

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

**BOARD OF DIRECTORS MEETING
MARCH 10, 2010**

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: Diane McNutt, Chuck Page, Don Perry, and Ken Yeager, Chairperson. Director Dan Furtado is absent. Staff present are Robert R. Reid, District Manager and Engineer; Douglas B. Aikens, Interim District Counsel; Dorie J. Barras, Executive Assistant; and Joanna Fuller, Secretary.

The minutes of the previous meeting are approved as presented.

Presentations: The chairperson welcomes retired District Counsel Charles T. Kilian. Mr. Kilian retired on March 1, 2010, after thirty-nine years of providing legal advice and guidance to West Valley Sanitation District. Chairperson Yeager extends the Board's appreciation to Mr. Kilian for his many years of service, and presents him with a Resolution of Appreciation (Resolution No. 10.03.07). After a brief recap of Mr. Kilian's history with the District, which began in 1971, staff and Board thank him and wish him well in his retirement. Mr. Kilian thanks the Board and staff, and comments that he has enjoyed working for the District and considers the District a model agency.

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: a) Minutes of the January 14, 2010, meeting of the Treatment Plant Advisory Committee; and b) Report on the "Agreement between the City of San Jose and the Santa Clara Water District for Integration of Facilities and Program for the Use of Recycled Water in Santa Clara County."

Investment of District Funds: Report on commingled funds invested by the County of Santa Clara for West Valley Sanitation District as of January 31, 2010; and Quarterly Report from County Controller as of December 31, 2009.

Consolidated Income and Expense Statement of West Valley Sanitation District for the period ended January 31, 2010.

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Minutes of the December 7, 2009, meeting of the Santa Clara County Special Districts Association.

The reports are accepted.

Approval of payment of invoices, February 11 to March 10, 2010.

Authorization for Chairperson to execute RELEASE OF COVENANTS RUNNING WITH THE LAND with property owners in the District's Septic System Abandonment Program: Release of 10-year agreements from fiscal year 2000-2001.

Adoption of RESOLUTION NO.10.03.02, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY SETTING A TIME AND PLACE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE DISTRICT'S PROPOSED OPERATIONS BUDGET FOR FISCAL YEAR 2010-2011. The first hearing is scheduled for April 14, 2010; second hearing and adoption are scheduled for May 12, 2010.

Adoption of RESOLUTION NO.10.03.03, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY SETTING A TIME AND PLACE OF PUBLIC HEARING TO CONSIDER CONTINUATION OF THE HILLSIDE SEWER MAINTENANCE ZONE FEE FOR FISCAL YEAR 2010-2011. There is no change proposed in the hillside fee of \$50.00 per year for each connected property in the hillside zone. The hearing date is scheduled for April 14, 2010.

Adoption of RESOLUTION NO.10.03.04, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY SETTING A TIME AND PLACE OF PUBLIC HEARING TO CONSIDER COLLECTION OF THE STORM DRAIN MANAGEMENT FEE FOR FISCAL YEAR 2010-2011. There is no change proposed in the storm drain program fees. The hearing date is scheduled for May 12, 2010.

Authorization for a one-year contract extension with the audit firm of Maze and Associates to perform audit and related services for the fiscal year ending June 30, 2010, at a cost not to exceed \$17,045.

Adoption of RESOLUTION NO.10.03.05, RESOLUTION ACCEPTING GRANT OF EASEMENT from Gerd Salmonson Trust. Property location 304 Charles Street, Los Gatos, APN 532-36-034.

The Consent Calendar is approved unanimously.

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New Business: The first item of new business is the Sewer Rate Analysis and Financial Projections: Staff has prepared a report summarizing the District's current and long-term financial status. Staff recommends proceeding with development of a plan and schedule for a sewer rate increase. After the staff presentation and discussion, the recommendation is approved, and staff is directed to prepare the Proposition 218 hearing notice and support documentation for approval at the April 14 board meeting.

The next item of business is the proposal to refinance the outstanding maturities of the District's 2000C Wastewater Revenue Bonds at a savings to the District. The firm of Bartle Wells Associates has submitted a report describing the process and explaining the details of the authorizing resolution. Doug Dove, from Bartle Wells, presents a summary to the Board of the process, the key legal documents and the schedule. After the presentation, staff recommendation is approved, and RESOLUTION NO. 10.03.06, RESOLUTION OF THE WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY AUTHORIZING THE ISSUANCE OF SEWER REVENUE REFUNDING BONDS IN AN AMOUNT NOT TO EXCEED \$6,500,000 AND THE EXECUTION AND DELIVERY OF AN INDENTURE, A NOTICE OF SALE, AND AN OFFICIAL STATEMENT AND AUTHORIZING CERTAIN RELATED MATTERS is adopted unanimously.

The Board adjourns to closed session pursuant to Government Code Section 54957.6. The District's designated representative is Craig Jory. The employee organization in current negotiations is the Millmen and Industrial Carpenters Local 262. Also in closed session is the consideration or appointment of District Counsel, per Government Code Section 54957.

The Board reconvenes in open session and reports that no action was taken, and staff was given direction with respect to selection of District Counsel.

There are no Directors' Items.

There being no further items of business, the meeting is adjourned at 7:00 p.m.

KEN YEAGER, CHAIRPERSON

Attest:

Secretary