

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

**BOARD OF DIRECTORS MEETING
MAY 14, 2008**

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: David Baxter, Donald R. Burr, Chuck Page, Ken Yeager, and Diane McNutt, Chairperson. 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 minutes of the previous meeting are approved as presented.

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 items are submitted for action in one motion:

San Jose/Santa Clara Water Pollution Control Plant: Minutes of the April 10, 2008, meeting of the Treatment Plant Advisory Committee.

Investment of District Funds: Report on commingled funds invested by the County of Santa Clara for West Valley Sanitation District, as of March 31, 2008.

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

Report on the California Association of Sanitation Agencies spring conference, held in Squaw Valley, California, April 23-26, 2008.

The reports are accepted.

There is no unfinished business.

PUBLIC HEARINGS

HILLSIDE ZONE FEE: The first public hearing scheduled for this evening is to consider the continuation of the hillside zone fee for fiscal year 2008-09. Notice of the hearing has been published and posted. No comments have been received, and no one from the public is present to address the board. The hillside zone fee was established in 1990 to fund sewer repairs in the hillside areas of the district, where the sewers are

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subject to damage from land movement. The surcharge is an annual fee of \$50.00 for each connected parcel in the hillside zone, as defined by a map on file at the district office. The fees are collected on the tax roll, along with the sewer service charges, and are set aside in a reserve account, to be used only for sewer repairs in the defined hillside zone area. The fee is subject to annual review by the board, to determine if the fee is adequate and if it is still needed. The manager reports that the fund balance currently stands at \$564,000, and that the district incurred expenses of approximately \$19,000 in 2007-08 and \$240,000 in the prior year for hillside sewer repairs. The manager notes that when hillside repairs are necessary, they are expensive and tend to deplete the fund quickly. The chair opens the hearing, notes that there is no public comment, and asks for comments from the board. Following discussion, the board adopts RESOLUTION NO. 08.05.05, A RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY, CALIFORNIA, APPROVING CONTINUATION OF THE HILLSIDE ZONE RESERVE ACCOUNT FEE FOR FISCAL YEAR 2008-09.

PROPOSED BUDGET: The next public hearing scheduled for this evening is to consider the PROPOSED BUDGET AND SEWER SERVICE REVENUE PROGRAM OF WEST VALLEY SANITATION DISTRICT FOR FISCAL YEAR 2008-09. Notice of the hearing has been published and posted. No comments have been received. Copies of the budget have been distributed with the agenda packet, and are available at the district office for review. The manager's discussion and analysis is included in the introductory section of the budget, and additional discussion takes place at the board meeting.

The manager summarizes the budget and revenue program, and answers the board's questions. The manager reports on the projected increases in salaries and benefits, contractual services, and treatment plant operations, and notes that slight decreases are expected in office expense, professional services, and repairs and maintenance. The manager reports that the computer expenses have been reclassified to a separate budget category this year. The manager also summarizes the proposed capital expenditures, including equipment, district sewer rehabilitation projects, and cost-sharing with San Jose for treatment plant and joint trunk sewer projects. The manager reports that all operating expenditures and annual equipment replacement and infrastructure repair is adequately funded with current revenues, and that the district maintains adequate reserve funds to meet the reserve guidelines established by the board. The manager reports that based on current projections the district will not need to raise sewer service rates for one or two years. Following the manager's presentation, the chair opens the public hearing and notes that there is no public comment. The item is continued to the meeting of May 28 for the second hearing and adoption. Staff is directed to distribute copies of the budget to interested parties with a notice inviting comments at the May 28 meeting.

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

Approval of payment of bills and ratification of payroll. A list of bills due for payment and payroll summaries of April 6 and April 20, 2008, are attached.

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 1998-99. The list of releases is on file with the district secretary.

The consent calendar is approved unanimously.

Under new business, the manager submits a proposed ordinance amending the district's ordinance code to bring the code into compliance with federal and state mandates concerning pretreatment requirements. The district, as a tributary agency to the San Jose/Santa Clara Wastewater Treatment Plant, is required to adopt all regulations mandated by the state and federal governments. Following the manager's summary, the district's legal counsel reads the title of the ordinance, as follows: ORDINANCE NO. 135, AN ORDINANCE OF THE WEST VALLEY SANITATION DISTRICT BOARD OF DIRECTORS AMENDING SECTIONS 1.050 AND CHAPTER 7 OF THE DISTRICT'S ORDINANCE CODE TO BRING THE CODE INTO COMPLIANCE WITH THE REQUIREMENTS OF THE SAN JOSE/SANTA CLARA WATER POLLUTION CONTROL PLANT AND THE U. S. ENVIRONMENTAL PROTECTION AGENCY WITH RESPECT TO REQUIREMENTS FOR INDUSTRIAL DISCHARGERS. Reading of the title is deemed to constitute first reading, and the matter is continued to the May 28 meeting for second reading and adoption.

Under Directors' Items, Director Burr reports that he attended the California Association of Sanitation Agencies conference and found the sessions on strategic planning and openness in government very informative. Director Burr adds that he particularly enjoyed the musical entertainment featuring the district's manager, Bob Reid.

There being no further items of business, the meeting is adjourned at 6:15 p.m.

DIANE MCNUTT, CHAIRPERSON

Attest:

Secretary