

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**

**BOARD OF DIRECTORS MEETING
JANUARY 14, 2009**

The Board of Directors of West Valley Sanitation District of Santa Clara County, California, convenes this day in regular session at 6:00 p.m. at the district office, 100 East Sunnyoaks Avenue, Campbell, California, with the following members present: Dan Furtado, Diane McNutt, Chuck Page, Curtis Wright, and Ken Yeager. Staff present are Robert R. Reid, District Manager and Engineer; Charles T. Kilian, District Counsel; Edward H. Oyama, Director of Engineering and Operations; and Joanna Fuller, Secretary.

The first order of business is election of a Chairperson and Vice-Chairperson for 2009, pursuant to Section 2.10 of the District's Ordinance Code. The board unanimously elects Chuck Page as Chairperson and Ken Yeager as Vice-Chairperson of the Board of Directors for 2009.

The minutes of the previous meeting are approved as presented, Director Wright abstaining as he did not attend the meeting.

Oral communications: This portion of the meeting is set aside for persons wishing to address the board on any matter not on the agenda. There is no public comment.

Written communications: No written communications have been received.

Reports: The following reports are submitted for action in one motion:

San Jose/Santa Clara Water Pollution Control Plant: Minutes of the December 11, 2008, meeting of the Treatment Plant Advisory Committee.

Investment of District Funds: Commingled Funds Invested by the County of Santa Clara for West Valley Sanitation District as of December 31, 2008.

Consolidated Income and Expense Statement of West Valley Sanitation District for the period ended December 31, 2008.

The reports are accepted.

There is no unfinished business.

Consent Calendar: The following items are submitted for action in one motion:

Approval of payment of bills and ratification of payroll summaries of November 30, December 14, and December 28, 2008.

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Adoption of RESOLUTION No. 09.01.01, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY ESTABLISHING FINANCIAL INSTRUMENT SIGNATORY AUTHORIZATIONS.

Los Gatos-Winchester Basin No. 7, Area 4, Sanitary Sewer Rehabilitation Project: a) Approval of Progress Payment No. 4 to D'Arcy & Harty Construction, Inc., in the amount of \$22,184.87; b) Adoption of RESOLUTION No. 09.01.02, RESOLUTION ACCEPTING COMPLETION OF WORK AND DIRECTING DISTRICT MANAGER-ENGINEER TO FILE NOTICE OF COMPLETION; c) Authorization for staff to release retention in the amount of \$66,274.75 sixty days after the filing of Notice of Completion in accordance with the contract provisions.

Leigh Basin No. 2, Area 1, Sanitary Sewer Rehabilitation Project: a) Adoption of Notice of Exemption pursuant to Section 15302(c) of the CEQA guidelines, subject to amendment of project boundaries; b) Adoption of RESOLUTION No. 09.01.03, RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR SANITARY SEWER REHABILITATION PROJECT, LEIGH BASIN NO. 2, AREA 1, LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA, ORDERING WORK, DETERMINING PREVAILING RATE OF WAGES AND BENEFITS, AND DIRECTING NOTICE TO BIDDERS.

The consent calendar is approved unanimously.

Under new business, the first item is the appointment of District representatives to the San Jose/Santa Clara Treatment Plant Advisory Committee and the San Jose-West Valley Sanitation District Sewer Advisory Board for 2009. The board appoints Director Yeager to the Treatment Plant Advisory Committee, and Director Page to the Sewer Advisory Board.

The next item of new business concerns the options for refinancing the District's share of the San Jose/Santa Clara Clean Water Financing Authority's Series 2005B Variable Rate Bonds. The District participates in the CWFA bond issues to finance the District's share of capital improvements associated with the wastewater treatment plant. Because of current economic conditions, the CWFA has decided to refinance the Series 2005B bonds. The refunding gives the District an opportunity to pay off its share of the obligation, or participate in the refinancing and conversion to fixed rate debt. The District's share of this obligation is \$2,874,152.20. The District engaged the services of Bartle Wells Associates to review the refinancing options and recommend an appropriate solution. The manager introduces Doug Dove, the financial analyst from BWA, who presents his findings and recommendations to the board. In summary, the staff and consultant recommend that the District use a portion of its available reserve funds to pay off its 2005B bond obligation, as this option is more

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economically beneficial to the District in the long term than participation in the bond refinancing. After discussion, the board unanimously adopts RESOLUTION NO. 09.01.04, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY AUTHORIZING THE ISSUANCE OF ACH/WIRE INSTRUCTIONS. The resolution authorizes the transfer of \$2,874,152.20 from District reserves to pay off the District's share of the 2005B series bonds.

Under Directors' Items, Director Yeager reports that he has been appointed by the Governor to the California Air Resources Board, and that he is interested in working with the wastewater industry on issues that are of mutual interest. Director Furtado comments that he appreciates the opportunity to come back to the WVSD board, and that he is particularly interested in the effect of pharmaceuticals in wastewater. Director Furtado also reports on ABAG and other joint policy board issues. Director Wright comments that he is looking forward to serving on the WVSD board, and mentions that former director Dave Baxter sends his best regards to the board members.

There being no further items of business, the meeting is adjourned at 6:20 p.m.

CHUCK PAGE, CHAIRPERSON

Attest:

Secretary