

**1. CALL TO ORDER**

President Yoder called the meeting to order at 7:30pm.

Call to Order

**2. ROLL CALL AND APPROVAL OF AGENDA**

Directors Present: Michael Yoder, Lisa Post, John Marke ,Bruce Smith, Soren Spies  
 Directors Absent: None  
 Counsel Present: None  
 Staff: Donald Toy, Mark Thomas & Company, Inc.

Roll Call and  
Approval of  
Agenda

**Motion:** To approve the agenda.

**Move:** Post **Second:** Smith

**Board vote:** **Ayes,** Yoder, Post, Marke, Spies, Smith **Noes,** None

**3. PUBLIC COMMENTARY**

- A. Visitor Commentary – None.
- B. Agency Representatives – Staff expressed their thanks to President Post for her years of service to the Board and for sharing her years of experience with the District to staff.
- C. Board Commentary – President Post thanked the Board and staff for allowing her to serve the District over the past nine and a half years.

Public  
Commentary

**4. CONSENT CALENDAR**

- A. Approval of Minutes. Board action required: Approve Minutes from the Meeting of 12/16/08.

Consent  
Calendar

**Motion:** To approve the minutes from the meeting of 12/16/08.

**Move:** Spies **Second:** Smith

**Board vote:** **Ayes,** Yoder, Spies, Smith **Noes,** None  
**Abstain,** Post, Marke

**5. WARRANTS**

- A. Approval of Warrants.
  - 1. Enviro-Commercial Sweeping, Inc. District Street Sweeping Services.
  - 2. Mark Thomas & Company, Inc. District Management Services.
  - 3. USE Credit Union. Board of Directors Payroll.
  - 4. City of San Jose. Q3 Treatment Plant O&M, CIP Fees.
  - 5. Michael Yoder. Reimbursement for Website Renewal Fee.
  - 6. ABLE Underground Construction. Video inspection- Cleveland Ave.
  - 7. Mello Pipelines. 2008-09 Repair No. 35 Final Balance.
  - 8. Santa Clara County Integrated Waste Management. Sept-Dec08 Quarterly Payment.

Warrants

**5. WARRANTS (continued)**

Warrants  
(continued)

Staff reviewed each of the warrant items and suggested that the Board approve all items with the exception of No. 4 (City of San Jose) so that staff could report on the billing.

**Motion:** To approve all warrants with the exception of No. 4 (City of San Jose)

**Move:** Marke           **Second:** Smith

**Board vote:**           **Ayes,** Yoder, Post, Marke, Spies, Smith           **Noes,** None

Staff reported that the third quarter billing to the City of San Jose included the usual invoices for Operations and Maintenance and Capital Costs. However, the Capital Cost billing also reflected an additional amount of \$93,003 as a retroactive billing from FY 2007-08. Staff reported that they had contacted the City and were awaiting more information regarding this additional amount. Staff recommended that a subcommittee be formed to deal with the matter. The Board discussed the issue and agreed that the finance subcommittee would work with staff to investigate the matter and authorize payment at their discretion after all of the facts and details were presented by the City. The finance committee members are Directors Spies and Marke.

**Motion:** To appoint Directors Spies and Marke as the Finance Subcommittee

**Move:** Smith           **Second:** Post

**Board vote:**           **Ayes,** Yoder, Post, Marke, Spies, Smith           **Noes,** None

**Motion:** To allow the Finance Subcommittee to work with staff to investigate the additional \$93,003 billing from the City and to authorize payment at its discretion.

**Move:** Marke           **Second:** Post

**Board vote:**           **Ayes,** Yoder, Post, Marke, Spies, Smith           **Noes,** None

**6. NEW BUSINESS**

New Business

- A. FY 2008-09 Budget Review. Staff reviewed the year-to-date expenditures versus the approved annual operating budget for the District. Staff commented that the budget did not include an allowance for District staff to work on the annual audit report. The following year's budget would be modified to include this as a separate task.

**7. OLD BUSINESS**

Old Business

- A. Resolution No. 230. Staff presented President Post with a framed copy of the resolution and took photos of the entire Board. President Post thanked the Board for doing an excellent job over the past several years and commented that she felt that she was leaving the Board in good hands. She stated that she had full confidence that the current Board was handling issues properly and worked well together. Staff thanked President Post for her assistance in making the management and Board transitions smooth and for imparting her vast knowledge about the District and its business affairs.

**7. OLD BUSINESS (continued)**

Old Business  
(continued)

B. Board Vacancy. Staff presented the timeline for the appointment process for a new board director. Director Spies stated that he would post the vacancy notice on the District website. Staff distributed signs with the vacancy notice for each director to post. Additionally, the notice would be posted at the Luther Burbank School District.

C. Repairs. Staff reported the County of Santa Clara had sent a bill for the encroachment permits issued for District repairs in FY 2007-08 and FY 2008-09, totaling approximately \$10,800. Staff reported that six repair projects had been put out for proposals and bids were due February 6. Staff reported that there may be enough remaining funds in the FY 2008-09 budget to do one of the sewer cross connection projects before the end of the fiscal year. Staff requested a budget not to exceed \$1,500 in order to perform a preliminary feasibility study for the Laswell/Arleta Sewer Rehabilitation Project, including site inspection, cost estimate, and report to the Board.

**Motion:** To approve a not to exceed budget of \$1,500 for staff to perform a preliminary feasibility study for the Laswell/Arleta Sewer Rehabilitation Project.

**Move:** Marke            **Second:** Spies

**Board vote:**            **Ayes,** Yoder, Post, Marke, Spies, Smith            **Noes,** None  
                                 **Absent,** None

**8. SUBCOMMITTEE REPORTS- None.**

Subcommittee  
Reports

**9. ADJOURNMENT:** Next Regular Meeting: *Tuesday, February 17, 2009*

Adjournment

**Motion:** To adjourn meeting.

**Move:** Marke            **Second:** Smith

**Board vote:**            **Ayes,** Yoder, Post, Marke, Spies, Smith            **Noes,** None  
                                 **Absent,** None

Approved: February 17, 2009

Respectfully Submitted,  
**Mark Thomas & Company, Inc.**

District Manager – Engineer  
Donald Toy  
Administrator

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Michael E. Yoder, President