

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

**BOARD OF DIRECTORS MEETING  
JUNE 9, 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: Dan Furtado, Diane McNutt, Don Perry, and Ken Yeager, Chairperson. Director Chuck Page is absent. Staff present are Robert R. Reid, District Manager and Engineer; Steven R. Meyers, District Counsel; 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 at this time.

Written communications: No written communications have been received.

Reports: San Jose/Santa Clara Water Pollution Control Plant: Minutes of the May 13, 2010, meeting of the Treatment Plant Advisory Committee. This is submitted as an informational item; no action is required.

Under Unfinished Business, staff submits a report on the bids received for the Overlook Road Sewer Extension Project. At the May 26 meeting the Board approved staff's recommendation to reject all bids. The project specifications were subsequently revised and the project was re-bid. Three bids were received; the low bidder is D'Arcy & Harty Construction at a bid price of \$489,799. Staff recommends awarding the contract to D'Arcy & Harty Construction, and requests a construction contingency of \$48,980. The project is funded this fiscal year in the capital improvement program. Staff's recommendation is approved.

The second item of unfinished business is approval of the "Fee Contract By and Between West Valley Sanitation District and Meyers Nave Riback Silver and Wilson, a Professional Law Corporation," engaging the services of Steven R. Meyers to act as General Counsel for the District. The contract was approved by the subcommittee of Directors Furtado and Page, and is submitted at this time for the approval of the full Board. The contract between the District and Meyers Nave Riback Silver and Wilson is approved.

**PUBLIC HEARING**

A public hearing has been scheduled for this evening to consider a proposed three-year sewer rate increase of 5%, 6%, and 6% respectively, beginning in fiscal year 2010-11. The manager reports that over the next several years the district's cost of service will

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increase due primarily to the need to replace aging infrastructure at the treatment plant. In March of this year the district engaged the services of financial consultants Bartle Wells Associates to update the District's long-term financial plan and to determine needed revenues and funding sources to meet the rising costs of service. The consultants submitted their report to the Board at the April 14 meeting, recommending a series of rate increases over a three-year period, beginning with an increase of 5% in July 2010, followed by a 6% increase in July 2011 and 6% in 2012. Over the three year period, the monthly rate for a single-family residence would go from the current \$23.35 to \$27.55 in 2012. Staff was directed to proceed with the required Proposition 218 hearing notifications, and on April 23 staff sent notices to the owners of each parcel affected by the proposed rate increase, advising them of the time and place of the public hearing, the amounts and effective dates of the proposed rate increases, and the procedure for filing written protests.

Following the manager's presentation, the chair opens the public hearing and asks for comment. Everyone who wishes to speak is given the opportunity. The District's financial consultants, Doug Dove and Adam Lynch, are present to answer questions about the rate study. At the end of the comment period, the chair closes the hearing and asks the secretary for a final count of written protests. The secretary reports that 31 written protests have been received out of 35,423 notices that were sent. Upon advice of counsel, the Board adopts a motion determining that there is not a majority protest.

After determining that there is not a majority protest, the Board introduces and adopts **ORDINANCE NO. 141, AN ORDINANCE OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY AMENDING AND ADJUSTING SEWER SERVICE RATES AND DECLARING THIS ORDINANCE TO BE AN URGENCY MEASURE TO TAKE EFFECT IMMEDIATELY FOR THE PRESERVATION OF THE PUBLIC PEACE, HEALTH, AND SAFETY.** The ordinance is adopted on a roll call vote, with Directors Furtado, McNutt, Perry and Yeager voting in favor, no directors voting against, and one director absent. The ordinance will take effect immediately.

The next item under public hearings is second hearing and adoption of the **PROPOSED BUDGET FOR FISCAL YEAR 2010-2011.** The first hearing was held on April 14; no public comment has been received. Following the manager's report, the Board adopts **RESOLUTION NO. 10.06.32, RESOLUTION OF THE BOARD OF DIRECTORS OF WEST VALLEY SANITATION DISTRICT OF SANTA CLARA COUNTY ADOPTING AN OPERATING BUDGET FOR FISCAL YEAR 2010-2011 BY RATIFYING ESTIMATES OF REVENUES TO BE RECEIVED IN SUCH FUNDS AND APPROPRIATING MONIES THEREFROM FOR SPECIFIC ACTIVITIES AND ACCOUNTS AND SETTING FORTH THE CONDITIONS OF ADMINISTERING SAID BUDGET.**

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

Approval of payment of invoices, May 13 – June 9, 2010.

Authorization for chairperson to execute AGREEMENTS AND COVENANTS RUNNING WITH THE LAND with property owners in the District's Septic System Abandonment Program:

<u>APN</u>	<u>Owner</u>	<u>Location</u>
404-26-050	Sloan	730 Kenneth Avenue, Campbell
414-39-063	Onzo	312 Redding Road, Campbell

Authorization for chairperson to execute RELEASE OF COVENANTS RUNNING WITH THE LAND with property owners in the District's Septic System Abandonment Program:

<u>APN</u>	<u>Owner</u>	<u>Location</u>
389-13-031	Beechie	18676 Paseo Lado, Saratoga

Authorization to issue Task Order 10-02 to Brown and Caldwell in an amount not to exceed \$91,322 for Stage 1 Evaluation of the District's trunk sewer system.

The Consent Calendar is approved.

There is no New Business.

The Board adjourns to Closed Session pursuant to Government Code Section 54957.6. Conference with Labor Negotiator: The District's designated representative is Craig Jory. The employee organization in current negotiations is the Millmen and Industrial Carpenters Local 262.

The Board reconvenes in open session and reports that no action was taken.

There are no Directors' Items.

There being no further items of business, the meeting is adjourned at 6:25 p.m.

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KEN YEAGER, CHAIRPERSON

Attest:

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Secretary