

<u>Item of Work</u>	<u>Quantity</u>	<u>Unit Cost</u>	
		1957-58	
Sewer cleaning with "Wayne" type balls	181,081 feet		
Sewer cleaning with flexible rods	9,449 feet		
Sewer cleaning by water flushing	7,329 feet		
Total sewer cleaning	197,859 feet	\$2.5 mil	4.2¢
Sewer inspection	225,760 feet	\$3.1 mil 80.2	1.0¢
Root, rat and odor control	734 70 applications	\$14.00	

Maintenance and Operation (continued):

<u>Item of Work</u>	<u>Quantity</u>	<u>Unit Cost</u>
Sewage flow measurements	38 each	\$13.30
Clearing main sewer stoppages	50 each	\$14.40
Clearing lateral sewer stoppages	33 each	\$12.00
Clearing house sewer stoppages	11 each	\$ 5.10
		2657.50

Clerical. The Clerical Department provided general clerical services for the Sanitation District, including a complete record of financial transactions. The department was also instrumental in effecting the transfer of approximately 7,000 sewer service accounts from direct billing to addition to the 1958-59 County tax bill, resulting in a considerable saving in billing costs.

Legal. David H. Adams provided the Sanitation District with legal services required for administration of the District's affairs, except legal services required in conjunction with assessment projects for installation of sewers. Mr. Adams' services included assistance in preparation of the trunk sewer extension program established by the Sanitation District, and valuable assistance in other policy matters.

Kenneth I. Jones, representing the law firm of Kirkbride, Wilson, Harzfeld and Wallace, provided the Sanitation District the legal services required in conjunction with assessment projects.

FINANCIAL REPORT

GENERAL

The following financial report was prepared from the financial records of the Sanitation District. The Office of the Santa Clara County Controller is required by law to audit the Sanitation District's financial records and will furnish the District with a report of audit. The purpose of this report is to provide advance information on the financial condition of the Sanitation District.

BONDED INDEBTEDNESS

		<u>Balance</u> 6-30-57	<u>Bonds</u> <u>Redeemed</u>	<u>Balance</u> 6-30-58	<u>Interest</u> <u>Paid to</u>	<u>Matured Int.</u> <u>Coupons</u> <u>O/S 6-30-58</u>
Series A	1950-80	\$359,000.00	\$ 8,000.00	\$351,000.00	Apr. 58	\$ 125.00
Series B	1951-80	367,000.00	8,000.00	359,000.00	Mar. 58	-0-
Series C	1951-81	417,000.00	8,000.00	409,000.00	Jan. 58	70.00
Series D	1957-86	297,000.00	3,000.00	294,000.00	Jan. 58	-0-
		<u>\$1,440,000.00</u>	<u>\$27,000.00</u>	<u>\$1,413,000.00</u>		<u>\$ 195.00</u>

STATEMENT OF FINANCIAL CONDITION - JUNE 30, 1958

<u>ASSETS</u>	<u>June 30</u>	
	1958	1957
Current Assets:		
Cash	\$ 407,555.30	\$ 295,206.97
Accounts receivable	21,264.42	13,005.95
Work in progress	8,607.10	12,448.76
Investment in securities	305,100.00	305,076.52
Court deposits	9,148.38	2,681.38
	<hr/>	<hr/>
Total current assets	\$ 751,675.20	\$ 628,419.58
Capital Assets:		
Sewer system	\$3,605,884.88	\$3,217,597.89
Maintenance equipment	21,430.55	19,286.12
Office furniture and fixtures	10,854.45	9,564.76
Buildings and grounds	66,857.69	9,199.15
Small tools and equipment	771.62	745.58
	<hr/>	<hr/>
Total capital assets	\$3,705,799.19	\$3,256,393.50
Other Assets:		
Amount to be provided by taxes for payment of long-term debt	\$1,852,159.72	--
	<hr/>	<hr/>
Total Assets	<u>\$6,309,634.11</u>	<u>\$3,884,813.08</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	\$ 20,746.20	\$ 9,971.03
Overtime payable	141.95	823.57
Campbell sewer service collections	347.21	86.65
Accrued payroll taxes	2,514.01	2,083.61
Other deposits	13,843.41	10,216.29
Matured bond interest coupons	185.00	1,555.35
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Total current liabilities	\$ 37,777.78	\$ 24,736.50
Long-term Debt:		
General improvement bonds	\$1,413,000.00	\$1,440,000.00
Contracts payable	5,092.50	10,370.00
Contingent liability on refundable installations	116,192.17	62,902.72
Unmatured bond interest	465,721.25	--
	<hr/>	<hr/>
Total long-term debt	\$2,000,005.92	\$1,513,272.72
Total Liabilities	<u>\$2,037,783.70</u>	<u>\$1,538,009.22</u>
<u>SURPLUS</u>		
Total Surplus	<u>\$4,271,850.41</u>	<u>\$2,346,803.86</u>
Total Liabilities and Surplus	<u>\$6,309,634.11</u>	<u>\$3,884,813.08</u>