



COUNTY SANITATION DISTRICT NO. 2-3
OF SANTA CLARA COUNTY

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of SANTA CLARA COUNTY
Office of the District Manager and Engineer

Mark Thomas & Company, Inc.
20863 Stevens Creek Blvd., Suite 100, Cupertino, CA 95014
(408) 255-2137 fax (408) 253-5173
www.csd2-3.org

February 25, 2014

File: CSD No. 2-3
Letter #14-100

Ms. Neelima Palacherla
LAFCO Executive Officer
70 West Hedding Street, 11th Floor
San Jose, CA 95110

RE: Implementation of the Recommendations of LAFCO's Special Districts Service Review

Dear Ms. Palacherla:

We are in receipt of your letter dated January 29, 2014 with your comments and your request for our responses before March 14, 2014.

Our responses to the key points raised in your letter are as follows:

- Address structural integrity issues that have resulted in a particularly high rate of sewer system overflows

District is now undertaking CCTV of the entire sewer system. Our commitment is to complete CCTV of all sewer system within 200 feet of the creek and rehabilitate any and all PAACP rated 5. Within 7 years, entire CCTV will be completed with a 5 year CIP to complete/rehabilitate district owned sewer main. District is already programmed \$500,000 CIP program and will continue this program for at least next 5 years.

- Accelerate capital improvement schedule, based on settlement agreement with Northern California River Watch

District has completed CCTV within the 200 feet area from the creek. District is now under design and anticipate going out to construction this summer.

- Accelerate inspection plans in order to properly address the issues the system is facing

District is committed to CCTV the entire system within next 7 years.



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- Include rates, budget and audited financial on website, include linkage to County Board of Supervisors

This will be completed by March 2014.

- File a copy of annual budget with the County Auditor

Annual Budget (2013-14) was submitted to John Cruz, Santa Clara County Controllers' Office on July 16, 2013.

- Work with City of San Jose and Santa Clara to update the agreement

District will continue to work with City of San Jose for a new agreement.

- Negotiate a new joint use agreement with City of San Jose

We are working with City of San Jose for this new agreement. We have done everything possible on our end. We are waiting for City to respond.

Should there be questions, or if you have need for additional information, please do not hesitate to call me.

Yours very truly,
MARK THOMAS & COMPANY INC.

A handwritten signature in black ink, appearing to read 'Richard K. Tanaka'.

Richard K. Tanaka
District Manager-Engineer