

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**  
**March 7, 2012**  
**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVE THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 1, 2012 AND SPECIAL MEETING OF FEBRUARY 21, 2012
5. RECOGNITION OF EMPLOYEES RETIRING FROM THE DISTRICT:
  - a) MANNY MAGANA, ASSISTANT GENERAL MANAGER OF ENGINEERING AND OPERATIONS; 9 YEARS OF SERVICE
  - b) LARRY OLDS, LEAD RECYCLED WATER DISTRIBUTION OPERATOR, 20 YEARS OF SERVICE
  - c) DAVID CHARLES, PUBLIC SERVICES MANAGER, 31 YEARS OF SERVICE
6. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
7. RECESS OTAY WATER DISTRICT BOARD MEETING
8. CONVENE OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING
9. ROLL CALL
10. RE-AFFIRM OFFICERS OF THE OTAY WATER DISTRICT FINANCING AUTHORITY
  - a) PRESIDENT

- b) VICE-PRESIDENT
- c) EXECUTIVE DIRECTOR
- d) TREASURER/AUDITOR
- e) SECRETARY

11. ADJOURN OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING

12. RECONVENE OTAY WATER DISTRICT BOARD MEETING

CONSENT CALENDAR

13. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

- a) APPROVE CHANGE ORDER NO. 1 TO THE EXISTING CONTRACT WITH NEWest CONSTRUCTION, INC. FOR THE RALPH W. CHAPMAN WATER RECLAMATION FACILITY UPGRADE PROJECT, IN AN AMOUNT NOT-TO-EXCEED \$17,896
- b) AWARD A CONSTRUCTION CONTRACT TO SEPULVEDA CONSTRUCTION FOR THE 30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY IN AN AMOUNT NOT-TO-EXCEED \$1,212,257.13
- c) AWARD A CONSTRUCTION CONTRACT TO ADVANCED INDUSTRIAL SERVICES, INC. (AIS) AND AUTHORIZE AN AGREEMENT WITH AIS FOR THE 850-3 RESERVOIR EXTERIOR COATING AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$293,300
- d) ADOPT ORDINANCE NO. 531 AMENDING SECTIONS 25, CONDITIONS FOR WATER SERVICE; 28, CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE; 38, SERVICE FOR FIRE PROTECTION SYSTEMS; OF THE DISTRICT'S CODE OF ORDINANCES TO INCLUDE MANDATED FIRE SERVICE STANDBY CAPACITY FOR SINGLE-FAMILY RESIDENCES
- e) APPROVE ENGAGEMENT LETTER FROM THE AUDITING FIRM OF WHITE NELSON DIEHL EVANS, LLP TO CONTRACT FOR AUDIT SERVICES FOR FISCAL YEAR 2012
- f) APPROVE A THREE-YEAR AGREEMENT (ONE-YEAR WITH AN OPTION TO RENEW FOR TWO ADDITIONAL YEARS) WITH MARS-TON+MARSTON, INC. FOR THE PUBLIC OUTREACH AND CREATIVE SERVICES FOR AN AMOUNT NOT-TO-EXCEED \$200,000 FOR THE LIFE OF THE AGREEMENT. THE CONTRACT ALLOWS THE DISTRICT TO CONTINUE USING MARSTON+MARSTON, INC. UNTIL EITHER PARTY CHOOSES TO TERMINATE THE BUSINESS RELATIONSHIP

- g) ADOPT RESOLUTION NO. 4193 DESIGNATING MR. JAMES BOND, COUNCIL MEMBER FROM THE CITY OF ENCINITAS AND DIRECTOR FOR SAN DIEGUITO WATER DISTRICT, TO VOTE FOR THE OTAY WATER DISTRICT REPRESENTATIVES TO THE SAN DIEGO COUNTY WATER AUTHORITY (AUTHORITY) WHEN BOTH OWD REPRESENTATIVES ARE ABSENT FROM A MEETING OF THE AUTHORITY

#### ACTION ITEMS

##### 14. GENERAL MANAGER

- a) REVIEW DRAFT QUESTIONNAIRES FOR THE CUSTOMER SATISFACTION AND AWARENESS AND CALL CENTER SURVEYS (BUENA)

##### 15. ENGINEERING AND WATER OPERATIONS

- a) APPROVE THE WATER SUPPLY ASSESSMENT REPORT DATED JANUARY 2012 FOR THE HAWANO PROJECT

##### 16. BOARD

- a) RECEIVE NOMINATIONS AND APPOINT A MEMBER AND ALTERNATE MEMBER TO THE CITY OF CHULA VISTA REDEVELOPMENT AGENCY'S OVERSIGHT BOARD
- b) DISCUSSION OF 2012 BOARD MEETING CALENDAR

#### INFORMATIONAL ITEMS

##### 17. THIS ITEM IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEM:

- a) REPORT ON DIRECTORS' EXPENSES FOR THE 2ND QUARTER OF FISCAL YEAR 2012 (PRENDERGAST)
- b) UPDATE ON THE 2ND QUARTER OF FISCAL YEAR 2012 CAPITAL IMPROVEMENT PROGRAM REPORT (KAY)
- c) INFORMATIONAL REPORT ON CHANGES TO THE DISTRICT'S RECORDS RETENTION POLICY (STEVENS)

#### REPORTS

##### 18. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

##### 19. DIRECTORS' REPORTS/REQUESTS

20. PRESIDENT'S REPORT/REQUESTS

RECESS TO CLOSED SESSION

21. CLOSED SESSION

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
[GOVERNMENT CODE §54956.9]
  - (l) SALT CREEK GOLF, LLC, UNITED STATES BANKRUPTCY  
COURT, CASE NO. 11-13898-LA11
- b) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
[GOVERNMENT CODE §54956.9]

2 MATTERS

RETURN TO OPEN SESSION

22. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD  
MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION

23. ADJOURNMENT

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

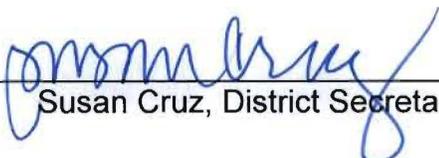
The Agenda, and any attachments containing written information, are available at the District's website at [www.otaywater.gov](http://www.otaywater.gov). Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are also available through the District Secretary by contacting her at (619) 670-2280.

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at (619) 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on March 2, 2012, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on March 2, 2012.

  
\_\_\_\_\_  
Susan Cruz, District Secretary

**MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF THE  
OTAY WATER DISTRICT  
February 1, 2012**

1. The meeting was called to order by President Bonilla at 3:37 p.m.

2. ROLL CALL

Directors Present: Lopez, Gonzalez and Croucher

Directors Absent: Bonilla (out-of-town on business) and Robak (due to a work related matter)

Staff Present: General Manager Mark Watton, Asst. General Manager of Administration and Finance German Alvarez, Asst. General Manager of Engineering and Water Operations Manny Magana, General Counsel Daniel Shinoff, Chief of Information Technology Geoff Stevens, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Operations Pedro Porras, Chief of Administration Rom Sarno, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes: Directors Lopez, Croucher and Gonzalez  
Noes: None  
Abstain: None  
Absent: Directors Bonilla and Robak

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR MEETING OF JANUARY 4, 2012

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes: Directors Lopez, Croucher and Gonzalez  
Noes: None  
Abstain: None  
Absent: Directors Bonilla and Robak

to approve the minutes of the regular meeting of January 4, 2012.

6. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

No one wished to be heard.

CONSENT ITEMS

7. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

A motion was made by Director Gonzalez, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Lopez, Croucher and Gonzalez  
Noes: None  
Abstain: None  
Absent: Directors Bonilla and Robak

to approve the following consent calendar items:

- a) APPROVE THE ISSUANCE OF A PURCHASE ORDER TO HAWTHORN POWER SYSTEMS IN THE AMOUNT OF \$54,036.63 FOR THE PURCHASE OF TWO (2) EMERGENCY STAND-BY GEN-SETS FOR THE 1090-1 PUMP STATION AND THE OPERATIONS WAREHOUSE
- b) ADOPT RESOLUTION NO. 4192 SUPPORTING THE SAN DIEGO COUNTY WATER AUTHORITY'S LAWSUIT AGAINST THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
- c) APPROVE THE SELECTION OF UNION BANK FOR BANKING SERVICES
- d) APPROVE THE ACQUISITION OF AN EASEMENT FROM THE CITY OF CHULA VISTA FOR THE 24-INCH WUESTE ROAD PIPELINE PORTION OF THE RECYCLED WATER SUPPLY LINK PROJECT IN AN AMOUNT NOT-TO-EXCEED \$66,800
- e) APPROVE CHANGE ORDER NO. 3 TO THE EXISTING CONTRACT WITH MONTGOMERY WATSON HARZA FOR THE RALPH W. CHAPMAN WATER RECYCLING FACILITY UPGRADE PROJECT, IN AN AMOUNT NOT-TO-EXCEED \$21,500
- f) APPROVE THE INCREASE IN THE BUDGET FOR CIP P2370 IN THE AMOUNT OF \$25,000 (INCREASING THE OVERALL CIP BUDGET FROM \$1,210,000 TO \$1,235,000) AND AUTHORIZE DISTRICT STAFF TO SEND

AN IMPROVEMENT NOTICE TO 63 CUSTOMERS SURROUNDING THE DORCHESTER RESERVOIR

ACTION ITEMS

8. BOARD

a) PUBLIC HEARING ON REDISTRICTING

- i. OTAY WATER DISTRICT, BECAUSE OF A SIGNIFICANT INCREASE IN THE POPULATION WITHIN ITS SERVICE AREA, AS MEASURED BY THE 2010 U.S. CENSUS, WILL BE ADJUSTING THE BOUNDARIES OF ITS FIVE (5) DIVISIONS TO EQUALIZE THE POPULATION WITHIN THOSE DIVISION BOUNDARIES PURSUANT TO CALIFORNIA WATER CODE §74430. THIS PUBLIC HEARING IS HELD TO PROVIDE AN OPPORTUNITY FOR THE PUBLIC TO VOICE OBJECTIONS AND/OR PRESENT PETITIONS TO THE BOARD REGARDING THE DISTRICT'S INTENT TO CHANGE THE BOUNDARIES OF ITS FIVE (5) DIVISIONS
- ii. ADOPT RESOLUTION NO 4187 OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT REAPPORTIONING THE FIVE DIVISIONS WITHIN THE OTAY WATER DISTRICT

General Manager Mark Watton indicated that notices were published in three local publications to advise the public of the District's intent to adjust the boundaries of the five (5) divisions within its service area and that a public hearing would be held during the District's February 1, 2012 board meeting to hear the publics' comments or protests. He indicated that the District did not receive any public comment or protest to the proposed divisional boundary changes.

President Lopez opened the public hearing at 3:38pm.

Director Croucher inquired if PRM Consulting had any new information to report on the Redistricting Project since the Board meeting on January 4, 2012. Mr. Steve Castaneda from PRM Consulting indicated that there was no new information to present to the board.

As there were no requests from the public to speak during the public hearing, President Lopez closed the public hearing at 3:41pm.

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes: Directors Lopez, Croucher and Gonzalez  
Noes: None  
Abstain: None

Absent: Directors Bonilla and Robak

to adopt Resolution No. 4187 of the Board of Directors of the Otay Water District reappropriating the five divisions within the Otay Water District as presented in Exhibit 1 to the resolution.

b) DISCUSSION OF 2012 BOARD MEETING CALENDAR

Director Croucher reminded the Board and staff that he will not be able to attend the September 5, 2012 Board meeting as he is scheduled to be out of town on a work assignment.

It was noted that the July 2012 Board meeting had been moved to July 11<sup>th</sup> as the original date fell on the July 4<sup>th</sup> holiday.

9. FINANCE, ADMINISTRATION AND INFORMATION TECHNOLOGY

a) APPROVE THE OTAY WATER DISTRICT LEGISLATIVE PROGRAM

Communications Officer Armando Buelna stated that the Legislative Program provides guidelines to staff when drafting responses to legislative initiatives that may have a substantive impact to the District. He indicated that any controversial/sensitive matters and those not included in the legislative program, would be presented to the board for discussion and to provide direction to staff before any response is forwarded.

Ms. Chris Frahm from Brownstiein, Hyatt, Farber and Schreck, LLP provided a legislative update for the board. She discussed Governor Brown's *State of the State* address and that the State budget is still very challenging. She indicated that this year was an election year and that Republicans are still opposing tax increases. It is expected that there will be no increases and taxes will remain the same this year. She discussed several of Governor Brown's 2012 priorities that included the High Speed Rail Project, a Bay Delta Fix project, and Pension Reform. She also discussed his work plan that includes budget cuts and an opportunity for voters to decide on whether or not to raise taxes. She also shared that the Governor has proposed a temporary tax on the wealthy and a temporary sales tax that would go towards education.

Ms. Frahm stated that it will be an unprecedented election year and indicated that there is intent to take the two ends of the political spectrum and bring them back to the center. She shared that a new Citizens Committee, through the legislative process, had been tasked with redrawing the district boundaries as the Legislature was accused of protecting incumbents. She noted that a new rule will be implemented for the 2012 Election in that the two candidates with the highest votes will appear on the general election ballot, whether they are two Republicans or Democrats.

Ms. Frahm also discussed the \$11 billion Water Bond and indicated that the Governor would like to delay the Bond as he does not want it to compete with his tax proposals. He also feels that it is not needed at this time because eventually, he believes, the water users will pay for proposed water projects. Ms. Frahm stated that the Water Bond is currently on the Legislature's ballot and requires a 2/3 vote to move forward and it is anticipated to fail and, thus, may likely end up on the 2012 election ballot for the voters.

General Manager Mark Watton stated that MET is advocating for major water projects that are worth billions of dollars, and if approved, it is anticipated that an increase in rates will occur to help pay for those projects. The farmers are already indicating that they will refuse to pay for these projects.

Ms. Frahm additionally shared that major coalitions (Delta, MET, CWA, etc.) have been discussing the Water Bond and they believe that there will be some type of financing for the Bond. Ms. Frahm stated that the financing will most likely come from taxes.

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes:	Directors Lopez, Croucher and Gonzalez
Noes:	None
Abstain:	None
Absent:	Directors Bonilla and Robak

to approve the Otay Water District Legislative Program.

## 10. ENGINEERING AND WATER OPERATIONS

### a) APPROVE THE INCREASE OF CIP BUDGETS FOR FOUR (4) CAPITAL IMPROVEMENT PROJECTS:

- i. CIP S2019 In an Amount Not-to-Exceed \$150,000
- ii. CIP S2020 In an Amount Not-to-Exceed \$50,000
- iii. CIP S2022 In an Amount Not-to-Exceed \$20,000
- iv. CIP S2026 In an Amount Not-to-Exceed \$30,000

FOR A TOTAL INCREASE OF \$250,000 AGAINST THE TOTAL BUDGET OF \$2,850,000; AND AWARD A CONSTRUCTION CONTRACT TO GARCIA JUAREZ CONSTRUCTION, INC. IN AN AMOUNT NOT-TO-EXCEED \$2,316,276 FOR THE AVOCADO BOULEVARD, CALAVO DRIVE, LOUISA DRIVE, HIDDEN MESA DRIVE SANITARY SEWER REPLACEMENT PROJECT

Associate Civil Engineer Daniel Kay requested that the Board authorize the increase of the four CIPs above for a total increase of \$250,000 against the total CIP Budget of \$2,850,000 for a new budget amount of \$3,100,000 and award a

construction contract to Garcia Juarez Construction, Inc. (Garcia Juarez) in an amount not-to-exceed \$2,316,275 for the Avocado Boulevard, Calavo Drive, Louisa Drive, Hidden Mesa Drive Sanitary Sewer Replacement Project.

He stated that, as part of the District's Sewer System Management Plan, the District began using closed circuit cameras to video its sanitary sewer system. It was indicated that the videos identified several critical sections of the sewer pipe in need of replacement. Approximately 4,500 linear feet of pipe is needed in Avocado, Louisa, Calavo, Challenge, and Hidden Mesa.

Associate Civil Engineer Kay indicated that the Project's design was provided by the District's As-Needed Design Engineer, Lee & Ro, along with the District's As-Needed Traffic Engineer, Darnell & Associates.

He discussed the community outreach plan that was established for the project and indicated the District made multiple presentations to the Valle de Oro Planning Group and also had individual meetings with the planning group's chairman, Mr. Jack Phillips, to provide a clear understanding of the project. He also stated that a page on the District's website will be added to provide information about the project.

He stated that the District acquired two (2) permanent easements and five (5) temporary construction easements to facilitate the construction. It was noted that the budget increase was due to extended added easements, public outreach, additional soil studies, jack and bore procedures beneath Avocado Boulevard to minimize traffic impacts, and additional safety amenities to the sewer diversion vault.

Associate Civil Engineer Kay indicated that the District received seven (7) bids for the project and that Garcia Juarez Construction submitted the lowest responsive bid; the results of the bids are provided on page three (3) of staffs' report. He noted that an internet "Google" search revealed no outstanding issues with the company.

Director Croucher commended staff for providing the reasons/justifications of requesting an increase to the CIP Budget, which are listed on page 3 of staffs' report. He indicated that the Engineering, Operations and Water Resources Committee inquired about the financial impact of increasing the CIP Budget and staff indicated that although the CIP Budget may increase, the financial impact is minimal because the District establishes a six-year CIP budget plan allocating funds for each CIP project wherein the majority of the projects are completed under budget. In addition, the 30-year time span of debt financing the CIP Budget helps minimize the financial impacts and increases to water rates.

Director Croucher noted that staff continues to track project costs appropriately and indicated that overall, the District is within its CIP Budget.

A motion was made by Director Gonzalez, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Lopez, Croucher and Gonzalez  
Noes: None  
Abstain: None  
Absent: Directors Bonilla and Robak

to approve the increase of CIP Budgets for four (4) Capital Improvement Projects:

- i. CIP S2019 In an Amount Not-to-Exceed \$150,000
- ii. CIP S2020 In an Amount Not-to-Exceed \$50,000
- iii. CIP S2022 In an Amount Not-to-Exceed \$20,000
- iv. CIP S2026 In an Amount Not-to-Exceed \$30,000

for a total increase of \$250,000 against the total CIP Budget of \$2,850,000 for a new budget amount of \$3,100,000 and to award a construction contract to Garcia Juarez Construction, Inc. (Garcia Juarez) in an amount not-to-exceed \$2,316,275 for the Avocado Boulevard, Calavo Drive, Louisa Drive, Hidden Mesa Drive Sanitary Sewer Replacement Project.

#### INFORMATIONAL ITEMS

11. ITEMS ARE PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEMS.

- a) INFORMATIONAL REPORT ON THE PROGRESS OF THE ARCHITECTURAL DESIGN AND STAFF'S SELECTION OF DESIGN OPTION ONE (1) FOR THE RANCHO DEL REY WELL PROJECT

Senior Civil Engineer Jeff Marchioro indicated that the purpose of this item is to provide an update to the Board on the progress of the architectural design for the Rancho del Rey (RDR) Well treatment facility. He provided the Board large print-out copies of the same architectural elevations included in staffs' PowerPoint presentation.

He indicated that the site is located in the City of Chula Vista along Rancho del Rey Parkway in a mostly residential area. He stated that originally, the District owned two lots, but sold one of the lots wherein a child daycare facility (Childtime) is now located. He noted that the Childtime Daycare Center and the RDR well treatment facility will share a common driveway.

Several slides were presented showing the architecture of the Childtime Daycare Center and a home adjacent to the project's site. Senior Civil Engineer Marchioro stated that the Childtime Daycare Center is a one-story structure with a mansard roof and a flat portion in the middle. He indicated that the roof configuration works well for the RDR well facility as a flat roof is necessary to access the pumps. He also indicated that the mansard roof fits aesthetically with the Childtime Daycare Center and nearby homes.

Tetra Tech's building plan was provided and compared to the artist renderings that were prepared along with the RDR well's feasibility study in 2011. He stated that the most significant difference when comparing Tetra Tech's design to the artist rendering is the building's height.

Senior Civil Engineer Marchioro stated that Tetra Tech recommended 12-foot tall doors to facilitate the installation and future replacement of the reverse osmosis treatment equipment skid, which will increase the height of the building to 17.5 feet or approximately two stories. He indicated that the overall height of the facility will be approximately 6 feet taller compared to the height in the previous artist renderings. The height in the current architectural elevation will be similar to the nearby two-story residences and the overall height of the existing Childtime structure.

Senior Civil Engineer Marchioro stated that two architectural design options were presented to the Engineering, Operations and Water Resources Committee:

- Option 1: The architectural elevations include gables over the roll-up doors similar to the previous artist renderings and the view from the street is softened by one story roofs.
- Option 2: The architectural elevations include a small overhang above the roll-up doors that may soften the Childtime view of the building. The idea is for the building to appear shorter when looking at it from the ground.

Mr. Marchioro stated that staff selected Option 1 for the architectural design because it is believed to be similar to the artist renderings that were already shown to the community and is a more pleasing design.

In response to a question from Director Croucher, General Manager Mark Watton stated that the District makes every effort to be a good neighbor to Childtime and the surrounding community and that the impact of the RDR well's drilling work was very minimal to the community.

## REPORTS

### 12. GENERAL MANAGER'S REPORT

#### SAN DIEGO COUNTY WATER AUTHORITY UPDATE

General Manager Watton announced that Marty Eberhardt, Executive Director of the Water Conservation Garden (WCG), was retiring and that her last day is February 1, 2012. The new director of the WCG will start on February 22, 2012.

Director Croucher indicated that CWA had a substantial change/turnover on its board and, at its first meeting with the new members, the majority of the time was spent reviewing and educating the new member about CWA's history.

In response to a question from President Lopez, General Manager Watton stated that the District will not be adding another seat to CWA. He indicated, however, the District is fortunate to have two representatives, himself and Director Croucher, on CWA's board.

Copies of PowerPoint presentations from CWA were distributed to the board, which provided an update on the San Vicente Dam Raise Construction Project and the Carlsbad Seawater Desalination Project.

### GENERAL MANAGER'S REPORT

General Manager Watton highlighted information from his report that included an update on water supply presentations that he had provided to the San Diego County Taxpayers Association's Transportation, Energy, Water and Infrastructure Committee, the Spring Valley Citizens Association, and the El Cajon Rotary. He also highlighted from his report an update on Water Smart Gardening Class for Homeowners, the newly implemented Staff Report Electronic Approval Process, the Finance Budget Awards, USBR Title XVI Funding, meter sales, and water sales.

#### 13. DIRECTORS' REPORTS/REQUESTS

There were no additional reports from Directors.

#### 14. PRESIDENT'S REPORT

President Lopez reported on meetings he attended in January 2012 and indicated that on January 5 he attended the Metro Commission monthly meeting to discuss the Commission's draft Strategic Plan and other matters. On January 12 he met with General Manager Watton to discuss items that were scheduled to be presented at the January committee meetings. He stated that on January 17 he had a conference call meeting with Mark Watton, Rod Posada and Bob Kennedy to discuss direction with regard to the Metro Commission. On January 18 he attended the Finance Administration and Communications Committee meeting on behalf of Director Bonilla. He stated that the committee reviewed, discussed and made recommendation on items that would be presented at the February board meeting. On January 20 he met with Senator Anderson to provide an update on Otay matters. On January 24 he attended the Engineering, Operations and Water Resources Committee meeting where he reviewed, discussed and made recommendation on items that would be presented at the February board meeting. On January 27 he met with General Manager Watton and General Counsel Dan Shinoff to discuss items that would be presented at the February 2012 board meeting.

### RECESSED TO CLOSED SESSION

#### 15. CLOSED SESSION

The Board recessed to closed session at 4:42 p.m. to discuss the following matters:

a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
[GOVERNMENT CODE §54956.9]

(I) SALT CREEK GOLF, LLC, UNITED STATES BANKRUPTCY  
COURT, CASE NO. 11-13898-LA11

b) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
[GOVERNMENT CODE §54956.9]

1 MATTER

RETURN TO OPEN SESSION

16. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY  
ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION

The Board reconvened at 5:17 p.m. General Counsel Dan Shinoff indicated that no reportable actions were taken in closed session.

17. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 5:17 p.m.

\_\_\_\_\_  
President

ATTEST:

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District Secretary

**MINUTES OF THE  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OTAY WATER DISTRICT  
February 21, 2012**

1. The meeting was called to order by President Lopez at 3:37 p.m.

2. ROLL CALL

Directors Present: Bonilla, Gonzalez, Lopez and Robak

Director Absent: Director Croucher (due to a work commitment)

Staff Present: General Manager Mark Watton, Assistant General Manager of Administration and Finance German Alvarez, Assistant General Manager of Engineering and Water Operations Manny Magana, General Counsel Daniel Shinoff, Chief of Information Technology Geoff Stevens, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Operations Pedro Porras, Chief of Administration Rom Sarno, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

A motion was made by Director Bonilla, seconded by Director Robak and carried with the following vote:

Ayes:	Directors Bonilla, Gonzalez, Lopez and Robak
Noes:	Director Croucher
Abstain:	None
Absent:	None

to approve the agenda.

5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

No one wished to be heard.

RECESS TO CLOSED SESSION

6. CLOSED SESSION

The board recessed to closed session at 3:38 p.m. to discuss the following matter:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
[GOVERNMENT CODE §54956.9]
  - (l) SALT CREEK GOLF, LLC, UNITED STATES BANKRUPTCY COURT,  
CASE NO. 11-13898-LA11

RETURN TO OPEN SESSION

7. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION

The board reconvened from closed session at 4:23 p.m and General Counsel Daniel Shinoff indicated that the board had met in closed session and no reportable actions were taken.

8. ADJOURNMENT

With no further business to come before the Board, President Bonilla adjourned the meeting at 4:23 p.m.

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President

ATTEST:

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District Secretary



STAFF REPORT

TYPE MEETING:	Regular Board Meeting of the OWD Financing Authority	MEETING DATE:	March 7, 2012
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	<input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Reaffirm Officers of the Otay Water District Financing Authority		

**GENERAL MANAGER'S RECOMMENDATION:**

That the board vote to reaffirm the officers designated within the bylaws of the Otay Water District Financing Authority.

**PURPOSE:**

To convene a regular meeting of the Otay Water District Financing Authority (Authority) to request that the board reaffirm the officers designated within the bylaws of the Authority by a formal vote of the Board of Directors and thereby meeting the requirement to convene a regular meeting of the Authority at least once a year.

**COMMITTEE ACTION:**

Please see Attachment A.

**ANALYSIS:**

The bylaws of the Authority designates officers within Article I, Section 3, *Governing Body*; and Article II, *Officers*. The officers designated in the bylaws are as follows:

President: The President shall be the member of the Authority who is the then current President of the Board of Directors of the Otay Water District.

Vice-President: The Vice-President shall be the member of the Authority who is the then current Vice-President of the Board of Directors of the Otay Water District.

Executive Director: The Executive Director of the Authority shall be the General Manager of the Otay Water District.

Treasurer/Auditor: The Treasurer/Auditor of the Authority shall be the then current or acting Chief Financial Officer of the Otay Water District.

Secretary: The Secretary of the Authority shall be the then current or acting Secretary of the Otay Water District.

The bylaws also indicate that the Authority shall hold regular meetings at least once a year and that regular meetings will be held on the first Wednesday of January and March. To meet the requirement of convening a regular meeting at least once a year, staff is presenting for the Authority's re-affirmation by a vote of its Board of Directors, the election/appointment of officers of the Authority. The officers shall be the individuals as designated above.

**STRATEGIC GOAL:**

N/A

**FISCAL IMPACT:**

None.

**LEGAL IMPACT:**

None.



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
	Daniel Kay Associate Civil Engineer	PROJECT:	R2096- DIV. NO. 3 001103
SUBMITTED BY:	Ron Ripperger Engineering Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> Manny Magana, Asst. GM, Engineering and Operations <input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Change Order No. 1 to the Contract with NEWest Construction for the Ralph W. Chapman Water Reclamation Facility Upgrades Project		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) approves Change Order No. 1 to the existing contract with NEWest Construction Inc. (NEWest) for the Ralph W. Chapman Water Reclamation Facility (RWCWRF) Upgrade Project, in an amount not-to-exceed \$17,896 (see Exhibit A for Project location).

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To obtain Board authorization for the General Manager to execute Change Order No. 1 in an amount not-to-exceed \$17,896 to the contract with NEWest for the RWCWRF Upgrade Project.

**ANALYSIS:**

At the July 15, 2011 Board Meeting the Board awarded a construction contract to NEWest Construction for the RWCWRF Upgrades Project. The

RWCWRF Upgrades Project consists of several main components. The first is the modification of the treatment process at the facility to improve the reduction of total nitrogen in the treatment plant effluent. The second component is the upgrade of the facility's blowers and aeration piping. The third component is the enhancement of the level of automation at the facility. The fourth and final component of the Project is the replacement of the damaged filter backwash storage reservoir floating cover at the facility.

Change Order No. 1 (Exhibit B) includes a variety of items including time and materials for unknown utilities, a credit for value engineering on the high speed blowers, revisions to the scope of work based on Requests for Information (RFI) from NEWest, and a credit to the Dewatering Allowance Bid item as it will not be used for this contract. Staff and the District's construction manager, SAIC, reviewed, negotiated and agreed to the costs included in this Change Order pending Board approval.

The following is a table summarizing the value of each item. The "General Location" (Exhibit A) column depicts the general location for each item as shown in Exhibit A:

Item	Description	General Location (Exhibit A)	Amount
1	Removal of Unknown Concrete Encased Utility	3	\$24,500
2	Slurry Backfill for Additional Duct Bank Utility	3	\$7,235
3	Additional Bolts to Redwood Planks that Interface with the Concrete Basin	4 & 5	\$12,098
4	Additional Work Due to Geotechnical Recommendations on Air Scour Pad	7	\$8,865
5	Revised Conduit Run from Motor Control Building to Motor Control Center	Not Shown	\$19,082
6	Value Engineering Credit for High Speed Blowers	2	<\$57,194>
7	Revised Stainless Steel Cables	4 & 5	\$8,310
8	Dewatering Allowance Item Credit	Not Shown	<\$5,000>
	<b>TOTAL</b>		<b>\$17,896</b>

Change Order No. 1 is a net increase to NEWests' contract by \$17,896.

There is still \$145,000 worth of Allowance Items available in the contract for remaining work that may be required during the shutdown period. The shutdown is scheduled to be three months (February 1<sup>st</sup> -

April 30<sup>th</sup>) and if field conditions warrant, the Allowance Items will be used at that time.

**FISCAL IMPACT:**

The total budget for CIP R2096, as approved in the FY 2012 budget, is \$4,950,000. Total expenditures, plus outstanding commitments and forecast, are \$4,934,266.

Based on a review of the financial budget, the Project Manager has determined that the budget is sufficient to support the project. See Attachment B for budget detail.

Finance has determined that 100% of the funding is available from the Replacement Fund for CIP R2096.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner."

**LEGAL IMPACT:**

None.

DK/RR:jf

P:\WORKING\CIP R2096 - RWCWRF Upgrade Project\Staff Reports\NEWest Change Order No. 1 Staff Report\BD-3-07-2012 Change Order No. 1 to NEWest Construction (DK-RR).docx

Attachments: Attachment A - Committee Action  
Attachment B - Budget Detail  
Exhibit A - Location Map  
Exhibit B - Change Order No. 1



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> R2096-001103	Change Order No. 1 to the Contract with NEWest Construction for the Ralph W. Chapman Water Reclamation Facility Upgrades Project
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on February 16, 2012 and the following comments were made:

- Staff requested that the Board approve Change Order No. 1 to the existing contract with NEWest Construction Inc. (NEWest) for the Ralph W. Chapman Water Reclamation Facility (RWCWRF) Upgrade Project, in an amount not-to-exceed \$17,896.
- It was indicated that the Treatment Plant Upgrades Project consists of several components to upgrade and increase efficiency of the treatment processes at the plant. The four main components consists of reduction of nitrogen, upgrade aeration piping, enhance the level of automation, and replace the floating cover of the filter backwash storage reservoir.
- Staff stated that at the July 15, 2011 Board meeting, the Board awarded a contract to Newest Construction in the amount of \$3,499,000.
- It was noted that Change Order No. 1 consists of eight items including unknown utilities, a credit for value engineering on the high speed blowers, revisions to the scope of work based on plan clarifications, and a credit for an allowance item. Additional information of the items are provided on page 2 of the staff report. The total net increase to the project is \$17,896.
- In response to a question by the Committee, staff stated that this change order does not utilize the existing allowance items. There are \$145,000 left of Allowance items available that will be required during the shutdown period from February 1<sup>st</sup> - April 30<sup>th</sup>. If field conditions warrant the allowance items will be used at that time.

- In response to a question by the Committee, staff stated that this Change Order is for construction and that all change orders are included and within the total CIP R2096 budget of \$4,950,000. Total expenditures, plus outstanding commitments and forecast, are \$4,934,266.
- Staff stated that it is in the best interest of the District to keep and maintain the RWCWRF Facility considering the cost analysis of Metro's services.

Following the discussion, the Committee supported staffs' recommendation and presentation to the full board as a consent item.

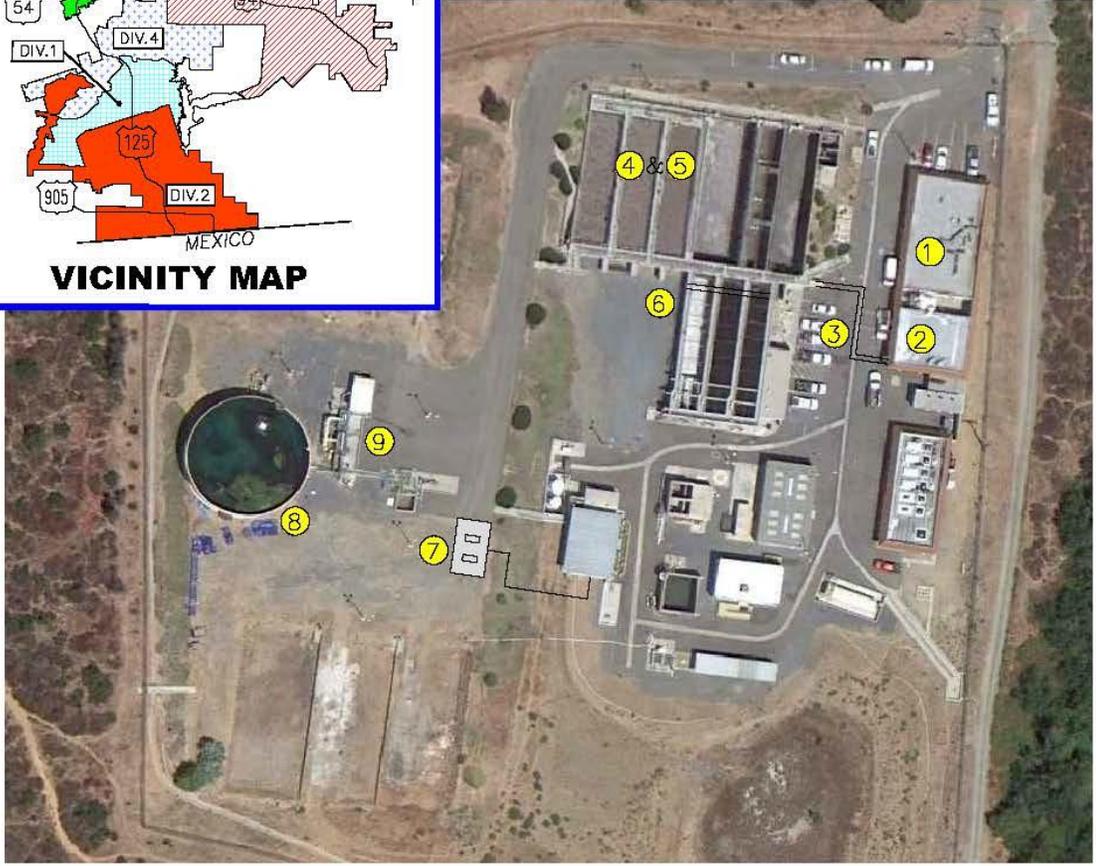
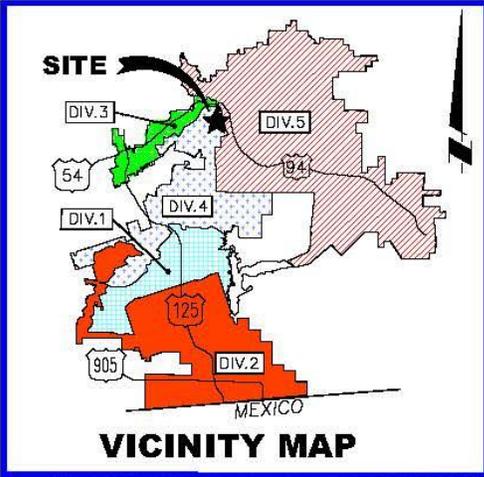


# ATTACHMENT B

<b>SUBJECT/PROJECT:</b>	Change Order No. 1 to the Contract with NEWest Construction for the Ralph W. Chapman Water Reclamation Facility Upgrades Project
R2096-001103	

Otay Water District					Date Updated: January 17, 2012
r2096 - RWCWRF - Upgrades and Modifications					
Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor/Comments
4,950,000					
<b>Planning</b>					
<b>Addl subprojects</b>					
Labor	76,056	76,056	-	76,056	
Professional Legal Fees	4,916	4,916	-	4,916	STUTZ ARTIANO SHINOFF
	603	603	-	603	GARCIA CALDERON & RUIZ LLP
Regulatory Agency Fees	50	50	-	50	PETTY CASH CUSTODIAN
Consultant Contracts	325,846	325,846	-	325,846	MWH AMERICAS INC
	12,775	12,775	-	12,775	MWH CONSTRUCTORS INC
	678	678	-	678	US BANK CORPORATE PAYMENT
Service Contracts	10,860	10,860	-	10,860	E S BABCOCK & SONS INC
	250	250	-	250	UNION TRIBUNE PUBLISHING CO
	68	68	-	68	SAN DIEGO DAILY TRANSCRIPT
Infrastructure Equipment & Mat	3,030	2,984	46	3,030	WALTERS WHOLESALE ELECTRIC CO
<b>Total Planning</b>	<b>435,133</b>	<b>435,088</b>	<b>46</b>	<b>435,133</b>	
<b>Design</b>					
Labor	98,170	98,170	-	98,170	
Mileage Reimbursement	16	16	-	16	PETTY CASH CUSTODIAN
Consultant Contracts	245,661	239,278	6,383	245,661	MWH AMERICAS INC
	3,500	3,500	-	3,500	MWH CONSTRUCTORS INC
	8,470	8,470	-	8,470	MTGL INC
	4,209	4,209	-	4,209	WRA & ASSOCIATES INC
	580	580	-	580	VALLEY CONSTRUCTION MANAGEMENT
	499	499	-	499	SCHIFF ASSOCIATES
Service Contracts	4,395	4,395	-	4,395	MAYER REPROGRAPHICS INC
	2,400	2,400	-	2,400	PHOTO GEODETIC CORPORATION
	708	708	-	708	SAN DIEGO UNION-TRIBUNE LLC
	227	227	-	227	SAN DIEGO DAILY TRANSCRIPT
<b>Total Design</b>	<b>368,835</b>	<b>362,452</b>	<b>6,383</b>	<b>368,835</b>	
<b>Construction</b>					
Labor	125,000	74,907	50,093	125,000	
Rents and Leases	5,557	5,557	-	5,557	EQUIPCO SALES & SERVICE
Professional legal fees	354	354	-	354	STUTZ ARTIANO SHINOFF
Consultant Contracts	359,013	118,227	240,787	359,013	SAIC ENERGY ENVIRONMENT &
	4,060	4,060	-	4,060	VALLEY CONSTRUCTION MANAGEMENT
Construction Contracts	3,149,100	341,271	2,807,829	3,149,100	NEWEST CONSTRUCTION
<b>Change Order No. 1</b>	<b>17,896</b>	<b>-</b>	<b>17,896</b>	<b>17,896</b>	<b>CHANGE ORDER NO. 1 NEWEST</b>
	349,900	37,919	311,981	349,900	CALIFORNIA BANK & TRUST
					MWH AMERICAS, PENHALL,
Service Contracts	13,039	13,039	-	13,039	SOUTHERN CAL TELECOM
	4,272	4,272	-	4,272	BARRETT ENGINEERED PUMPS
	223	180	43	223	RW LITTLE CO INC
Infrastructure Equipment & Mat	21,480	21,480	-	21,480	D & H WATER SYSTEMS INC
	13,006	12,166	840	13,006	FERGUSON WATERWORKS # 1083
	10,444	10,444	-	10,444	FLOMAX PRODUCTS INC
	8,586	8,586	-	8,586	MOORE INDUSTRIES-INTRNTL INC
	7,907	7,907	-	7,907	MOVE EXP FR S2018 TO R2096
	6,572	6,572	-	6,572	ROTORK CONTROLS INC
	3,890	3,863	27	3,890	GRAINGER INC
	3,376	3,376	-	3,376	WALTERS WHOLESALE ELECTRIC CO
	3,150	3,150	-	3,150	MCCROMETER INC
	1,834	1,834	-	1,834	F & L INDUSTRIAL SOLUTIONS INC
	1,733	1,681	52	1,733	MCMASTER-CARR SUPPLY CO
	1,401	1,300	101	1,401	RW LITTLE CO INC
	853	842	11	853	ONESOURCE DISTRIBUTORS LLC
	566	-	566	566	HD SUPPLY WATERWORKS LTD
	434	434	-	434	EQUIPCO SALES & SERVICE
	239	225	13	239	NEWARK
	179	179	-	179	UNITED RENTALS NORTHWEST INC
Inventory	4,985	4,985	-	4,985	INVENTORY
Contracted Services	1,248	1,105	143	1,248	RW LITTLE CO INC
Closeout	10,000	-	10,000	10,000	CLOSEOUT
<b>Total Construction</b>	<b>4,130,298</b>	<b>689,917</b>	<b>3,440,381</b>	<b>4,130,298</b>	
<b>Grand Total</b>	<b>4,934,268</b>	<b>1,487,457</b>	<b>3,446,810</b>	<b>4,934,268</b>	

P:\WORKING\R2096-RWCWRF UPGRADE PROJECT\GRAPHICS\EXHIBITS-FIGURES\1-25-12-RWCWRF SITE EXHIBIT A



**LEGEND**

- ① SCADA SYSTEM IMPROVEMENTS
- ② NEW TURBO BLOWERS (3) FOR AERATION SYSTEM
- ③ NEW PIPING FROM BLOWERS TO AERATION BASINS
- ④ AERATION BASIN UPGRADES FOR NITROGEN REMOVAL
- ⑤ NEW PARKSON AERATION PANELS IN BASINS
- ⑥ SEDIMENTATION TANKS SKIMMER REPLACEMENT
- ⑦ NEW AIR SCOUR FACILITY & PIPING FOR TERTIARY FILTERS
- ⑧ NEW FLOATING COVER FOR FILTER WATER STORAGE TANK
- ⑨ GRIT CHAMBER ENHANCEMENT



**OTAY WATER DISTRICT**

RALPH W. CHAPMAN WATER RECLAMATION FACILITY UPGRADE PROJECT

CIP# R2096

**EXHIBIT A**

# EXHIBIT B

OTAY WATER DISTRICT  
2554 SWEETWATER SPRINGS BLVD., SPRING VALLEY, CA. 91978, (619) 670-2222

## CONTRACT/P.O. CHANGE ORDER No. 1

PROJECT/ITEM: RWCWRF Upgrade Project  
CONTRACTOR/VENDOR: NEWest Construction Company, Inc. REF.CIP No.: R2096  
APPROVED BY: Board REF. P.O. No: 714949 & 715213 DATE: 1/23/12

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### DESCRIPTION:

There are eight (8) items as part of this change order resulting in a net increase of \$17,896.00

- Item 1 – Hand chip and remove the previously unknown concrete encasement/slurry around the existing air pipe approximately from station 0+00 to 0+89.29.
  - Item 2 – Slurry backfill FRP located below asphalt approximately from station 1+67 to 1+25 as shown on C-5.
  - Item 3 – Install additional bolts to redwood planks at the interface with the concrete basin per RFI 20 response.
  - Item 4 – Perform work as described in RFI 45 (Revised) and the recommendations of the geotechnical reports dated May 20, 2011 with the exception of the 4- inch sewer line.
  - Item 5 – Provide and install a second 2-inch conduit with the same routing as shown in the response to RFI 52. The existing conduit shall be abandoned.
  - Item 6 – Procure and install revised blowers, VFDs and control equipment for the Air Scour Blower system per project correspondence.
  - Item 7 – Procure and install revised stainless steel support cables per response to RFI No.3.
  - Item 8 – Delete Bid Item Number 21 – Dewatering Allowance.
- 

### REASON:

Item 1 – Drawing C-4 does not show the existing air pipe to be backfilled with concrete slurry and therefore required extensive and slow hand chipping and removal of the slurry to prevent from damaging the nearby chlorine lines and the adjacent air piping which could result in unplanned shutdown of the treatment plant. This item results in a cost of \$24,500.

Item 2 – Drawing C-5 shows the 8-inch air line from existing connection to new air scour location; however, there is an existing electrical duct bank that runs the length of the new trench. From the top of the electric duct bank to finish grade is approximately 2 feet. Via response to RFI 29, the airline shall run on top of the duct bank with structural encasement. This item results in a cost of \$7,235.

Item 3 – Detail 2 on Drawing 1S-1 and Detail 6 on Drawing 1S-2 shows one L bracket, which indicates there is no connection to the L bracket near each wall at every other plank. Per the response to RFI 20, the contractor shall provide on bolted connection for each plank to L3x3 at concrete walls and a bolted connection to every other plank at HSS 5x7 columns where 1/4x3 plates are on each side of plank. This item results in a cost of \$12,098.

Item 4 – The location of the new Filter Backwash Blower Building has been revised since MTGL performed their geotechnical investigation and presented their findings and recommendations in a report dated November 3, 2010. The new location is underlain by approximately 13 feet of existing fill with the upper layer at variable densities. MTGL provided the following recommendations in light of the new location: provide a depth of at least 5 feet removal and recompaction of the existing soil at the new location, install a layer of geogrid, Tensar BX1200 or equivalent, at the bottom of the removal, the lateral limit of grading should extend a minimum of 5 feet beyond the footprint of the mat foundation, and soil should be recompacted to at least 95 per cent relative compaction. In the response to RFI 45, the contractor was directed to perform the recommendations listed in MTGL's report dated May 20, 2011 with the exception of relocating the existing 4- inch sewer line. Also, as discussed in the field and as shown on the attached sketch, the air scour pad should be shifted approximately 5 feet south and 5 feet west so no compaction and excavation conflicts exist with performing the recommendation of the geotechnical report. This item results in a cost of \$8,865.

**Item 5** - The Contractor submitted RFI 52 requesting clarification of the conduit routing to be used to install a new 2-inch conduit from the MCB to MCC-F. The response to RFI 52 included a revised conduit run, which was different than that specified on Drawing E-1 resulting in different conduit lengths which could result in unbalanced parallel circuit loads and possible equipment damage. Therefore, to mitigate this risk an additional 2-inch conduit and conductor is to be installed and the existing conduit will be available as a spare independent circuit. This item results in a cost of \$19,082

**Item 6** - After extensive review by the equipment supplier, the contractor, and operations staff, it was determined that an alternative to the equipment and control systems specified in contract documents could be used to satisfy the required operating parameters of the Air Scour blower system while resulting in a savings to the district. This item results in a credit of <\$57,194>.

**Item 7** - The contractor submittal RFI 3 indicating the original stainless steel cable specified by contract documents would not allow for the needed bending radius. The designer agreed and specified a substitute cable requiring a larger diameter. This item results in a cost of \$8,310

**Item 8** - The contractor has not encountered ground water for any excavation, therefore this allowance item is no longer needed. This item results in a credit of <\$5,000>.

**Summary** - This change order reflects eight items (six cost and two credit items) resulting in a net increase to the contract in the amount of \$17,896.00.

**CHANGE P.O. TO READ:**

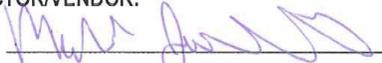
There are two (2) Purchase Orders for this contract. One for NEWest (PO#714949) and retention account for California Bank & Trust (PO#715213). Revise the Purchase Orders as follows:  
 PO#714949: Revise Contract to add \$16,106.40 for a total Contract amount of \$3,165,206.40  
 PO#715213: Revise Contract to add \$1,789.60 for a total Contract amount of \$351,689.60

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ORIGINAL CONTRACT/P.O. AMOUNT:	\$	\$3,499,000.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	0.00
TOTAL COST OF THIS CHANGE ORDER:	\$	17,896.00
NEW CONTRACT/P.O. AMOUNT IS:	\$	\$3,516,896.00
ORIGINAL CONTRACT COMPLETION DATE:		May 31, 2012
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		No
REVISED CONTRACT COMPLETION DATE:		May 31, 2012

IT IS UNDERSTOOD WITH THE FOLLOWING APPROVALS, THAT THE CONTRACTOR/VENDOR IS AUTHORIZED AND DIRECTED TO MAKE THE HEREIN DESCRIBED CHANGES. IT IS ALSO AGREED THAT THE TOTAL COST FOR THIS CHANGE ORDER CONSTITUTES FULL AND COMPLETE COMPENSATION FOR OBLIGATIONS REQUIRED BY THE CONTRACT/P.O. ALL OTHER PROVISIONS AND REQUIREMENTS OF THE CONTRACT/P.O. REMAIN IN FULL FORCE AND EFFECT.

**CONTRACTOR/VENDOR:**

SIGNATURE:   
 NAME: Mark Jenette  
 TITLE: Project Manager DATE: 2/6/12  
 COMPANY & ADDRESS: NEWest Construction  
7847 Dunbrook Rd. Ste C  
San Diego, CA 92126

**STAFF APPROVALS:**

PROJ. MGR: \_\_\_\_\_ DATE: \_\_\_\_\_  
 DIV. MGR: \_\_\_\_\_ DATE: \_\_\_\_\_  
 CHIEF: \_\_\_\_\_ DATE: \_\_\_\_\_  
 ASST. GM: \_\_\_\_\_ DATE: \_\_\_\_\_

**DISTRICT APPROVAL:**

GEN. MANAGER: \_\_\_\_\_ DATE: \_\_\_\_\_

COPIES:  FILE (Orig.),  CONTRACTOR/VENDOR,  CHIEF-ENGINEERING,  CHIEF-FINANCE,  ENGR. MGR.  
 ACCTS PAYABLE,  INSPECTION,  PROJ. MGR.,  ENGR. SECRETARY,  PURCHASING,  PROJECT BINDER

## CHANGE ORDER LOG

**CIP Title - RWCWRF Upgrades**

Consultant/Contractor: NEWest Construction

Project: R2096  
Subproject: 001103

C.O.	AMOUNT	APPROVED		DESCRIPTION	TYPE C.O.
		BY	DATE		
1	\$17,896.00	GM		Concrete Encasement Removal, Slurry Backfill FRP, Additional Bolts & Planks for Concrete Basin, Overexcavate Filter Backwash Blower Facility Pad, Additional Conduit from MCB to MCC, VE Credit for Blowers, Stainless Steel Support Cables, Deletion of Allowance Item No. 21- Dewatering	Owner Initiated
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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28					
29					
30					
31					
32					
33					
34					
35					

Total C.O.'s To Date: \$17,896.00 0.5%

Original Contract Amount: \$3,499,000.00

Current Contract Amount: \$3,516,896.00

Month	Net C.O.\$	Limit	Authorization	Absolute C.O.\$	C.O. %
2/12	\$17,896.00	\$2,000	Insp		0.0%
		\$5,000	PM/Sr. Engr.		0.0%
		\$10,000	DivM		0.0%
		\$15,000	Chief		0.0%
		\$25,000	AGM		0.0%
		\$50,000	GM		0.0%
		>\$50000	Board	\$17,896.00	0.5%



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
	Daniel Kay Associate Civil Engineer	PROJECT:	P2514- DIV. NO. 5 001103
SUBMITTED BY:	Ron Ripperger Engineering Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> Manny Magana, Asst. GM, Engineering and Operations <input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of a Construction Contract to Sepulveda Construction for the 30-Inch Potable Water Pipeline in Hunte Parkway		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) awards a construction contract to Sepulveda Construction (Sepulveda) for the 30-Inch Potable Water Pipeline in Hunte Parkway in an amount not-to-exceed \$1,212,257.13 (see Exhibit A for Project location).

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To obtain Board authorization for the General Manager to enter into a construction contract with Sepulveda in an amount not-to-exceed \$1,212,257.13 for the 30-Inch Potable Water Pipeline in Hunte Parkway.

**ANALYSIS:**

The 2010 Water Resources Master Plan identified the need to install a new pipeline in Hunte Parkway from Proctor Valley Road to the entrance of the District's Use Area. This pipeline is needed to eliminate high head losses experienced during the morning peak demand periods in the existing 980 Pressure Zone. The pipeline will be installed parallel to the existing 20-Inch 980 Pipeline in Hunte Parkway and will also eliminate the low pressures currently experienced in the 980 Zone.

This Project was previously bid in November 2011 and at the January 4, 2012 Board meeting the Board rejected all bids. The Project was re-advertised for bid on January 6, 2012. Two pre-bid meetings were held on January 17, 2012, and January 19, 2012 which were attended by a total of eight (8) contractors. Two (2) addenda were sent out to all bidders and plan houses to address contractors' questions asked during the bidding period. Staff contacted several contractors during the bid process to encourage them to submit a bid for the Project.

Six (6) bids were received on February 2, 2012. The table below provides the bid results:

<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>	<u>CORRECTED BID AMOUNT</u>
1. Sepulveda Construction	\$1,212,625.34	\$1,212,257.13
2. TC Construction	\$1,240,000.00	
3. Basile Construction Inc.	\$1,275,700.00	
4. Garcia Juarez Construction Inc.	\$1,287,075.00	
5. CCL Contracting Inc.	\$1,368,954.00	
6. Kennedy Pipeline Company	\$1,401,312.00	

The Engineer's Estimate is \$1,250,000. The low bid submitted by Sepulveda came in \$53,843.87 less than the original low bid in November.

The evaluation process included reviewing all bids submitted for conformance to the contract documents. The lowest bidder, Sepulveda, submitted a responsible bid and holds a Class A Contractor's license which expires on July 31, 2012. Staff checked the references provided with Sepulveda's bid. The references indicated that Sepulveda is a new company and has used multiple project managers on recent projects including the District's 944-1R Recycled Water Pump Station Upgrades and System Enhancements Project. Sepulveda's performance on this project has been adequate and they are on schedule to complete the project in May. The principals/owners of Sepulveda have previous experience with heavy civil construction for water and wastewater projects throughout southern California prior to working with Sepulveda. The proposed project manager has experience

throughout southern California on similar projects and received good references. A background search of the company was performed on the internet and revealed no outstanding issues with this company.

Staff has verified that the bid bond provided by First National Insurance Company of America is valid. Once Sepulveda signs the contract, they will furnish the performance bond and labor and materials bond. Staff will verify both bonds prior to executing the contract.

**FISCAL IMPACT:**

The total budget for CIP P2514, as approved in the FY 2012 budget, is \$1,500,000. Total expenditures, plus outstanding commitments and forecast, are \$1,475,814.

Based on a review of the financial budget, the Project Manager anticipates that the budget is sufficient to support the project. See Attachment B for budget detail.

Finance has determined that 100% of the funding is available from the Expansion Fund for CIP P2514.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner."

**LEGAL IMPACT:**

None.

DK/RR:jf

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Attachments: Attachment A - Committee Action  
Attachment B - Budget Detail  
Exhibit A - Location Map



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> P2514-001103	Award of a Construction Contract to Sepulveda Construction for the 30-Inch Potable Water Pipeline in Hunte Parkway
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on February 16, 2012 and the following comments were made:

- Staff requested that the Board awards a construction contract to Sepulveda Construction (Sepulveda) for the 30-Inch Potable Water Pipeline in Hunte Parkway in an amount not-to-exceed \$1,212,257.13.
- Staff provided a background of the 30-Inch Potable Water Pipeline Project in Hunte Parkway and indicated that this project was previously bid in November 2011. However, at the January 4, 2012 Board meeting, the Board rejected all bids since they were much higher than the engineer's estimate for construction.
- Staff stated that the Project was re-advertised for bid on January 6, 2012 and that two (2) pre-bid meetings were held on January 17 and 19 with a total of eight (8) contractors in attendance. Two addenda were sent out for plan clarifications and answers to contractors' questions.
- It was indicated that bids were opened on February 2, 2012, which the District received six (6) bids. The results of those bids are provided on page 2 of the staff report.
- Staff indicated that Sepulveda Construction submitted the lowest responsible bid at \$1,212,257.13, which is \$54,000 less than the original low bid in November 2011.
- Staff noted that an extensive reference check for Sepulveda was performed and that the references indicated that the principals of the company, along with the proposed project manager, have previous experience in heavy construction throughout southern California. It was also noted that a background search of Sepulveda, via the internet, revealed no outstanding issues with the company or its principals.
- In response to a question by the Committee, staff stated that the District received several bids from the same companies who submitted bids in November 2011 (Garcia Juarez Construction Inc., CCL Contracting Inc., and TC Construction). It is believed that

the remaining companies chose not re-submit bids for the project because of the increased cost of materials.

- The Committee inquired if the anticipated increased cost of materials would trigger change orders for the Project. Staff stated no because the cost of materials are included in the bid proposals and are already locked in.
- In response to a question from the Committee, staff stated that the 30-Inch Hunte Parkway Pipeline is required to eliminate high head losses during morning peak demands in the 980 Pressure zone. This project is part of the District's Master Planning effort which included converting an existing 20-Inch potable water pipeline to recycled water and installing a new 30-Inch potable water pipeline within the Use Area. The 30-Inch Hunte Parkway Pipeline installation is the last of these three Master Plan components to meet both recycled and potable water demands in 680, 944 and 980 pressure zones.

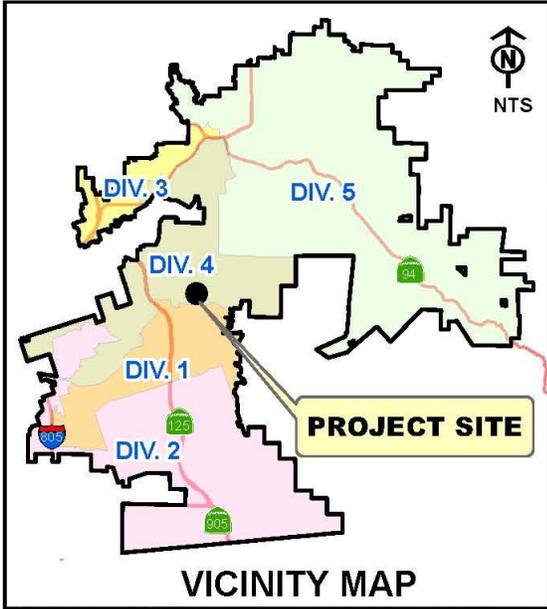
Following the discussion, the Committee supported staffs' recommendation and presentation to the full board as a consent item.



## ATTACHMENT B

<b>SUBJECT/PROJECT:</b> P2514-001103	Award of a Construction Contract to Sepulveda Construction for the 30-Inch Potable Water Pipeline in Hunte Parkway
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Otay Water District					Date Updated: January 17, 2012
P2514 - PL-30-Inch, 980 Zone, Hunte Pkwy - Proct					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
1,500,000					
<b>Planning</b>					
Addl subprojects					
Labor	974	974		974	
Settlements	1,080	1,080	-	1,080	ROLLING HILLS RANCH COMM ASSN
Consultant Contracts	9,000	4,000	5,000	9,000	JAMES NAUGHTON JR, MAI
Service Contracts	295	295	-	295	SAN DIEGO UNION-TRIBUNE LLC
<b>Total Planning</b>	11,349	6,349	5,000	11,349	
<b>Design</b>					
Labor	75,375	75,375		75,375	
Professional Legal Fees	2,156	2,156	-	2,156	STUTZ ARTIANO SHINOFF
Regulatory Agency Fees	4,000	4,000	-	4,000	CITY OF CHULA VISTA
Consultant Contracts	750	750	-	750	PROGRESSIVE MAPPING
	3,935	3,935	-	3,935	V & A CONSULTING ENGINEERS
	2,565	2,565	-	2,565	CPM PARTNERS INC
Construction Contracts	2,687	2,687	-	2,687	CPM PARTNERS INC
Service Contracts	11,350	10,600	750	11,350	UNDERGROUND SOLUTIONS INC
	300	300	-	300	CITY OF CHULA VISTA
					KEAGY REAL ESTATE
<b>Total Design</b>	103,117	102,367	750	103,117	
<b>Construction</b>					
Labor	75,000	1,977	73,023	75,000	
Service Contracts	3,410	3,410	-	3,410	MAYER REPROGRAPHICS INC
	68	68	-	68	SAN DIEGO DAILY TRANSCRIPT
Construction Contracts	1,212,257	-	1,212,257	1,212,257	SEPULVEDA CONSTRUCTION
Closeout	10,000	-	10,000	10,000	CLOSEOUT
Contingency (5%)	60,613	-	60,613	60,613	CONTINGENCY
	-	-	-	-	
<b>Total Construction</b>	1,361,348	5,455	1,355,893	1,361,348	
<b>Grand Total</b>	<b>1,475,814</b>	<b>114,171</b>	<b>1,361,643</b>	<b>1,475,814</b>	



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**OTAY WATER DISTRICT**  
**30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY**  
**LOCATION MAP**

CIP P2514

**EXHIBIT A**



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
SUBMITTED BY:	Kevin Cameron Assistant Civil Engineer	PROJECT:	P2491/ DIV. NO. 5 P2382- 001103
	Ron Ripperger Engineering Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering		
	<input checked="" type="checkbox"/> Manny Magana, Asst. GM, Engineering and Operations		
	<input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 850-3 Reservoir Exterior Coating and Upgrades Project		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) awards a construction contract to Advanced Industrial Services, Inc. (AIS) and authorizes the General Manager to execute an agreement with AIS for the 850-3 Reservoir Exterior Coating and Upgrades Project in an amount-not-to exceed \$293,300 (see Exhibit A for Project location).

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To obtain Board authorization for the General Manager to enter into a construction contract with AIS for the 850-3 Reservoir Exterior Coating and Upgrades Project in an amount-not-to exceed \$293,300.

**ANALYSIS:**

The District's corrosion consultant, Schiff Associates (Schiff), completed a Corrosion Control Program (CCP) in June 2011 that addressed the installation, maintenance, and monitoring of corrosion protection systems for the District's steel reservoirs and buried metallic piping. The CCP included a reservoir maintenance schedule that showed the 850-3 Reservoir to be re-coated and updated to current codes. The maintenance requirements included removing the existing exterior coating, and applying a new coating to the exterior of the reservoir.

In addition to replacing the exterior coating of the reservoir, structural upgrades are necessary to comply with the American Water Works Association (AWWA) and the Occupational Safety and Health Administration standards for both Federal (OSHA) and State (Cal-OSHA) levels. An internal and external inspection of the reservoir was completed in December 2011 by Harper & Associates Engineering, Inc. The recommended coating and structural upgrades, developed with input from engineering and operations staff, are as follows: repair the corrosion on the interior roof rafters, relocate the existing roof hatch, replace the existing level indicator, install new fall prevention devices on the exterior ladder, modify anode access ports, replace the roof vent, install new lanyard cables, and add miscellaneous tank penetrations for chlorination and sampling. These upgrades will ensure compliance with AWWA, OSHA, Cal-OSHA requirements as well as provide better access for Operations staff to maintain the facility.

Staff developed the contract documents and the Project was advertised for bid on January 10, 2012 on the District's website and several other publications including the San Diego Daily Transcript.

Three (3) addenda were sent out to all bidders and plan houses to address questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on February 2, 2012, with the following results:

	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>	<u>CORRECTED BID AMOUNT</u>
1	Advanced Industrial Services, Inc.	\$293,300	-
2	Blastco, Inc.	\$293,530	\$293,590
3	Western Industrial, Inc.	\$417,000	-
4	Simpson Sandblasting	\$459,000	-
5	RPI Coating, Inc.	\$465,000	-

The Engineer's Estimate is \$280,000.

Staff reviewed the bids submitted for conformance with the contract requirements. While AIS submitted the lowest bid, they did not provide the bid bond or their QP-1 Certification with their sealed bid. Both Legal Counsel and AIS were notified that the documents were missing. Brett Johnston of AIS explained that he had a bid bond for the project and the Certification, but forgot to provide them with the sealed bid. Both were provided to staff the next day via FedEx. Legal Counsel determined that since the bid bond was issued on January 31, 2012, before the bid opening date of February 2, 2012, the bid would be considered responsive. The QP-1 Certification was also considered a minor irregularity. Therefore, AIS is considered the lowest responsive and responsible bidder.

The Contract Documents required either a Class A or a Class C-33 license. AIS holds a Class C-33, Painting and Decorating Contractor's License which expires on January 31, 2014. The reference checks indicated an excellent performance record on similar projects. A background search of the company was performed on the internet and revealed no outstanding issues with this company.

Staff has verified that the bid bond provided by AIS is valid. Staff will also verify that AIS's Performance Bond and Labor and Materials Bond are valid prior to execution of the contract.

**FISCAL IMPACT:**

Funding for the Project comes from two CIP projects, P2491, the 850-3 Reservoir Exterior Coating and Upgrades and P2382, Safety and Security Improvements. AIS' bid amount of \$293,300 for construction will be funded as follows, \$30,000 will be funded from P2382, and the balance of the expenditures, including staff time, will come from P2491.

The total budget for CIP P2491, as approved in the FY 2012 budget, is \$300,000. Total expenditures, plus outstanding commitments and forecast including this contract, are \$299,691. See Attachment B-1 for budget detail.

The total budget for CIP P2382, as approved in the FY 2012 budget, is \$3,397,000. Total expenditures, plus outstanding commitments and forecast including this contract, are \$1,715,657. See Attachment B-2 for budget detail.

Based on a review of the financial budgets, the Project Manager anticipates that the budgets for CIPs P2491 and P2382 are sufficient to support the Project.

Finance has determined that for CIP P2491 100% of the funding is available from the Replacement Fund and for CIP P2382 60% of the funding is available from the Replacement Fund and 40% is available from the Expansion Fund.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner." This Project fulfills the District's Strategic Goal No. 1: CUSTOMER - Deliver high quality services to meet customer needs, and increase confidence of the customer in the value the District provides.

**LEGAL IMPACT:**

None.

KC/RR:jf

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Attachments: Attachment A - Committee Action  
Attachment B-1 - Budget Detail for CIP P2491  
Attachment B-2 - Budget Detail for CIP P2382  
Exhibit A - Location Map



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> P2491/P2382-001103	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 850-3 Reservoir Exterior Coating and Upgrades Project
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### **COMMITTEE ACTION:**

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on February 16, 2012 and the following comments were made:

- Staff requested that the Board awards a construction contract to Advanced Industrial Services, Inc. (AIS) and authorizes the General Manager to execute an agreement with AIS for the 850-3 Reservoir Exterior Coating and Upgrades Project in an amount-not-to exceed \$293,300.
- Staff indicated that the District's 2011 Corrosion Control Program (CCP) shows the exterior coating of the 850-3 Reservoir in need of replacement. It was also indicated that structural upgrades are also required to bring the reservoir up to current Federal and State OSHA standards as well as AWWA Standards.
- Staff stated that the Project was advertised for bids on January 9, 2012 and indicated that three (3) addenda were sent out to address contractor's questions and clarifications. The District received five (5) bids on February 2<sup>nd</sup>, which staff reviewed and the results are shown in the table on page 2 of the staff report.
- Staff determined that AIS submitted the lowest responsive bid and reviewed it for conformance. It was noted that staff checked references, which AIS showed an excellent performance record.
- In response to a question by the Committee, staff stated that the aesthetics, landscaping, design and cameras on the Project's site are adequate and therefore does not need to be addressed at this time.

Following the discussion, the Committee supported staffs' recommendation and presentation to the full board as a consent item.





## ATTACHMENT B-1

<b>SUBJECT/PROJECT:</b>	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 850-3 Reservoir Exterior Coating and Upgrades Project
P2491/P2382-001103	

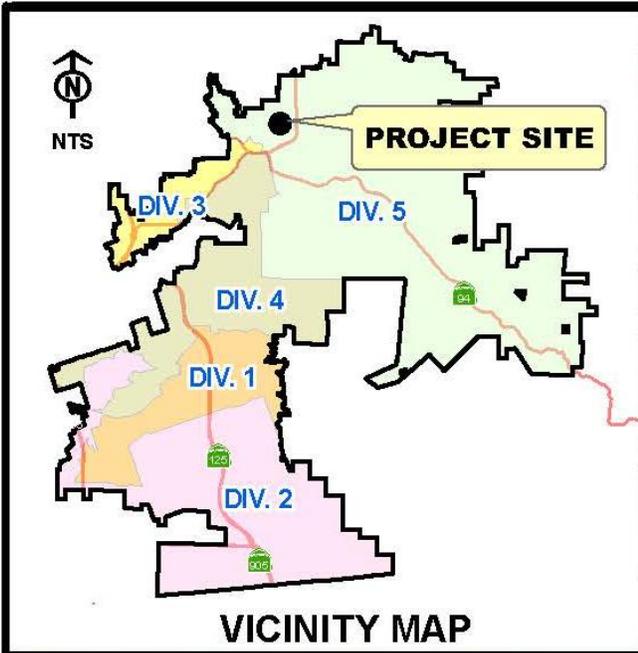
Otay Water District					Date Updated: February 07, 2012
P2491 - 850-3 Reservoir Exterior Coating					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
<b>300,000</b>					
<b>Planning</b>					
Add subprojects					
Labor	621	621	-	621	
<b>Total Planning</b>	621	621	-	621	
<b>Design</b>					
Labor	17,500	16,592	908	17,500	
Consultant Contracts	250	250	-	250	SUPERIOR TANK SOLUTIONS
Service Contracts	3,150	-	3,150	3,150	HARPER & ASSOCIATES
	298	298	-	298	SAN DIEGO UNION-TRIBUNE LLC
	72	72	-	72	SAN DIEGO DAILY TRANSCRIPT
<b>Total Design</b>	21,270	16,842	4,058	20,900	
<b>Construction</b>					
Labor	14,500	1,276	13,224	14,500	
Construction Contracts	263,300	-	263,300	263,300	ADVANCED INDUSTRIAL SERVICES
<b>Total Construction</b>	277,800	1,276	276,524	277,800	
<b>Grand Total</b>	<b>299,691</b>	<b>19,109</b>	<b>280,582</b>	<b>299,691</b>	



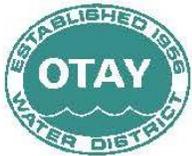
## ATTACHMENT B-2

<b>SUBJECT/PROJECT:</b>	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 850-3 Reservoir Exterior Coating and Upgrades Project
P2491/P2382-001103	

Otay Water District					Date Updated: February 07, 2012
P2382 - Safety and Security Improvements					
Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor/Comments
3,397,000					
<b>Safety/Security Upgrades</b>					
Addl subprojects					
Labor	162,727	162,727		162,727	
Books, Periodicals And Subscriptions	348	348	-	348	UNION TRIBUNE PUBLISHING CO
	96	96	-	96	SAN DIEGO DAILY TRANSCRIPT
Annual Support Maintenance For Softwa	38,322	3,333	34,989	38,322	HENRY BROS ELECTRONICS INC
Consultant Contracts	500	500	-	500	SIMON WONG ENGINEERING
	2,500	2,500	-	2,500	DARRYL THIBAUT
	625	625	-	625	PEXIS CORPORATION
Computer Training	17	17	-	17	PETTY CASH CUSTODIAN
Safety Training	1,000	1,000	-	1,000	JB SAFETY & RESCUE SERVICES
	562	562	-	562	UNITED RENTALS NORTHWEST INC
Gas Detectors	23,867	23,867	-	23,867	CALOLYMPIC SAFETY
Infrastructure Equipment & Supplies	124	124	-	124	PETTY CASH CUSTODIAN
	7,156	7,156	-	7,156	UNITED RENTALS NORTHWEST INC
	1,012	1,012	-	1,012	CALOLYMPIC SAFETY
Infrastructure Equipment & Materials	27,394	27,394	-	27,394	EMCOM ELECTRONICS SYSTEMS INC
	2,091	2,091	-	2,091	WESCO DISTRIBUTION INC
	34,989	-	34,989	34,989	HENRY BROS ELECTRONICS INC
Security Services	574	574	-	574	CALOLYMPIC SAFETY
	970	970	-	970	ALCEM FENCE COMPANY INC
	598,920	598,920	-	598,920	STANDARD ELECTRONICS
	354	354	-	354	MARWEST ACCESS CONTROLS
	6,346	6,346	-	6,346	ADVANCED ELECTRONIC SOLUTIONS2
	344,676	309,687	34,989	344,676	HENRY BROS ELECTRONICS INC
	11,835	11,835	-	11,835	ENHANCED COMMUNICATIONS
	3,875	3,875	-	3,875	PEXIS CORPORATION
	4,875	4,875	-	4,875	ADVANCED COMMUNICATIONS
	1,215	1,215	-	1,215	GRAYBAR ELECTRIC CO INC
	20,490	20,490	-	20,490	PRIME ELECTRICAL SERVICES INC
	5,973	5,973	-	5,973	SPECIALTY DOORS AND AUTOMATION
	14,109	-	14,109	14,109	BRAUT INC
	4,476	-	4,476	4,476	NEAL ELECTRIC CORP
Service Contracts	3,995	3,995	-	3,995	MSA SYSTEMS INC
	97,354	62,365	34,989	97,354	HENRY BROS ELECTRONICS INC
	2,300	2,300	-	2,300	ADVANCED COMMUNICATIONS
	1,980	1,980	-	1,980	SAN DIEGO CONSTRUCTION WELDING
	459	459	-	459	SPECIALTY DOORS AND AUTOMATION
Safety Equipment Misc Materials	135	135	-	135	MARWEST ACCESS CONTROLS
	2,365	2,365	-	2,365	STONEHOUSE SIGNS INC
	824	824	-	824	IDENTICARD SYSTEMS
	2,516	2,516	-	2,516	CALOLYMPIC SAFETY
	8,400	8,400	-	8,400	C & I EQUIPMENT CO
Building And Grounds Materials	90	90	-	90	MCMASER-CARR SUPPLY CO
	721	721	-	721	C W MCGRATH INC
	1,698	1,698	-	1,698	T M PEMBERTON
	120	120	-	120	CONSTRUCTION RESIDUE RECYCLING
	6,200	6,200	-	6,200	FRANK & SON PAVING INC
	578	578	-	578	US BANK CORPORATE PAYMENT
	14,599	14,599	-	14,599	ENTERPRISE SECURITY INC
	16,913	16,913	-	16,913	ACCESS SECURITY CONTROLS
For Ops Only - Contracted Services	4,484	4,484	-	4,484	ACCESS SECURITY CONTROLS
	450	450	-	450	WALTCOMM
	8,775	8,775	-	8,775	ADVANCED COMMUNICATIONS
Security Vulnerability Study	92,008	92,008	-	92,008	EMA, INC.
Onsite Training	18	18	-	18	GREYSTONE ENVIRONMENTAL
Reimbursement from EPA	(115,000)	(115,000)	-	(115,000)	
x30074	208,843	208,843	-	208,843	
Construction Contract	30,000	-	30,000	30,000	ADVANCED INDUSTRIAL SERVICES
<b>Total Safety/Security Upgrades</b>	<b>1,712,840</b>	<b>1,524,299</b>	<b>188,541</b>	<b>1,712,840</b>	
<b>Fire Protection</b>					
Labor	191	191	-	191	
For Ops Only - Contracted Services	2,626	2,626	-	2,626	AZTEC FIRE & SAFETY
<b>Total Fire Protection</b>	<b>2,817</b>	<b>2,816</b>	<b>-</b>	<b>2,816</b>	
<b>Grand Total</b>	<b>1,715,657</b>	<b>1,527,116</b>	<b>188,541</b>	<b>1,715,657</b>	



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# OTAY WATER DISTRICT

850-3 (3.0 MG) RESERVOIR  
 EXTERIOR COATING & UPGRADES  
 12887 WIEGHORST WAY, EI CAJON, CA

CIP # P2491/ P2382

## EXHIBIT A



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Rita Bell, Finance Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager, Finance and Administration <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Adopt Ordinance No. 531 Amending Section 25, Conditions for Water Service; Section 28, Connection Fees and Charges for Potable or Reclaimed Water Service; and Section 38, Service for Fire Protection Systems of the District's Code of Ordinances to include Mandated Fire Service Standby Capacity for Single-Family Residences		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board adopt Ordinance No. 531 amending Sections 25, 28, and 38 of the District's Code of Ordinances to include mandated fire service standby capacity for single-family residences.

**COMMITTEE ACTION:**

See Attachment A.

**PURPOSE:**

To present to the Board revisions to Sections 25, 28, and 38 of the Code of Ordinances to include upsizing residential meters for mandated fire service standby capacity.

## **ANALYSIS:**

### **Background**

Over the past few years, more meters are being required to be upsized in order to provide for new fire service requirements. The standby capacity necessary to provide for this fire service is already built into the District's facilities and does not have an impact on the capacity fee. Recent changes in fire code are now affecting more homes within the District. This staff report proposes to bring the District's code up-to-date and formally accommodate the new fire code requirements without requiring additional capacity or system fees.

In March of 2008, the San Diego County Water Authority (CWA) amended Ordinance No. 97-1 which imposes capacity charges on ultimate users of water. This change was to accommodate requirements of fire protection agencies that mandated the upsizing of residential meters for fire protection capacity purposes. It allows for the capacity charge to be established without the additional size necessary for standby capacity.

In May 2009, a memorandum was sent from the District's Engineering Department to the General Manager discussing the practice going forward based on the adoption of the change by CWA. It was determined that the meter charge would be for the larger meter, but that the capacity fees would be based solely on the necessary capacity without fire protection purposes.

This staff report goes further to formally change the capacity fee policy by amending sections 28 and 38 of the Code of Ordinances. Additionally, to address the Chula Vista Fire Department change in policy on January 1, 2012, a change is being made to section 25 so that the monthly MWD & CWA and system charges will be based on capacity without fire protection purposes.

### **Section 25: Conditions for Water Service**

Existing provisions in Section 25.03 B and C of the Code of Ordinances establishes the amount of the monthly fixed MWD & CWA charges and system charges based on meter size.

The proposed change to the code addresses the new mandate imposed by fire protection agencies to require the upsizing of a residential meter for additional fire standby capacity. This change would establish the monthly charge based on the water use requirements for the property, not the upsized meter for the sole purpose of fire protection.

**Section 28: Connection Fees and Charges for Potable or Reclaimed Water Service**

Existing provisions in Section 25.01 B of the Code of Ordinances establishes the basis for determination of connection fees and charges.

The proposed change to the Code addresses the new mandate imposed by fire protection agencies to require the upsizing of a residential meter for additional fire standby capacity. This change would establish the connection fee based on the water use requirements for the property, not the upsized meter for the sole purpose of fire protection.

**Section 38: Service for Fire Protection Systems**

Currently, there is no provision in this code section that addresses the mandating of residential meter upsizing by fire protection agencies. The addition of Section 38.03, Fire Service Standby Capacity, would address the standby capacity for a fire sprinkler system based on water use requirements for the property, without consideration of additional size necessary to provide the standby capacity.

**FISCAL IMPACT:**

The capacity fees were set based on the required meter size without the additional standby capacity. Therefore, this has already been incorporated into the District's financial planning, and will not affect the District's financial standing. Likewise, the District's rate modeling process projected system fees without additional fees for the upsized meters.

**STRATEGIC GOAL:**

None.

**LEGAL IMPACT:**

None.

**Attachments:**

- A) Committee Action Form
- B) Ordinance No. 531
  - Exhibit 1 Strike-through Section 25
  - Exhibit 2 Strike-through Section 28
  - Exhibit 3 Strike-through Section 38
- C) Proposed Section 25
- D) Proposed Section 28

E) Proposed Section 38



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Adopt Ordinance No. 531 Amending Section 25, Conditions for Water Service; Section 28, Connection Fees and Charges for Potable or Reclaimed Water Service; and Section 38, Service for Fire Protection Systems of the District's Code of Ordinances to include Mandated Fire Service Standby Capacity for Single-Family Residences
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### **COMMITTEE ACTION:**

The Finance, Administration, and Communications Committee and the Engineering, Operations and Water Resources Committee reviewed this item at a meeting held on February 14 and 16, 2012, respectively. The following comments were made:

- Staff is requesting that the Board update the District's Code to address new mandated fire service requirements for residential homes. The mandate requires fire sprinklers be installed in residential homes which requires a one-inch meter to serve the fire flow.
- The additional fire flow does not place any additional demands on the system as fire flow is built into the system.
- County Water Authority indicates that in these situations, they would not charge a one-inch capacity fee because the home really only requires a ¾" meter.
- Staff is recommending that the District update its Code to indicate that capacity fees would be based on the necessary capacity without fire protection purposes and would charge capacity for a ¾" meter for such residential customers.
- The committee recommended that this item also be presented to the District's Engineering, Operations and Water Resources Committee as it is felt that it is a topic that overlaps both committees' areas of review (financial impact and the water system's capacity to serve).

The Finance, Administration and Communications and Engineering, Operations and Water Resources Committees supported staffs' recommendation and presentation to the full board on the consent calendar.

The above signatures attest that the attached document has been reviewed and to the best of their ability the signers verify that it meets the District quality standard by clearly and concisely conveying the intended information; being grammatically correct and free of formatting and typographical errors; accurately presenting calculated values and numerical references; and being internally consistent, legible and uniform in its presentation style.

ORDINANCE NO. 531

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT AMENDING SECTION 25, CONDITIONS FOR WATER SERVICE; SECTION 28, CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE; AND SECTION 38, SERVICE FOR FIRE PROTECTION SYSTEMS OF THE DISTRICT'S CODE OF ORDINANCES

BE IT ORDAINED by the Board of Directors of Otay Water District that the District's Code of Ordinances, Section 25, Conditions for Water Service; Section 28, Connections Fees and Charges for Potable or Reclaimed Water Service; and Section 38, Service for Fire Protection Systems be replaced as per Attachments C, D, and E respectively.

NOW, THEREFORE, BE IT RESOLVED that the new proposed Sections 25, 28 and 38 of the Code of Ordinances shall become effective March 7, 2012.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 7th day of March, 2012, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

President

ATTEST:

---

District Secretary

## SECTION 25

CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property within (annexed to) a water improvement district within the District's service area. Water service to property located outside an improvement district may be furnished only upon prior approval of the Board of Directors. Temporary water service to property located outside an improvement district may be furnished, in accordance with Section 25.03 E.10., upon the approval of the General Manager.

25.02 DEFINITION OF "H.C.F." AND "UNIT OF WATER"

As used in the Code the terms "H.C.F." and "unit of water" are interchangeable and each shall mean 100 cubic feet or 748 gallons of water.

25.03 DEFINITIONS OF WATER SERVICE CATAGORIES, WATER RATES, CHARGES AND FEES

Water service furnished by the District shall be under the categories of services and at the rates, charges and fees as set forth in Appendix A, Section 25.

Five-year Rate Increase Schedule - All District water rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operations and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District water rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

- A. Set-up Fees for Accounts. A set-up fee shall be charged for each account transferred to another customer. See Appendix A, 25.03 A. for charges. A deposit will be required of all customers who do not own the property to be served. See Appendix A, 25.04 A. for deposit amounts.
- B. Monthly Fixed MWD & CWA Charges. Each potable water service customer shall pay a monthly MWD and CWA fixed charge, as set forth in Appendix A, 25.03 C. Proceeds of the charge will be used to pay for operating and maintenance costs, including the following: MWD Readiness-to-Serve Charge and Capacity Reservation Charge; CWA Infrastructure Access Charge, Customer Service Charge, and

Emergency Storage Charge. The MWD & CWA charge is based on the size of the water meter(s) in service with the exception of upsizing the meter for fire protection, as described in Section 38.03 of the Code. The MWD & CWA charge shall start upon installation of the meter.

- C. Monthly Fixed System Charges. Each water service customer shall pay a monthly fixed system charge, as set forth in Appendix A, 25.03 C. Proceeds of the charge will be used to pay for water system replacement, maintenance, and operation expenses. The system charge is based on the size of the water meter(s) in service. For fire service, as outlined in Section 38.03 of the Code, the size and fee would be set based on water use requirements without additional fire capacity. The system charge shall start upon installation of the meter
- D. Water Conservation Drought Pricing. To promote conservation, base tiered water rates for all water services are subject to percentage increases during drought stages, as shown in the table below:

	<b>Drought Stage Pricing</b>		
	<b>Stage 2</b>	<b>Stage 3</b>	<b>Stage 4</b>
Tier 1*	0%	0%	0%
Tier 2	Up to 5%	Up to 10%	Up to 15%
Tier 3	Up to 30%	Up to 60%	Up to 90%

\*Domestic residential water service has four tiered base rates as outlined in Appendix A, 25.03 E.1.(b). Tier 1 of the above table applies to the first two tiered base rates. Tier 2 of the above table applies to the third tiered base rate. Tier 3 of the above table applies to the fourth tiered base rate.

- E. Categories of Water Service. The definitions and rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC RESIDENTIAL WATER

- (a) Defined as: Water service for single residential and individually metered attached households as well as other domestic uses (other than that provided for in Paragraph 2 below).
- (b) Base Rate: The tiered base rates of water furnished under this category shall be set forth in Appendix A, 25.03 E.1.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

2. MULTIPLE RESIDENTIAL WATER

- (a) Defined as: Master metered water service for multiple residential households, for example, duplexes, townhomes, apartments and mobile homes.
- (b) Base Rate: The tiered base rates of water furnished for each dwelling unit under each block of service in this category shall be as set forth in Appendix A, 25.03 E.2.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

3. BUSINESS AND PUBLICLY-OWNED WATER

- (a) Defined as: Potable water service for commercial, industrial and publicly-owned establishments.
- (b) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.3.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

4. IRRIGATION AND COMMERCIAL AGRICULTURAL USING POTABLE WATER

- (a) Irrigation is potable water service provided solely for irrigation of landscape or landscaping, as defined in Section 0.02.
- (b) Commercial agricultural engaged in the growing or raising of live stock, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for the use by public educational or correctional institutions or agricultural horticultural or floricultural products and produced,
  - (i) for human consumption or for the market, or
  - (ii) for the feeding of fowl or livestock produced for human consumption or for the market, or

(iii) for feeding fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore.

- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.4.(c).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

#### 5. RECYCLED WATER

- (a) Defined as: Non-potable and recycled water service provided for irrigation of landscaping, as defined in Section 0.02 A. of the Code, and certain non-irrigation purposes, other than domestic use, in compliance with federal, state and local laws and regulations regarding use of recycled water.
- (b) The provisions of this Code, relating to use of recycled water, set forth in Section 26 of the Code, including but not limited to cross-connections and backflow protective devices, shall be strictly enforced in connection with the use of recycled water.
- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.5.(c).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Monthly system charge: The monthly system charge for recycled water service is set forth in Appendix A, 25.03 C.

#### 6. TEMPORARY AND CONSTRUCTION WATER SERVICE

- (a) Defined as: Water service provided by the District on a temporary basis, pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the rates for water furnished under

this category is set forth in Appendix A, 25.03 E.6. (b) .

- (c) If the customer has paid capacity and annexation fees, the base rate for water furnished under this category shall be the base rate charged customers in the same category of service on a permanent meter basis.
- (d) The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.
- (e) The applicable monthly system and MWD & CWA charge shall be the same rates charged to customers in the same category of service on a permanent meter basis per Appendix A, 25.03 C.

7. WATER SERVICE UNDER SPECIAL AGREEMENTS

- (a) Defined as: Water service provided under express agreements approved by the Board of Directors for service to golf courses and other entities, which service may be curtailed or interrupted by the District under conditions provided in such agreements.
- (b) For water service under this category the base rate shall be determined on a case-by-case basis.

Unless otherwise specified in the particular agreement, the tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

8. TANK TRUCKS

- (a) Defined as: Water service provided for the filling of tanks on motor vehicles transporting water used for other than earth grading purposes, which service shall be made only through a portable meter issued by the District to a customer specifically for use in accordance with the provisions herein for such service.
- (b) The rate for metered water furnished under this category is reflected in Appendix A, 25.03 E.8. (b), plus a monthly system charge at the rate set forth in Appendix A, 25.03 C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (c) Requirements for Use of Water Meter

- (1) To receive such service, the customer must make a deposit for the use a water meter furnished by the District. The fee is set forth in Appendix A, 31.03 A.1.
- (2) Upon termination of the service, the District will refund the amount of deposit remaining after making the following deductions:
  - (i) Cost of repairing or replacing the meter, fire hydrant and/or any fittings damaged or lost while in use; and
  - (ii) Unpaid charges for water or other applicable charges.
- (3) Prior to the end of each six month period following issuance of a meter under this section, or at the request of the District, whichever is earlier, the customer shall return the meter to the District for inspection, repair, or calibration as deemed necessary by the District.
- (4) Payment for water service under this category shall be made as follows:
  - (i) The bill shall be based on the amount of water actually used, which shall be determined by the District's reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
  - (ii) Where the actual amount of water used cannot be determined as provided in (i), the District will issue a bill based on a District estimate of the amount of water used, as determined by the District. Such estimates shall be reconciled with actual amounts used when the customer returns the meter to the District as provided in paragraph 3 above.
  - (iii) Payments shall be made as specified on the bill.

9. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for real property outside the service area of the District.

- (b) This service will be provided only upon prior approval of the General Manager when there is a surplus of water over and above the existing needs for service in the District. This service is temporary and may be terminated upon written notice from the District. Customers for this service are sometimes referred to as "outside users."
- (c) Customers applying for this category of service shall pay an application fee as set forth in Appendix A, 25.03 E.9.(c).
- (d) The rate for metered water furnished under this category shall be charged the rate as described in Appendix A, 25.03 E.9.(d), plus a monthly system charge at the rate set forth in Appendix A, 25.03 C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (e) Customers requesting only fire service or a fire hydrant under this category shall be charged a capacity fee based on one (1) EDU for a permanent meter in the improvement district from which the fire service derives its flow, plus a monthly system charge at the rate set forth in Appendix A, 25.03 E.11.(c).

#### 10. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service for property located within the boundaries of the District, but not within a water improvement district. Customers for this service are sometimes referred to as "outside users."
- (b) Customers applying for this service shall pay an application fee as set forth in Appendix A, 25.03 E.10.(b). The District will review the application to determine whether the land to be served should be annexed to an improvement district. If it is determined that annexation is not practical, the Board of Directors may authorize service as an outside user. This service will be reviewed periodically until it is determined that the property must be annexed to an improvement district or that service must be terminated.
- (c) The rate for metered water furnished under this category is as set forth in Appendix A, 25.03

E.10.(c), plus a monthly system charge as set forth in Appendix A, 25.03.C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Upon approval of the Board of Directors, a customer, who has paid all construction costs for facilities necessary to serve the customer's property in lieu of annexation to a water improvement district, shall be exempt from the provision for this category of service.

11. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District solely to feed fire hydrants or fire sprinkler systems from lines or laterals connected to District water mains.
- (b) The District will not make a charge for the quantity of water used for fire protection purposes.
- (c) The monthly system charge for this category of service is set forth in Appendix A, 25.03 E.11.(c) for each connection to a District water main made for fire protection service.

12. WATER SERVICE TO PROPERTY NOT SUBJECT TO DISTRICT TAXES

- (a) Pursuant to Section 71613 of the California Water Code, the District may furnish water to property, not subject to District taxes, at special rates, terms and conditions as are determined by the Board of Directors for such service. Such rates, terms and conditions shall be uniformly applied to like classes and conditions of service in the same improvement district or geographical area.
- (b) Customers in this category, such as publicly-owned establishments, shall pay an additional fee as outlined in Appendix A, 25.03 E.12.(b).

13. INTERIM WATER SERVICE IN IMPROVEMENT DISTRICT 7

- (a) Definition of Interim Service. This is water Service furnished to a customer in Improvement District 7 (ID 7) for temporary use.
- (b) Rates for Interim Service. Customers applying for interim service in ID 7 shall not be required

to pay the ID 7 water capacity fee and San Diego County Water Authority fee, as required under Section 2801 of this Code. The water rate is set forth in Appendix A, 25.03 E.13.(b).

- (c) Conversion to Permanent Service. At such time as use expires, the customer shall be required to pay all fees in effect at the time the permanent use is implemented.

F. Energy Charges for Pumping Water

In addition to water rates and other charges provided for in this Section 25.03, customers shall be charged an energy pumping charge based on the quantity of water used and the elevation to which the water has been lifted to provide service. The energy pumping charge shall be made at the rate set forth in Appendix A, 25.03 F.

G. Additional Water Charge for Service in the North District

- 1. In addition to other applicable water rates and charges provided for in this Section 25.03, each customer receiving water service in the North District shall pay a charge as set forth in Appendix A, 25.03 G.1. The North District area is defined in Section 0.02 of this Code.
- 2. All proceeds from charges collected pursuant to this Section 25.03 G. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.

H. Additional Water Charges and Monthly System Charges for Service in the ID 9 Water Service Zone

- 1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a charge set forth in Appendix A, 25.03 H.1. The ID 9 Water Service Zone area is defined in Section 0.02 of this Code.
- 2. In addition to the monthly system charges provided for, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge as outlined in Appendix A, 25.03 H.2. for each meter in service.

3. All proceeds from charges collected pursuant to this Section 25.03 H. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowing for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

I. Additional Water Charges for Services in the ID 3, ID 10 and La Presa Water Service Zones.

1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 17, 1993, each customer receiving water service in ID 3, ID 10 and La Presa Water Service Zones is assessed an additional charge per H.C.F. of water furnished by the District. Said surcharge is assessed as set forth in Appendix A, 25.03 I.1. (a), (b), and (c).
2. All proceeds from charges collected pursuant to this Section 25.03 I. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage, reservoirs, pump stations and water lines to provide service in the ID 3, ID 10 and La Presa Water Service Zones, respectively.

25.04 DEPOSITS BY LESSEES OR NON-OWNERS OF PROPERTY

When an application for water service is made by a customer who does not own the land to be served, the customer shall be required to make a cash deposit to assure payment of the account. In lieu of a deposit, the customer may have payment of water service bills guaranteed in writing by the owner of the property. The amount of deposit, determined by the size of meter is outlined in Appendix A, 25.04 A.

A. AMOUNT OF DEPOSIT

The customer's deposit shall be applied to reduce or satisfy any delinquent payment or other amount due the District at the time of termination of water service to the customer. Any portion of the deposit remaining, after satisfaction of the amount due, shall be refunded to the customer that made the deposit.

The deposits listed above may be waived for a new residential applicant where the applicant demonstrates credit worthiness based upon prior utility payments or a non-delinquent water account for one year or other similar evidence of credit.

B. REFUND OF DEPOSIT

Where funds have been on deposit for twelve months in a domestic service account and there has been no more than one delinquent payment on that account during that period, the District will apply a credit to the water account in the amount of the deposit.

C. LETTER OF CREDIT

A letter of credit, in a form approved by the General Manager or Department Head of Finance, may be submitted to the District to satisfy the deposit requirements.

25.05 SERVICE TO SUBSEQUENT CUSTOMERS

After a water meter has been installed for a customer and all fees and charges have been paid, water service may be furnished to a subsequent customer through the water meter installed without payment of further charges, except for the set-up fee for transferred accounts, payment of delinquent charges for the applicant's service or other deposits that may be required by this Code.

SECTION 28 CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE

28.01 COLLECTION OF FEES AND CHARGES

A. Fees and Charges to be paid by the Customer.

The following fees and charges shall be paid by the customer to connect to a District water system for potable water or reclaimed water service; these are in addition to the fees and charges in Section 9 and 25. Fees and charges shall include, but not be limited to, District fees, San Diego County Water Authority fees, applicable zone charge and charges for work performed by District personnel on behalf of the customer. These charges may include the installation by District personnel of a water service lateral, and inspections required due to the requirement of a back flow device. These charges may also include a meter fee, installation fee (where laterals exist), lateral fee, meter box fee, and excavation permit fee.

B. Basis for Determination of Connection Fees and Charges.

The fees and charges shall be determined as follows:

For permanent water meters, including potable or recycled irrigation service, the total water connection fee shall be determined on the basis of the demand to be placed on the District water system. The extent of demand will be determined on the basis of the size of the water meter, as set forth in Section 27 of the Code. For fire service, as outlined in Section 38.03 of the Code, the size and fee would be set based on water use requirements without additional fire capacity. The water connection fee will be determined by multiplying the demand factor for the meter size, as set forth below, by the total of the District-wide capacity fee and applicable zone charge.

<u>Meter Size</u>	<u>Demand Factor</u>
3/4"	1
1	2-1/2
1-1/2"	5
2"	8
3"	16
4"	25
6"	50
8"	80
10"	115

1. The District-wide capacity fee and the applicable zone charge shall constitute the "base rate." For fees or charges after July 1, 2010, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 9777.19 (as of July 1, 2009) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from June 10, 2009 to the date of payment. (See Appendix A, 28.01 B.1. for fees.)
  
2. The District-wide new water supply fee shall constitute the "base rate." For fees or charges after July 1, 2010, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 9777.19 (as of July 1, 2009) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from June 10, 2009 to the date of payment. (See Appendix A, 28.01 B.2. for fees.)

28.02

INSTALLATION CHARGES FOR WATER METER AND WATER SERVICE LATERALS

The determination of the water meter or service lateral size shall be based upon the information provided by the customer as detailed in Section 27 of the Code. The installation charges are set forth in Appendix A, 28.02.

Where a water meter larger than 2-inch or a new water lateral is required, a customized, written estimate of the District's costs will be prepared.

The customer shall deposit the estimated costs with the District prior to commencement of the work. If actual costs incurred by the District are less than the amount deposited, the District shall refund the excess to the customer. If the actual costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs.

28.03

METER FEE REFUND

- A. If a water meter/service has been paid for but not installed, a customer may receive a refund of the District's capacity fee and charges. If San Diego County Water Authority capacity fees have been paid to San Diego County Water Authority, the customer shall request a refund from San Diego County Water Authority.
  
- B. If the customer wants to change the meter/service size, they will be credited with the number of equivalent dwelling units they have previously purchased and will be refunded any balance per Section 28.03 A, above. If additional equivalent dwelling units are required, the customer will be charged based on 28.01 and 28.02.

SECTION 38 SERVICE FOR FIRE PROTECTION SYSTEMS38.01 SERVICE FOR COMMERCIAL OR INDUSTRIAL PURPOSES

The District will provide water service for fire protection systems for commercial or industrial developments within the District. Such service shall be available only in accordance with the rules and regulations provided in this Code.

38.02 RULES AND REGULATIONS FOR FIRE HYDRANT AND/OR FIRE SPRINKLER SERVICE FOR COMMERCIAL OR INDUSTRIAL PURPOSES ON PRIVATE PROPERTY

- A. All fire hydrant and/or fire sprinkler service mains installed for commercial or industrial purposes on privately-owned land shall be owned and maintained by the land owner; except for fire hydrants installed for developments where the District has accepted an easement for such service mains.
- B. Where service is provided for fire hydrant or fire sprinkler service on privately-owned land under Paragraph A above, the service shall be provided by the District at the property line of the land to be served. The property owner or developer shall be responsible to construct and maintain the remainder of the facilities to provide fire protection to the property. Each such facilities installation shall include a reduced pressure principle assembly backflow device installed in accordance with District specifications on the fire main on the customer side of the property line.
- C. Water furnished for fire hydrant or fire sprinkler service shall be used only for fire protection purposes. Water service for domestic, business, commercial or irrigation purposes shall be furnished only after a meter or meters have been installed on laterals connected to the District main in the street pursuant to requirements of this Code.
- D. Upon application for installation of one or more fire service connections to an existing District water main, the customer shall pay such charges as shall be determined on the basis of actual costs incurred by the District in performing the work. At the time of application for the installation, the District will estimate the total costs to be incurred in performing the work. The customer shall deposit the estimated amount with the District prior to commencement of the work. The work shall be performed by the District under a District Water/Sewer Order. If actual costs incurred by the

District are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If the costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs. Where the fire service connection is to be made to a water main to be constructed in a street by the owner or developer, the costs for such connection shall be covered under the standard developer's agreement with the District for installation of the water facilities for the development project.

- E. Water for fire protection services shall be provided in accordance with District fees and charges set forth in Section 25.03.D of this Code.
- F. The District shall have no responsibility for the proper function of the fire service system nor for the availability of water from its mains for fire protection in the event of emergency. While the District undertakes at all times to have adequate supplies available in its system for ordinary uses, it is not a guarantor of continual service in quantities adequate for all purposes however, and each customer shall specifically agree that as a condition of the fire service connection contracted for that the District shall incur no liability nor be subject to any damages resulting from a failure or malfunctioning of the fire sprinkler lateral or fire sprinkler system or from a lack of water in adequate quantity or pressure to make it fully effective.

### 38.03 SERVICES FOR RESIDENTIAL FIRE PROTECTION

When a residential water meter is required to provide standby capacity for a fire sprinkler system, the capacity charge may be determined according to the size of the meter necessary to meet the water use requirements for the property. This is determined according to the rules of the member agency providing the meter, without consideration of additional size necessary to provide the standby capacity. Standby capacity to provide water for a fire sprinkler system is required when (1) the fire sprinkler system is required by law, including any requirement imposed as a condition of development, permit, or occupancy, and (2) the fire chief, fire marshal, or building official of the city, county, or special district responsible for fire protection service to the property has a requirement for additional meter size due to fire protection. The determination, under this section, shall be made at the time the meter is first obtained, or at the time

| a meter is replaced with one of greater size due to the later installation of a fire protection system.

## SECTION 25

CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property within (annexed to) a water improvement district within the District's service area. Water service to property located outside an improvement district may be furnished only upon prior approval of the Board of Directors. Temporary water service to property located outside an improvement district may be furnished, in accordance with Section 25.03 E.10., upon the approval of the General Manager.

25.02 DEFINITION OF "H.C.F." AND "UNIT OF WATER"

As used in the Code the terms "H.C.F." and "unit of water" are interchangeable and each shall mean 100 cubic feet or 748 gallons of water.

25.03 DEFINITIONS OF WATER SERVICE CATAGORIES, WATER RATES, CHARGES AND FEES

Water service furnished by the District shall be under the categories of services and at the rates, charges and fees as set forth in Appendix A, Section 25.

Five-year Rate Increase Schedule - All District water rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operations and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District water rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

- A. Set-up Fees for Accounts. A set-up fee shall be charged for each account transferred to another customer. See Appendix A, 25.03 A. for charges. A deposit will be required of all customers who do not own the property to be served. See Appendix A, 25.04 A. for deposit amounts.
- B. Monthly Fixed MWD & CWA Charges. Each potable water service customer shall pay a monthly MWD and CWA fixed charge, as set forth in Appendix A, 25.03 C. Proceeds of the charge will be used to pay for operating and maintenance costs, including the following: MWD Readiness-to-Serve Charge and Capacity Reservation Charge; CWA Infrastructure Access Charge, Customer Service Charge, and

Emergency Storage Charge. The MWD & CWA charge is based on the size of the water meter(s) in service with the exception of upsizing the meter for fire protection, as described in Section 38.03 of the Code. The MWD & CWA charge shall start upon installation of the meter.

- C. Monthly Fixed System Charges. Each water service customer shall pay a monthly fixed system charge, as set forth in Appendix A, 25.03 C. Proceeds of the charge will be used to pay for water system replacement, maintenance, and operation expenses. The system charge is based on the size of the water meter(s) in service. For fire service, as outlined in Section 38.03 of the Code, the size and fee would be set based on water use requirements without additional fire capacity. The system charge shall start upon installation of the meter
- D. Water Conservation Drought Pricing. To promote conservation, base tiered water rates for all water services are subject to percentage increases during drought stages, as shown in the table below:

<b>Drought Stage Pricing</b>			
	<b>Stage 2</b>	<b>Stage 3</b>	<b>Stage 4</b>
Tier 1*	0%	0%	0%
Tier 2	Up to 5%	Up to 10%	Up to 15%
Tier 3	Up to 30%	Up to 60%	Up to 90%

\*Domestic residential water service has four tiered base rates as outlined in Appendix A, 25.03 E.1.(b). Tier 1 of the above table applies to the first two tiered base rates. Tier 2 of the above table applies to the third tiered base rate. Tier 3 of the above table applies to the fourth tiered base rate.

- E. Categories of Water Service. The definitions and rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC RESIDENTIAL WATER

- (a) Defined as: Water service for single residential and individually metered attached households as well as other domestic uses (other than that provided for in Paragraph 2 below).
- (b) Base Rate: The tiered base rates of water furnished under this category shall be set forth in Appendix A, 25.03 E.1.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

2. MULTIPLE RESIDENTIAL WATER

- (a) Defined as: Master metered water service for multiple residential households, for example, duplexes, townhomes, apartments and mobile homes.
- (b) Base Rate: The tiered base rates of water furnished for each dwelling unit under each block of service in this category shall be as set forth in Appendix A, 25.03 E.2.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

3. BUSINESS AND PUBLICLY-OWNED WATER

- (a) Defined as: Potable water service for commercial, industrial and publicly-owned establishments.
- (b) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.3.(b).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

4. IRRIGATION AND COMMERCIAL AGRICULTURAL USING POTABLE WATER

- (a) Irrigation is potable water service provided solely for irrigation of landscape or landscaping, as defined in Section 0.02.
- (b) Commercial agricultural engaged in the growing or raising of live stock, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for the use by public educational or correctional institutions or agricultural horticultural or floricultural products and produced,
  - (i) for human consumption or for the market, or
  - (ii) for the feeding of fowl or livestock produced for human consumption or for the market, or

(iii) for feeding fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore.

- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.4.(c).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

5. RECYCLED WATER

- (a) Defined as: Non-potable and recycled water service provided for irrigation of landscaping, as defined in Section 0.02 A. of the Code, and certain non-irrigation purposes, other than domestic use, in compliance with federal, state and local laws and regulations regarding use of recycled water.
- (b) The provisions of this Code, relating to use of recycled water, set forth in Section 26 of the Code, including but not limited to cross-connections and backflow protective devices, shall be strictly enforced in connection with the use of recycled water.
- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as set forth in Appendix A, 25.03 E.5.(c).

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Monthly system charge: The monthly system charge for recycled water service is set forth in Appendix A, 25.03 C.

6. TEMPORARY AND CONSTRUCTION WATER SERVICE

- (a) Defined as: Water service provided by the District on a temporary basis, pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the rates for water furnished under

this category is set forth in Appendix A, 25.03 E.6. (b) .

- (c) If the customer has paid capacity and annexation fees, the base rate for water furnished under this category shall be the base rate charged customers in the same category of service on a permanent meter basis.
- (d) The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.
- (e) The applicable monthly system and MWD & CWA charge shall be the same rates charged to customers in the same category of service on a permanent meter basis per Appendix A, 25.03 C.

7. WATER SERVICE UNDER SPECIAL AGREEMENTS

- (a) Defined as: Water service provided under express agreements approved by the Board of Directors for service to golf courses and other entities, which service may be curtailed or interrupted by the District under conditions provided in such agreements.
- (b) For water service under this category the base rate shall be determined on a case-by-case basis.

Unless otherwise specified in the particular agreement, the tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

8. TANK TRUCKS

- (a) Defined as: Water service provided for the filling of tanks on motor vehicles transporting water used for other than earth grading purposes, which service shall be made only through a portable meter issued by the District to a customer specifically for use in accordance with the provisions herein for such service.
- (b) The rate for metered water furnished under this category is reflected in Appendix A, 25.03 E.8. (b), plus a monthly system charge at the rate set forth in Appendix A, 25.03 C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

(c) Requirements for Use of Water Meter

- (1) To receive such service, the customer must make a deposit for the use a water meter furnished by the District. The fee is set forth in Appendix A, 31.03 A.1.
- (2) Upon termination of the service, the District will refund the amount of deposit remaining after making the following deductions:
  - (i) Cost of repairing or replacing the meter, fire hydrant and/or any fittings damaged or lost while in use; and
  - (ii) Unpaid charges for water or other applicable charges.
- (3) Prior to the end of each six month period following issuance of a meter under this section, or at the request of the District, whichever is earlier, the customer shall return the meter to the District for inspection, repair, or calibration as deemed necessary by the District.
- (4) Payment for water service under this category shall be made as follows:
  - (i) The bill shall be based on the amount of water actually used, which shall be determined by the District's reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
  - (ii) Where the actual amount of water used cannot be determined as provided in (i), the District will issue a bill based on a District estimate of the amount of water used, as determined by the District. Such estimates shall be reconciled with actual amounts used when the customer returns the meter to the District as provided in paragraph 3 above.
  - (iii) Payments shall be made as specified on the bill.

9. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for real property outside the service area of the District.
- (b) This service will be provided only upon prior approval of the General Manager when there is a surplus of water over and above the existing needs for service in the District. This service is temporary and may be terminated upon written notice from the District. Customers for this service are sometimes referred to as "outside users."
- (c) Customers applying for this category of service shall pay an application fee as set forth in Appendix A, 25.03 E.9.(c).
- (d) The rate for metered water furnished under this category shall be charged the rate as described in Appendix A, 25.03 E.9.(d), plus a monthly system charge at the rate set forth in Appendix A, 25.03 C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (e) Customers requesting only fire service or a fire hydrant under this category shall be charged a capacity fee based on one (1) EDU for a permanent meter in the improvement district from which the fire service derives its flow, plus a monthly system charge at the rate set forth in Appendix A, 25.03 E.11.(c).

10. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service for property located within the boundaries of the District, but not within a water improvement district. Customers for this service are sometimes referred to as "outside users."
- (b) Customers applying for this service shall pay an application fee as set forth in Appendix A, 25.03 E.10.(b). The District will review the application to determine whether the land to be served should be annexed to an improvement district. If it is determined that annexation is not practical, the Board of Directors may authorize service as an outside user. This service will be reviewed periodically until it is

determined that the property must be annexed to an improvement district or that service must be terminated.

- (c) The rate for metered water furnished under this category is as set forth in Appendix A, 25.03 E.10.(c), plus a monthly system charge as set forth in Appendix A, 25.03.C.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Upon approval of the Board of Directors, a customer, who has paid all construction costs for facilities necessary to serve the customer's property in lieu of annexation to a water improvement district, shall be exempt from the provision for this category of service.

#### 11. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District solely to feed fire hydrants or fire sprinkler systems from lines or laterals connected to District water mains.
- (b) The District will not make a charge for the quantity of water used for fire protection purposes.
- (c) The monthly system charge for this category of service is set forth in Appendix A, 25.03 E.11.(c) for each connection to a District water main made for fire protection service.

#### 12. WATER SERVICE TO PROPERTY NOT SUBJECT TO DISTRICT TAXES

- (a) Pursuant to Section 71613 of the California Water Code, the District may furnish water to property, not subject to District taxes, at special rates, terms and conditions as are determined by the Board of Directors for such service. Such rates, terms and conditions shall be uniformly applied to like classes and conditions of service in the same improvement district or geographical area.
- (b) Customers in this category, such as publicly-owned establishments, shall pay an additional fee as outlined in Appendix A, 25.03 E.12.(b).

13. INTERIM WATER SERVICE IN IMPROVEMENT DISTRICT 7

- (a) Definition of Interim Service. This is water Service furnished to a customer in Improvement District 7 (ID 7) for temporary use.
- (b) Rates for Interim Service. Customers applying for interim service in ID 7 shall not be required to pay the ID 7 water capacity fee and San Diego County Water Authority fee, as required under Section 2801 of this Code. The water rate is set forth in Appendix A, 25.03 E.13.(b).
- (c) Conversion to Permanent Service. At such time as use expires, the customer shall be required to pay all fees in effect at the time the permanent use is implemented.

F. Energy Charges for Pumping Water

In addition to water rates and other charges provided for in this Section 25.03, customers shall be charged an energy pumping charge based on the quantity of water used and the elevation to which the water has been lifted to provide service. The energy pumping charge shall be made at the rate set forth in Appendix A, 25.03 F.

G. Additional Water Charge for Service in the North District

- 1. In addition to other applicable water rates and charges provided for in this Section 25.03, each customer receiving water service in the North District shall pay a charge as set forth in Appendix A, 25.03 G.1. The North District area is defined in Section 0.02 of this Code.
- 2. All proceeds from charges collected pursuant to this Section 25.03 G. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.

H. Additional Water Charges and Monthly System Charges for Service in the ID 9 Water Service Zone

- 1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a charge set forth in Appendix A, 25.03 H.1. The ID 9 Water Service Zone area is defined in Section 0.02 of this Code.

2. In addition to the monthly system charges provided for, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge as outlined in Appendix A, 25.03 H.2. for each meter in service.
3. All proceeds from charges collected pursuant to this Section 25.03 H. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowing for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

I. Additional Water Charges for Services in the ID 3, ID 10 and La Presa Water Service Zones.

1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 17, 1993, each customer receiving water service in ID 3, ID 10 and La Presa Water Service Zones is assessed an additional charge per H.C.F. of water furnished by the District. Said surcharge is assessed as set forth in Appendix A, 25.03 I.1.(a), (b), and (c).
2. All proceeds from charges collected pursuant to this Section 25.03 I. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage, reservoirs, pump stations and water lines to provide service in the ID 3, ID 10 and La Presa Water Service Zones, respectively.

25.04 DEPOSITS BY LESSEES OR NON-OWNERS OF PROPERTY

When an application for water service is made by a customer who does not own the land to be served, the customer shall be required to make a cash deposit to assure payment of the account. In lieu of a deposit, the customer may have payment of water service bills guaranteed in writing by the owner of the property. The amount of deposit, determined by the size of meter is outlined in Appendix A, 25.04 A.

A. AMOUNT OF DEPOSIT

The customer's deposit shall be applied to reduce or satisfy any delinquent payment or other amount due the

District at the time of termination of water service to the customer. Any portion of the deposit remaining, after satisfaction of the amount due, shall be refunded to the customer that made the deposit.

The deposits listed above may be waived for a new residential applicant where the applicant demonstrates credit worthiness based upon prior utility payments or a non-delinquent water account for one year or other similar evidence of credit.

B. REFUND OF DEPOSIT

Where funds have been on deposit for twelve months in a domestic service account and there has been no more than one delinquent payment on that account during that period, the District will apply a credit to the water account in the amount of the deposit.

C. LETTER OF CREDIT

A letter of credit, in a form approved by the General Manager or Department Head of Finance, may be submitted to the District to satisfy the deposit requirements.

25.05 SERVICE TO SUBSEQUENT CUSTOMERS

After a water meter has been installed for a customer and all fees and charges have been paid, water service may be furnished to a subsequent customer through the water meter installed without payment of further charges, except for the set-up fee for transferred accounts, payment of delinquent charges for the applicant's service or other deposits that may be required by this Code.

SECTION 28                    CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE

28.01            COLLECTION OF FEES AND CHARGES

A.    Fees and Charges to be paid by the Customer.

The following fees and charges shall be paid by the customer to connect to a District water system for potable water or reclaimed water service; these are in addition to the fees and charges in Section 9 and 25. Fees and charges shall include, but not be limited to, District fees, San Diego County Water Authority fees, applicable zone charge and charges for work performed by District personnel on behalf of the customer. These charges may include the installation by District personnel of a water service lateral, and inspections required due to the requirement of a back flow device. These charges may also include a meter fee, installation fee (where laterals exist), lateral fee, meter box fee, and excavation permit fee.

B.    Basis for Determination of Connection Fees and Charges.

The fees and charges shall be determined as follows:

For permanent water meters, including potable or recycled irrigation service, the total water connection fee shall be determined on the basis of the demand to be placed on the District water system. The extent of demand will be determined on the basis of the size of the water meter, as set forth in Section 27 of the Code. For fire service, as outlined in Section 38.03 of the Code, the size and fee would be set based on water use requirements without additional fire capacity. The water connection fee will be determined by multiplying the demand factor for the meter size, as set forth below, by the total of the District-wide capacity fee and applicable zone charge.

<u>Meter Size</u>	<u>Demand Factor</u>
3/4"	1
1	2-1/2
1-1/2"	5
2"	8
3"	16
4"	25
6"	50
8"	80
10"	115

1. The District-wide capacity fee and the applicable zone charge shall constitute the "base rate." For fees or charges after July 1, 2010, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 9777.19 (as of July 1, 2009) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from June 10, 2009 to the date of payment. (See Appendix A, 28.01 B.1. for fees.)
  
2. The District-wide new water supply fee shall constitute the "base rate." For fees or charges after July 1, 2010, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 9777.19 (as of July 1, 2009) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from June 10, 2009 to the date of payment. (See Appendix A, 28.01 B.2. for fees.)

28.02

INSTALLATION CHARGES FOR WATER METER AND WATER SERVICE LATERALS

The determination of the water meter or service lateral size shall be based upon the information provided by the customer as detailed in Section 27 of the Code. The installation charges are set forth in Appendix A, 28.02.

Where a water meter larger than 2-inch or a new water lateral is required, a customized, written estimate of the District's costs will be prepared.

The customer shall deposit the estimated costs with the District prior to commencement of the work. If actual costs incurred by the District are less than the amount deposited, the District shall refund the excess to the customer. If the actual costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs.

28.03

METER FEE REFUND

- A. If a water meter/service has been paid for but not installed, a customer may receive a refund of the District's capacity fee and charges. If San Diego County Water Authority capacity fees have been paid to San Diego County Water Authority, the customer shall request a refund from San Diego County Water Authority.
  
- B. If the customer wants to change the meter/service size, they will be credited with the number of equivalent dwelling units they have previously purchased and will be refunded any balance per Section 28.03 A, above. If additional equivalent dwelling units are required, the customer will be charged based on 28.01 and 28.02.

SECTION 38 SERVICE FOR FIRE PROTECTION SYSTEMS38.01 SERVICE FOR COMMERCIAL OR INDUSTRIAL PURPOSES

The District will provide water service for fire protection systems for commercial or industrial developments within the District. Such service shall be available only in accordance with the rules and regulations provided in this Code.

38.02 RULES AND REGULATIONS FOR FIRE HYDRANT AND/OR FIRE SPRINKLER SERVICE FOR COMMERCIAL OR INDUSTRIAL PURPOSES ON PRIVATE PROPERTY

- A. All fire hydrant and/or fire sprinkler service mains installed for commercial or industrial purposes on privately-owned land shall be owned and maintained by the land owner; except for fire hydrants installed for developments where the District has accepted an easement for such service mains.
- B. Where service is provided for fire hydrant or fire sprinkler service on privately-owned land under Paragraph A above, the service shall be provided by the District at the property line of the land to be served. The property owner or developer shall be responsible to construct and maintain the remainder of the facilities to provide fire protection to the property. Each such facilities installation shall include a reduced pressure principle assembly backflow device installed in accordance with District specifications on the fire main on the customer side of the property line.
- C. Water furnished for fire hydrant or fire sprinkler service shall be used only for fire protection purposes. Water service for domestic, business, commercial or irrigation purposes shall be furnished only after a meter or meters have been installed on laterals connected to the District main in the street pursuant to requirements of this Code.
- D. Upon application for installation of one or more fire service connections to an existing District water main, the customer shall pay such charges as shall be determined on the basis of actual costs incurred by the District in performing the work. At the time of application for the installation, the District will estimate the total costs to be incurred in performing the work. The customer shall deposit the estimated amount with the District prior to commencement of the work. The work shall be performed by the District under a District Water/Sewer Order. If actual costs incurred by the

District are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If the costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs. Where the fire service connection is to be made to a water main to be constructed in a street by the owner or developer, the costs for such connection shall be covered under the standard developer's agreement with the District for installation of the water facilities for the development project.

- E. Water for fire protection services shall be provided in accordance with District fees and charges set forth in Section 25.03.D of this Code.
- F. The District shall have no responsibility for the proper function of the fire service system nor for the availability of water from its mains for fire protection in the event of emergency. While the District undertakes at all times to have adequate supplies available in its system for ordinary uses, it is not a guarantor of continual service in quantities adequate for all purposes however, and each customer shall specifically agree that as a condition of the fire service connection contracted for that the District shall incur no liability nor be subject to any damages resulting from a failure or malfunctioning of the fire sprinkler lateral or fire sprinkler system or from a lack of water in adequate quantity or pressure to make it fully effective.

### 38.03 SERVICES FOR RESIDENTIAL FIRE PROTECTION

When a residential water meter is required to provide standby capacity for a fire sprinkler system, the capacity charge may be determined according to the size of the meter necessary to meet the water use requirements for the property. This is determined according to the rules of the member agency providing the meter, without consideration of additional size necessary to provide the standby capacity. Standby capacity to provide water for a fire sprinkler system is required when (1) the fire sprinkler system is required by law, including any requirement imposed as a condition of development, permit, or occupancy, and (2) the fire chief, fire marshal, or building official of the city, county, or special district responsible for fire protection service to the property has a requirement for additional meter size due to fire protection. The determination, under this section, shall be made at the time the meter is first obtained, or at the time a meter is replaced with

one of greater size due to the later installation of a fire protection system.



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
		PROJECT:	DIV. NO. All
SUBMITTED BY:	James Cudlip, Finance Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager, Finance and Administration <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Appointment of Auditor for Fiscal Year Ending June 30, 2012		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to sign the engagement letters from the auditing firm of White Nelson Diehl Evans LLP, to contract for audit services for the 2012 Fiscal Year.

### COMMITTEE ACTION:

Please see Attachment A.

### PURPOSE:

The District is required to retain the services of an independent accounting firm to perform an audit of the District's financial records each year.

### ANALYSIS:

At the Board meeting on March 9, 2009, the Board approved Diehl, Evans & Company, LLP as the District's auditors for a 1-year contract, with four (4) 1-year options, with each option year subject to Board review and approval. The Board subsequently approved contract options in March 2010, and February 2011, to perform the respective FY-2010 and FY-2011 audits. In October 2011, Diehl, Evans & Company, LLP merged with the accounting firm White, Nelson & Co., and now operates under the name White Nelson Diehl Evans LLP. The

firm has retained all of the audit staff that completed the District's FY-2011 audit.

Staff is recommending the appointment of White Nelson Diehl Evans LLP as the District's auditors for FY-2012, in conjunction with the third 1-year contract option. This is based on their staff's knowledge of the District's operations and finances, their technical qualifications, and their performance as the District's auditors during the FY-2009 through FY-2011 audits. Also, at the conclusion of these audits, the White Nelson Diehl Evans staff provided significant advice and review of staff's draft Comprehensive Annual Financial Report (CAFR) prior to submission to the Government Finance Officers Association (GFOA) for award consideration.

The following is a tentative planning schedule for the major activities involved in completing the FY-2012 financial audit:

- Apr-2012: Pre-audit (3 - 4 days).
- Aug-2012: Year-end audit (4 - 5 days).
- Nov-2012: Board presentation of audited financials.
- Dec-2012: Completed CAFR.

The audit will consist of four major components: 1) Standard Audit Services, to provide an audit opinion on the District's financial statements; 2) Review of the District's Investment Policy procedures; 3) A State Controllers Report, required by the State of California; and 4) Assistance in preparation of the District's CAFR. If necessary, due to receipt of sufficient federal grant funds, the firm will also complete a Single-Audit report as required by the Federal Government, at no additional cost to the District.

**FISCAL IMPACT:**

The fee for auditing services for the Fiscal Year ending June 30, 2012, will not exceed \$34,000. This is an increase of \$1,000 over last year's fee, but is the first fee increase since the inception of the contract in 2009.

**STRATEGIC GOAL:**

The District ensures its continued financial health through long-term financial planning, formalized financial policies, enhanced budget controls, fair pricing, debt planning, and improved financial reporting.

**LEGAL IMPACT:**

Required by law.

Attachments: Attachment A - Committee Action Form  
Attachment B - White Nelson Diehl Evans LLP Audit  
Engagement Letter  
Attachment C - White Nelson Diehl Evans LLP State  
Controllers Report Engagement Letter  
Attachment D - White Nelson Diehl Evans LLP Agreed  
Upon Procedures Engagement Letter



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Appointment of Auditor for Fiscal Year Ending June 30, 2012
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on February 14, 2012. The following comments were made:

- Staff indicated that Diehl and Evans, LLP has performed the audit of the District's financial statements for the past three (3) years. Staff is requesting that the District retain their services for the FY 2012 Audit.
- A year ago, at the board's direction, the Diehl and Evans' partner overseeing the audit was changed from Mr. Harvey Schroeder to Mr. Nitin Patel as it was felt that it would provide a new view of the District's financials. It was noted that Mr. Schroeder had overseen the audit for two (2) years and this will be Mr. Patel's second year to oversee the audit.
- It was indicated that during this past year, after the audit on the District's financial statements had started, Diehl and Evans merged with White and Nelson creating the firm White Nelson Diehl Evans, LLP (WNDE). This merger did not impact the audit last year and the partner and audit team will stay the same for FY 2012.
- Mr. Patel indicated that the manager overseeing the FY 2012 audit will be Mr. David Foreman who had worked with him (Mr. Patel) last year. He noted that Mr. Lee Paravano had been the audit manager for the District's audits. Mr. Foreman had worked with Mr. Paravano on the District's prior audits and will now manage the audit.
- Staff indicated that based on WNDE's prior performance, that the committee recommend that WNDE be selected to perform the District's FY 2012 audit.

- The committee inquired, with regard to the areas that WNDE had suggested improvements, how those improvements were doing. Staff indicated that they were working fine.
- It was discussed that staff has been happy with WNDE's work and that they have been extremely thorough and very well organized in performing the audit.
- The District is in great financial shape and has received an "Unqualified Opinion" every year from the audit team, which is the highest level of opinion that can be received.
- It was also indicated that WNDE has reviewed and provided the District advice on its annual reports which has assisted the District in receiving awards for its Comprehensive Annual Financial Reports.

The committee supported staffs' recommendation and presentation to the full board on the consent calendar.

The above signatures attest that the attached document has been reviewed and to the best of their ability the signers verify that it meets the District quality standard by clearly and concisely conveying the intended information; being grammatically correct and free of formatting and typographical errors; accurately presenting calculated values and numerical references; and being internally consistent, legible and uniform in its presentation style.

WHITE NELSON DIEHL EVANS LLP  
Certified Public Accountants & Consultants

January 30, 2012

Mr. Joseph R. Beachem  
Chief Financial Officer  
Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, CA 91978-2004

Dear Mr. Beachem:

We are pleased to confirm our understanding of the services we are to provide Otay Water District (the District) for the year ending June 30, 2012. We will audit the financial statements of Otay Water District as of and for the year ending June 30, 2012. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Otay Water District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Otay Water District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted principles and will be subjected to certain procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Funding Progress for PERS
3. Schedule of Funding Progress for DPHP

If a Single Audit is required, supplementary information other than RSI also would accompany Otay Water District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Expenditures of Federal Awards

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditor's report will not provide an opinion or any assurance.

1. Introductory Section
2. Statistical Section

### **Audit Objective**

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplemental information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to express an opinion, we may decline to express an opinion or may not issue a report as a result of this engagement.

If the District is subject to a Single Audit the objective of our audit also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the District, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

If the District is subject to a Single Audit, our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

## **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. If the District is subject to a Single Audit, management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the financial position of the Otay Water District and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, if a Single Audit is required, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit (if required). Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures - Internal Controls**

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

If a Single Audit is required, as required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

### **Audit Procedures - Internal Controls (Continued)**

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* and related addenda for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

### **Audit Administration Fees, and Other**

Noted below is a listing of work required by District staff to assist in the audit.

1. Preparation of trial balances for all funds, after posting of all year end journal entries.
2. Preparation of schedules supporting all major balance sheet accounts, and selected revenue and expense accounts.
3. Typing of all confirmation requests.
4. Pulling and refileing of all supporting documents required for audit verification.
5. Preparation of the Management's Discussion and Analysis.

The workpapers for this engagement are the property of White Nelson Diehl Evans LLP and constitute confidential information. However, we may be requested to make certain workpapers available to grantor agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of our personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to the grantor agencies. The grantor agencies may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

In accordance with our firm's current record retention policy, all of your original records will be returned to you at the conclusion of this engagement. Our accounting workpaper files will be kept for a period of seven years. All other files will be kept for as long as you retain us as your accountants. However, upon termination of our service, all records will be destroyed after a period of seven years. Physical deterioration or catastrophic events may further shorten the life of these records. The working papers and files of our firm are not a substitute for your original records.

**Audit Administration Fees, and Other (Continued)**

We expect to begin our audit on approximately August 1, 2012 and to issue our reports no later than October 31, 2012. Nitin Patel is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, for the year ending June 30, 2012 will not exceed \$34,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our peer review reports accompany this letter.

We appreciate the opportunity to be of service to the Otay Water District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Nitin P. Patel, CPA  
Engagement Partner

RESPONSE:

This letter correctly sets forth the understanding of the Otay Water District

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# HEIDENREICH & HEIDENREICH, CPAs, PLLC

10201 S. 51<sup>st</sup> Street #170  
Phoenix, AZ 85044  
(480)704-6301 fax 785-4619

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## System Review Report

January 28, 2009

To the Owners of  
Diehl, Evans & Company, LLP  
and the Peer Review Committee of the CA Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Diehl, Evans & Company, LLP (the firm) in effect for the year ended September 30, 2008. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Diehl, Evans & Company, LLP in effect for the year ended September 30, 2008, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Diehl, Evans & Company, LLP has received a peer review rating of *pass*.

*Heidenreich & Heidenreich*

Heidenreich & Heidenreich, CPAs, PLLC



**Clifton  
Gunderson LLP**  
Certified Public Accountants & Consultants

## System Review Report

To the Partners  
White Nelson & Co., LLP  
and the Peer Review Committee of the California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of White Nelson & Co., LLP (the firm) in effect for the year ended March 31, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagement selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of White Nelson & Co., LLP in effect for the year ended March 31, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. White Nelson & Co., LLP has received a peer review rating of *pass*.

*Clifton Gunderson LLP*

Phoenix, Arizona  
September 30, 2009

WHITE NELSON DIEHL EVANS LLP  
Certified Public Accountants & Consultants

January 30, 2012

Mr. Joseph R. Beachem  
Chief Financial Officer  
Otay Water District  
2554 Sweetwater Springs Blvd.  
Spring Valley, CA 91978-2004

Dear Mr. Beachem:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services that we will provide.

We will compile and provide the Special Districts Financial Transaction Report and Supplement to the Annual Report of the Otay Water District (District) for the year ending June 30, 2012 to be included in the form prescribed by the California State Controller's Office. Our report is presently expected to read:

“We have compiled the accompanying Annual Report of Financial Transactions of Otay Water District for the year ending June 30, 2012, included in the accompanying prescribed form and as filed electronically with the California State Controller's Office, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the California State Controller information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the State Controller of California, which differ from generally accepted accounting principles. These financial statements omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.”

Mr. Joseph R. Beachem, CFO

January 30, 2012

Otay Water District

Page 2

Our fee to prepare the report is included in the \$34,000 maximum fee quoted in the engagement letter to conduct the June 30, 2012 financial audit of the District dated January 30, 2012. This fee contemplates that conditions satisfactory to the normal progress and completion of the Report will be encountered and that the District personnel will furnish assistance in connection with the Report preparation.

We appreciate the opportunity to be of service to the Otay Water District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Nitin P. Patel, CPA  
Engagement Partner

RESPONSE:

This letter correctly sets forth the understanding of the Otay Water District.

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

WHITE NELSON DIEHL EVANS LLP  
Certified Public Accountants & Consultants

January 30, 2012

Mr. Joseph R. Beachem  
Chief Financial Officer  
Otay Water District  
2554 Sweetwater Springs Blvd.  
Spring Valley, CA 91978-2004

Dear Mr. Beachem:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Otay Water District.

We will apply the agreed-upon procedures which the District's senior management has specified, listed in Attachment A solely to assist the District's senior management in evaluating the investments of the District for the fiscal year ending June 30, 2012. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the evaluation of the investments of the District. In addition, we have no obligation to perform any procedures beyond those listed in Attachment A.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of District senior management, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You are responsible for the presentation of the evaluation of the investments of the District; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for making all management decisions and performing all management functions; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Mr. Joseph R. Beachem, CFO  
Otay Water District  
January 30, 2012  
Page 2

Nitin P. Patel, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately August 1, 2012 and, unless unforeseeable problems are encountered, the engagement should be completed by October 31, 2012. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the evaluation of the investment of the District.

Our fee to prepare the report is included in the \$34,000 maximum fee quoted in the engagement letter to conduct the June 30, 2012 financial audit of the District dated January 30, 2012. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,



Nitin P. Patel CPA  
Engagement Partner

RESPONSE:

This letter correctly sets forth the understanding  
of the Otay Water District.

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Attachment A**

**Agreed Upon Procedures**

1. Obtain a copy of the District's investment policy and determine that it is in effect for the time period under review.
2. Select 4 investments held at year end and determine if they are allowable investments under the District's Investment Policy.
3. For the four investments selected in #2 above, determine if they are held by a third party custodian designated by the District.
4. Confirm the par or original investment amount and market value for the four investments selected above with the custodian or issuer of the investments.
5. Select two investment earnings transactions that took place during the year and recompute the earnings to determine if the proper amount was received.
6. Trace amounts received for transactions selected at #5 above into the District's bank accounts.
7. Select five investment transactions (buy, sell, trade or maturity) occurring during the year under review and determine that the transactions are permissible under the District's investment policy.
8. Review the supporting documents for the five investments selected at #7 above to determine if the transactions were appropriately recorded in the District's general ledger.



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
SUBMITTED BY:	Armando Buelna, Communications Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approve the selection of Marston+Marston Inc. for Public Outreach and Creative Services.		

### GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District's Board of Directors authorize the General Manager to finalize negotiations and enter into a three-year agreement (one-year with an option to renew for two additional years) with Marston+Marston Inc. for Public Outreach and Creative Services for an amount not to exceed \$200,000 for the life of the agreement. The contract allows the District to continue using Marston+Marston Inc. until either party chooses to terminate the business relationship.

### COMMITTEE ACTION:

See Attachment A

### BACKGROUND

In May, 2009, the Board approved the District's agreement with Marston+Marston Inc. for public and community relations services.

Board Policy establishes procedures governing the selection of professional consultants in the performance of District work. The policy sets forth procedures for selecting consultants for contracts greater than \$50,000. In compliance with Board Policy, staff developed a Request for Proposals for public relations and as-needed creative services.

### SELECTION PROCESS

RFPs were sent to more than 20 local public relations firms on January 10, 2012, with a due date of January 27, 2012. This date was extended to February 2, 2012 to give as many firms as possible time to develop and submit proposals. Five RFPs were received and reviewed by staff.

Proposals were received from:

Cook+Schmid LLC  
Humanability  
Katz and Associates  
Marston+Marston Inc.  
Southwest Strategies LLC

A three person panel jointly reviewed and rated the proposals. The proposals were rated based on:

- a. Conformance with the RFP
- b. Ability to Perform the Work
- c. Experience with Otay or Similar Water Agencies
- d. Knowledge/Technical Support Related to the Work
- e. Availability/Accessibility/Office Location
- f. Experience/Credentials of Person(s) Servicing the Account
- g. Approach to Work/Managing Account
- h. Cover Letter/Description of Services
- i. Other Services Vendor Would Recommend
- j. Cost
- k. Errors and Omissions

Each item was reviewed and rated. Some items were given a greater weight based on the relevance to the District's business needs.

### **CONCLUSION**

Based on the overall evaluation and scoring, staff recommends continuing with Marston+Marston Inc. All of the firms responding are capable of providing the services requested. The following factors placed Marston+Marston Inc. ahead of the other firms:

- 1) Marston+Marston Inc. received the highest overall ranking.
- 2) Marston+Marston Inc. have had an excellent track record of service with the District.
- 3) There would be no delays or costs associated with a transition.

- 4) Set pricing for necessary services over the term of the agreement.

**ONGOING SERVICES**

Public outreach and creative services needed for developing District newsletters, bill inserts, the annual consumer confidence report, flyers, brochures, press releases, graphic design and translation services are all ongoing functions of the District. Staff is proposing a contract for these services to extend through June 30, 2014. This would assure the delivery of these services on an uninterrupted basis and affirm the District is receiving the best value for its dollar.

**FISCAL IMPACT:**

Due to the high level of public relations and outreach services needed in the first and second quarters of FY 2012, additional services were required that were not anticipated when the budget was developed and adopted. Public relations and graphic design was budgeted at \$40,000 for FY 2012. Through the RFP process, Marston+Marston Inc. is recommended to continue providing these services to the District. Funding through the end of the fiscal year is projected to total \$78,000. These funds are available through the District's General Fund. The contract amounts for FY 2013 and 2014 will be incorporated into those budget processes.

**LEGAL IMPACT:**

None.

**Attachments:**

- A - *Committee Action Report*
- B - *RFP Evaluation Form*



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Approve the selection of Marston+Marston Inc. for Public Outreach and Creative Services.
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on February 14, 2012. The following comments were made:

- Board Policy establishes procedures for contracts over \$50,000. In compliance with that policy, staff created an RFP and forwarded it to 20 local public relations firms. The District received five (5) responses.
- A panel consisting of the General Manager, Purchasing Manager, and the Communications Officer reviewed the proposals based on a number of qualifications that included:
  - Experience working with water agencies
  - Qualifications and knowledge of staff that would be servicing the account
  - Firms knowledge of technical support related to the District's needs
- Based on the overall evaluation and scoring, staff recommends that the District continue services with Marston+Marston who have worked with the District for the past 12 years. They have an excellent track record, presented an excellent proposal, responded affirmatively to the District's RFP, and is very familiar with the District's business and the goals of its outreach programs.

- It was discussed that a couple of the proposals were very strong and it was a good exercise to test the market and see how rates compare.
- Following the Committee meeting, staff identified savings in the District's Outside Services budget sufficient to offset the additional cost of public relations and outreach services required through the end of the fiscal year.

The committee supported staffs' recommendation and presentation to the full board on the consent calendar.

**Public Outreach and Creative Services Rating Sheet**

**Attachment B**

Score 1 thru 5 (5 being highest or best)	Conformance with RFP	Vendor's Ability to Perform Work	Vendor's experience with Otay or similar agencies	Staff knowledge/ technical support related to work	Staff availability/ accessibility / office location	Experience /credentials of persons servicing account	Approach to work / ideas / managing our account	Cover letter / description of services Vendor will provide	Other services they would recommend	Cost	Errors and Omissions
<b>Marston+Marston</b>											
Watton	4	5	5	5	5	4	4	5	4	4	5
Buelna	4	5	4	5	5	4	4	4	4	4	5
Dobrawa	4	5	5	4	5	4	4	5	4	4	5
<b>Southwest Strategies</b>											
Watton	2	3	3	2	5	3	2	2	1	1	3
Buelna	2	3	3	2	3	2	2	2	2	2	1
Dobrawa	2	3	3	3	5	3	3	2	2	2	2
<b>Humanability</b>											
Watton	2	3	5	4	3	4	4	3	2	1	3
Buelna	2	3	4	4	3	4	4	4	3	1	1
Dobrawa	2	3	4	5	3	4	4	3	2	1	2
<b>Katz and Associates</b>											
Watton	2	5	5	5	5	3	4	2	3	3	5
Buelna	2	5	5	5	5	3	4	2	3	3	5
Dobrawa	3	5	5	5	5	2	4	2	3	1	5
<b>Cook +Schmid</b>											
Watton	4	4	3	3	5	4	4	4	3	5	5
Buelna	4	5	4	3	5	5	4	4	3	5	5
Dobrawa	4	4	3	4	5	4	4	4	3	5	5

Score 1 thru 5 (5 being highest or best)	Conformance with RFP	Vendor's Ability to Perform Work	Vendor's experience with Otay or similar agencies	Staff knowledge/ technical support related to work	Staff availability/ accessibility / office location	Experience /credentials of persons servicing account	Approach to work / ideas / managing our account	Cover letter / description of services Vendor will provide	Other services they would recommend	Cost	Errors and Omissions
Marston+Marston	4.0	5.0	4.7	4.7	5.0	4.0	4.0	4.7	4.0	4.0	5.0
Southwest Strategies	2.0	3.0	3.0	2.3	4.3	2.7	2.3	2.0	1.7	1.7	2.0
Humanability	2.0	3.0	4.3	4.3	3.0	4.0	4.0	3.3	2.3	1.0	2.0
Katz and Associates	2.3	5.0	5.0	5.0	5.0	2.7	4.0	2.0	3.0	2.3	5.0
Cook+Schmid	4.0	4.3	3.3	3.3	5.0	4.3	4.0	4.0	3.0	5.0	5.0
Weighting	2.0	2.0	3.0	5.0	3.0	3.0	3.0	2.0	3.0	3.0	1.0
Marston+Marston	8.0	10.0	14.0	23.3	15.0	12.0	12.0	9.3	12.0	12.0	5.0
Southwest Strategies	4.0	6.0	9.0	11.7	13.0	8.0	7.0	4.0	5.0	5.0	2.0
Humanability	4.0	6.0	13.0	21.7	9.0	12.0	12.0	6.7	7.0	3.0	2.0
Katz and Associates	4.7	10.0	15.0	25.0	15.0	8.0	12.0	4.0	9.0	7.0	5.0
Cook+Schmid	8.0	8.7	10.0	16.7	15.0	13.0	12.0	8.0	9.0	15.0	5.0

Total
133
75
96
115
120

**RESOLUTION NO. 4193**

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF OTAY WATER DISTRICT CONFIRMING  
MR. JAMES BOND, COUNCIL MEMBER FOR THE  
CITY OF ENCINITAS AND DIRECTOR FOR SAN  
DIEGUITO WATER DISTRICT, TO VOTE IN THE  
ABSENCE OF THE AGENCY'S REPRESENTATIVES  
TO THE SAN DIEGO COUNTY WATER AUTHORITY

**WHEREAS**, Section 6(g) of the County Water Authority Act (Chapter 545 of the Statutes of 1943, Chapter 45 Water code - Appendix) provides that a member agency's representatives to the San Diego County Water Authority may designate another member of the Board of Directors of the Water Authority to vote in the absence of such representatives, provided the designee is confirmed by the governing body of the member agency; and

**WHEREAS**, Gary Croucher or Mark Watton has designated Mr. James Bond, Council Member for the City of Encinitas and Director for San Dieguito Water District;

**NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED, AND ORDERED**, by the Board of Directors of the Otay Water District as follows:

1. That Mr. James Bond, Council Member for the City of Encinitas and Director for San Dieguito Water District, is hereby confirmed and authorized to vote for the Otay Water District representatives to the San Diego County

Water Authority when both OWD representatives are absent from a meeting of the Authority.

2. That the Secretary of the Board is directed to file a certified copy of this Resolution with the Board Secretary of the San Diego County Water Authority.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of Otay Water District at a regular meeting held this 7th day of March, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

-----  
President

ATTEST:

-----  
District Secretary



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
	Armando Buelna Communications Officer	PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:			
APPROVED BY:	<input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Customer Surveys - Draft Survey Questionnaires		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board of Directors review the draft questionnaires to be used in the next Customer Satisfaction and Awareness and Call Center Surveys.

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To provide the Board of Directors the opportunity to review the draft questionnaires to be used in the next Customer Satisfaction and Awareness and Call Center Surveys.

**ANALYSIS:**

Attached are draft questionnaires developed by Rea & Parker Research in conjunction with District staff for consideration by the Board of Directors for use in the Customer Satisfaction and Awareness (General) and Call Center surveys.

In the General survey, customers residing within the District's service area will be selected at random for a telephone survey.

Respondents are asked a series of questions to ascertain their overall perception of service, rates, and District programs. The results are then analyzed and are representative of all Otay customers with a margin of error of +/- 5.7% at a 95% confidence level.

With the results of this and baseline data from earlier surveys, the District is able to follow changes in customer attitudes and opinions. The opinions of Otay customers, where applicable, can also be compared and contrasted to those collected by the San Diego County Water Authority in their annual customer survey.

In the Call Center survey, respondents will be selected at random from those customers who have contacted the District's Customer Service Call Center within the last 6 months. Those individuals will be asked about specific Call Center interaction such as courtesy, knowledge, and helpfulness of Customer Service personnel. This survey of 300 customers will also yield a margin of error of +/- 5.7% at 95% confidence.

To obtain a lower margin of error for the surveys, the survey size would have to increase. For instance, to obtain a margin of error of +/- 5% at 95% confidence, where n equals the number of people sampled, n would have to increase to 385, though n = 400 is more commonly used. The additional cost to reduce the margin of error to +/- 5% is \$2,500 for each survey (or \$2,750 for the more commonly used n = 400). To obtain a margin of error of +/-4% at 95% confidence, the survey size would increase further to n = 600, and cost an additional \$6,500 more per survey.

The ultimate goal of each survey is to improve customer service.

**FISCAL IMPACT:**

The cost of conducting the two surveys with a margin of error of +/- 5.7% at 95% confidence will total \$28,500. Funding at this level is included in the General Manager's adopted budget. Based on a review of the budget, the Communications Officer anticipates the budget is sufficient to support performing these two customer surveys.

**STRATEGIC GOAL:**

Deliver high quality services to meet customer needs, and increase confidence of the customer in the value the District provides.

**LEGAL IMPACT:**

None.

Attachments: Attachment A - Committee Action  
Attachment B - General Customer Survey  
Attachment C - Call Center Survey



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Customer Surveys - Draft Survey Questionnaires
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on February 14, 2012. The following comments were made:

- Each year the District performs a customer survey with the goal to improve customer service throughout the District.
- This year's survey will, again, include questions regarding customers' perceptions of the District's rates, service and their receptivity to new District initiatives, such as, on-line/paperless billing, social media, etc.
- Two surveys will be executed; 1) Customer Satisfaction and Awareness Survey (General Survey) and 2) Call Center Survey. Both surveys will be performed by telephone.
- The General Survey will consist of calling customers from throughout the District who have been randomly selected and asking each a series of questions. The General Survey would take approximately 15 to 17 minutes.
- The Call Center Survey will only include those customers who have had contact with the District's call center within the last six (6) months. The survey will consist of questions that are related to customers' experience with the call center staff and would include questions, such as, the knowledge and courtesy of the Call Center staff, etc. This survey would take approximately 10 to 12 minutes.
- The margin of error for the surveys is  $\pm 5.7\%$  with 95% confidence level. To get this level of confidence, the consultant will make several thousand phone calls to get 300 valid respondents. To reduce the margin of error to  $\pm 5\%$ , many more calls would need to be made, which will require more data processing and will

increase the cost to perform the survey. The additional cost to obtain a lower margin of error follows:

- o Reduce Margin of Error to  $\pm 5\%$  is \$2,500 per survey (\$5,000 for both surveys)
  - o Reduce Margin of Error to  $\pm 4\%$  is \$6,500 per survey (\$13,000 for both surveys)
- The District has funds budgeted to cover the cost of both surveys with a margin of error of  $\pm 5.7\%$ .
  - It was discussed that the minimum standard of error is  $\pm 5\%$  and the survey results would be more reliable if the margin of error was kept under  $\pm 5\%$ . The committee felt that it may be worth the additional cost to include a larger sample as it would assure more accurate results. The committee requested that staff present at the board meeting, for the board's consideration, the cost if the margin of error was reduced to  $\pm 4\%$ ,  $\pm 4.5\%$  and  $\pm 5\%$ .
  - In response to the Committee's request above, the cost to reduce the margin of error to  $\pm 4.5\%$  is \$4,375 per survey (\$8,750 for both surveys). The cost to reduce the margin of error to  $\pm 4\%$  and  $\pm 5\%$  is noted several bullets above.
  - It was also discussed that staff would identify savings in the current budget to reduce the margin of error to the levels described above. Staff has identified savings in the District's Outside Services budget that are sufficient to offset the additional cost of conducting the surveys at a level resulting in a lower margin of error of  $\pm 5\%$ ,  $\pm 4.5\%$ , or  $\pm 4\%$ .

The committee supported staffs' recommendation and presentation to the full board on the action calendar.

**Otay Water District**  
**General Survey**

INT. Hello, my name is \_\_\_\_\_. I'm calling on behalf of the Otay Water District. We're conducting a study about some issues having to do with your household water supply and we're interested in your opinions. **[IF NEEDED:]** Are you at least 18 years of age or older? **[IF 18+ HOUSEHOLDER NOT AVAILABLE NOW, ASK FOR FIRST NAME AND MAKE CB ARRANGEMENTS]**

VER. **[VERSION OF INTERVIEW:]** 1 - VERSION A 2 - VERSION B\*

\* = RESPONSE OPTIONS REVERSED ON VERSION B FOR ALL QUESTIONS INDICATED

IC. Let me assure you that no names or addresses are associated with the telephone numbers, and all of your responses are completely anonymous. The questions take about ten minutes. To ensure that my work is done honestly and correctly, this call may be monitored. Do you have a few minutes right now?

**[IF ASKED ABOUT MONITORING:]** My supervisor randomly listens to interviews to make sure we're reading the questions exactly as written and not influencing answers in any way.

TOP. **[ONLY IF ASKED FOR MORE INFORMATION ABOUT TOPIC OR WHO'S SPONSORING IT?:]** This project is sponsored by the Otay Water District, and it's about some issues related to your household water supply. **[IF SPONSOR INFORMATION GIVEN TO RESPONDENT, "TOPIC"=1]**

CUST. How long have you been a customer of the Otay Water District? **[IF LESS THAN ONE YEAR, THANK AND CODE NQR-RES]**

\_\_\_\_\_ YEARS  
0 -----> "NQR-RES"  
99 - DK/REF, BUT AT LEAST ONE YEAR

SEX. **[RECORD GENDER OF RESPONDENT:]**

1 - MALE  
2 - FEMALE

----- **QUALIFIED RESPONDENT: QUOTAS CHECKED; DATA SAVED** -----

LP. **[IF INDICATED BY ACCENT:]** Would you prefer that we speak in...

1 - English or  
2 - Spanish?

**SATISFACTION**

Q1: How would you rate your overall satisfaction with the Otay Water District as your water service provider?

1---Excellent  
2---Very Good

- 3—Good
- 4---Fair
- 5—Poor
- 6---Very Poor

**9 - DK/REF [DO NOT READ]**

Q1a. **[IF Q1 = 5 or 6]** Please explain why you feel this way?

---

Q2: Have you called the Otay Water District for service or other help during the past 6 months?

- 1 - YES
- 2 - NO – **[GO TO Q3]**
- 9 - DK/REF [DO NOT READ]– [GO TO Q3]**

Q2a—**[IF Q2 = 1]** How would you rate your overall level of satisfaction with the service you received when you called for service or help?

- 1---Excellent
- 2---Very Good
- 3—Good
- 4---Fair
- 5—Poor
- 6---Very Poor
- 9 - DK/REF [DO NOT READ]**

Q3. These next questions are related to the water supply in San Diego County. How confident are you in the ability of local water agencies to provide enough water to you? Would you say...\* **[REVERSE]**

- 1 - very confident,
- 2 - somewhat confident,
- 3 - not very confident,
- 4 - not at all confident,
- 5 - or are you not sure? **[INCLUDES DK/REF]**

Q4. How much trust do you have in the ability of the Otay Water District to provide clean, safe water to the district? Would you say...\* **[REVERSE]**

- 1 – a great deal of trust,
- 2 – a good amount of trust,
- 3 – some trust,
- 4 -- not much trust,
- 5 – no trust at all?
- 9 -- not sure **[INCLUDES DK/REF]**

Q4a. How much trust do you have in the Otay Water District to obtain this water for you at a reasonable price? Would you say...**[REVERSE]**

- 1 – a great deal of trust,
- 2 – a good amount of trust,
- 3 – some trust,

- 4 -- not much trust,
- 5 – no trust at all?
- 9 -- not sure [INCLUDES DK/REF]

**WATER SHORTAGE-----WATER RATES**

Q5a-c. I am going to mention six utilities that serve the needs of residents and businesses in the region. Considering only those utilities that you pay for, which would you say is the best value for the amount of money that you pay. Which ones are second and third?  
**[ROTATE LIST]**

	MOST (5a)	SECOND (5b)	THIRD (5c)
a. Trash collection	1	1	1
b. Water	2	2	2
c. Sewer	3	3	3
d. Telephone	4	4	4
e. Cable or Satellite TV	5	5	5
f. Internet access	6	6	6
g. Gas & Electric	7	7	7

Q6. In the past year, do you believe that your water rates have...

- 1 - gone up,
- 2 - gone down, -----> **GO TO Q7**
- 3 - stayed about the same, -----> **GO TO Q7**
- 4 - or are you not sure? -----> **GO TO Q7**
- 9 - DK/REF [DO NOT READ]-----> GO TO Q7**

Q6a **[IF Q6 = 1]**. What do you think has been the two biggest causes of your rates increasing?

**[DO NOT READ-----CODE USING FOLLOWING SCHEMA:]**

- 1 – INCREASED RELIANCE ON IMPORTED WATER**
- 2 – WATER SHORTAGE DUE TO LESS RAIN IN SAN DIEGO THAN NORMAL**
- 3 - POPULATION GROWTH**
- 4 – COURT ORDERS REDUCING LOCAL WATER SUPPLY**
- 5 – PRICE INCREASES FROM THE METROPOLITAN WATER DISTRICT**
- 6—PRICE INCREASES FROM THE SAN DIEGO COUNTY WATER AUTHORITY**
- 7—INCREASING OPERATIONAL COSTS AT OTAY WATER DISTRICT**
- 8—OTAY WATER DISTRICT MANAGEMENT COSTS**
- 9—LESS SNOW IN MOUNTAINS**
- 10—LESS WATER IN COLORADO RIVER**
- 20- OTHER \_\_\_\_\_**
- 99. DK/REF**

Q6b. **[IF Q6 = 1]** Have higher water rates affected your level of satisfaction with the Otay Water District?

1 – Yes. Higher water rates have caused my overall satisfaction with the Otay Water District to decline.

2 - No. Higher water rates have not changed my overall satisfaction with the Otay Water District. Rising rates are not entirely within the District's control.

**9 - DK/REF [DO NOT READ]**

Q6c. **[IF Q6=1]** Have higher water rates motivated you to conserve more water?

1 – YES

2 - NO-----> **GO TO Q7**

**9 - DK/REF [DO NOT READ]-----> GO TO Q7**

Q6d. **[IF Q6c=1]** What specific major step **has your household taken in the past year** to reduce your water usage?

\_\_\_\_\_99-DK/REF

**[DO NOT READ-----CODE USING FOLLOWING SCHEMA:]**

**1 – OUTDOOR WATER LESS TIME**

**2 - IRRIGATE EARLIER IN THE MORNING OR LATER AT NIGHT**

**3—LET MY LANDSCAPE/LAWN DIE**

**4 - OUTDOOR WATERING FEWER DAYS DAY PER WEEK**

**5 - CHECK THE SOIL'S MOISTURE LEVEL BEFORE WATERING**

**6 - REPLACE UNUSED TURF WITH LOW-WATER PLANTS**

**7 - UPGRADE IRRIGATION SYSTEM TO INCLUDE NEW, HIGH-EFFICIENCY EQUIPMENT**

**8 – PURCHASE A HIGH EFFICENCY CLOTHES WASHER**

**9 – WASH ONLY FULL LOADS OF CLOTHES OR DISHES**

**10 – TAKE SHORTER SHOWERS**

**11 – USE A BROOM INSTEAD OF A HOSE ON PAVED AREAS**

**12 – FIX INDOOR LEAKS (TOILET, FAUCET, ETC.)**

**13 – FIX OUTDOOR LEAKS (SPRINKLERS, SPAS, ETC.)**

**14-- DO NOT LET WATER RUN**

**15 – COLLECT AND REUSE**

**16 – REPLACE GRASS WITH ARTIFICIAL/SYNTHETIC TURF**

**20 – OTHER, SPECIFY \_\_\_\_**

## **OUTDOOR WATERING---ASK EVERYONE**

Q7. These next few questions deal with using water outdoors. Does your residence have any outdoor landscaping that someone in your household is directly responsible for maintaining?

1 - YES

2 - NO/APT/CONDO/NO YARD RESPONSIBILITIES -----> **GO TO Q8**

**9 - DK/REF—DO NOT READ -----> GO TO Q8**

Q7a. Does your landscaping include a lawn?

- 1 - YES
- 2 - NO

**9 - DK/REF [DO NOT READ]**

Q7b. Do you have an automatically-controlled sprinkler system for your landscaping?

- 1 - YES
- 2 - NO -----> **GO TO Q8**

**9 - DK/REF [DO NOT READ]-----> GO TO Q8**

Q7c. **[IF Q7b = 1]** During the past 12 months, how often has anyone made adjustments to the automatic controller for your sprinkler system?

- 1 - NOT AT ALL
- 2 - 1 TO 3 TIMES
- 3 - 4 to 6 TIMES
- 4 - 7 OR MORE TIMES
- 5 - USE WEATHER-BASED CONTROLLER
- 9 - DK/REF [DO NOT READ]**

## **DESALINATION**

Q8. These next questions are about desalination. Are you familiar with the term “desalination.”

- 1. YES
- 2. NO **[include DK/REF]**

Q9. **[IF Q8a = 1, then start with “As you may already know,”]** Desalination is the process of making drinking water and water for other household and business uses from ocean water. Desalination is a process that forces water through a very fine filter that is designed to remove ocean salts and other impurities from the ocean water.

Do you believe that desalination is important to maintaining a reliable supply of water in San Diego County?

- 1- Yes, very important
- 2- Yes, somewhat important
- 3- No, not very important
- 4- No, not at all important
- 9. DK/REF---[DO NOT READ—ONLY IF VOLUNTEERED]**

Q10. **AN OCEAN WATER DESALINATION PLANT IS TENTATIVELY PLANNED FOR THE CITY OF ROSARITO BEACH IN MEXICO AND THE OTAY WATER DISTRICT HAS THE OPPORTUNITY TO PURCHASE SOME OF THAT WATER STARTING IN 2015 OR 2016. THIS PROJECT WOULD BE FINANCED AND OPERATED BY INTERNATIONAL COMPANIES WITH CONSIDERABLE EXPERIENCE IN OCEAN**

**WATER DESALINATION, WITH TIJUANA, ROSARITO BEACH, AND THE OTAY WATER DISTRICT BEING THE PLANT'S CUSTOMERS.**

Would you be in favor of pursuing such an agreement with these international companies to develop additional supplies of water from seawater desalination?

- 1. Yes—GO TO Q11
- 2. No
- 9 - DK/REF [DO NOT READ]—GO TO Q11

Q10a. [IF Q10 = 2] Why are you not in favor of this desalination agreement?

[USE FOLLOWING CODING BUT DO NOT READ—ENTER OTHER ANSWERS VERBATIM—99 = DK/REF]

1. Questionable water quality
2. It should be done in U.S—US needs the jobs.
3. Do not trust/want to deal with Mexico
4. High cost
5. Do not know enough yet—Need more information
6. Do not want to drink sea water
7. Want local control

**WATER RECYCLING**

Q11a-d. The use of recycled water is another way to increase the water supply. Would you favor or oppose the use of recycled water for the following types of uses...

[CLARIFY:] Do you strongly or somewhat {favor/oppose} that?

Do you favor or oppose using recycled water...	<u>strgly</u> <u>favor</u>	<u>smwt</u> <u>favor</u>	<u>smwt</u> <u>oppose</u>	<u>strgly</u> <u>oppose</u>	<u>DK/</u> <u>REF—not</u> <u>read</u>
a) for <u>watering</u> landscaping along freeways open space, parks and golf courses?	1	2	3	4	9
b) for watering residential front yards?	1	2	3	4	9
c) for replenishing recreational lakes?	1	2	3	4	9
d) as an addition to the supply of drinking water	1	2	3	4	9

**CONSERVATION GARDEN**

Q12. Have you ever seen or heard anything about the Water Conservation Garden at Cuyamaca College?

- 1 - YES

2 - NO-----> **GO TO Q13**  
9 - DK/REF [DO NOT READ]-----> **GO TO Q13**

Q12a. **[IF Q12 = 1]** Have you or any member of your family ever visited the garden?

1 - YES  
2 - NO -----> **GO TO Q13**  
9 - DK/REF [DO NOT READ]-----> **GO TO Q13**

Q12b. Have you made any changes to your watering or landscaping practices as a result of visiting the Garden?

1 – YES  
2 – NO  
9 - DK/REF [DO NOT READ]

## **PUBLICATIONS**

Q13. Do you read the newsletter or bill inserts that come in the mail with your monthly water bill...

1 - every time,  
2 - most times,  
3 - sometimes, or  
4 - never?  
9 - DK/REF [DO NOT READ]

## **SOCIAL MEDIA**

Q14a-e. Which, if any, of the following social media websites do you use?

	YES (1)	NO (2) (incl. DK)
a. Facebook		
b. Twitter		
c. LinkedIn		
d. My Space		
e. You Tube		

14f-g. Are there any other Social Media websites that you use \_\_\_\_\_  
**[RECORD UP TO TWO RESPONSES]—ENTER 9 IF RESPONSE IS NO OR DK**

Q15a-e. Do you think that the Otay Water District can use these sites for your benefit to

	YES	NO	DK (do not read)
a. notify you about scheduled construction or system repairs			
b. ask questions and receive comments about your satisfaction with services			
c. distribute emergency information			
d. discuss water industry news and new developments			

- e. communicate information about the District

Q16. On a scale of 1-5, with 1 being very important and 5 being very unimportant, how important is it to you that the Otay Water District have a presence using social media?

- 1. Very important
- 2. Somewhat important
- 3. Neither Important nor important
- 4. Somewhat unimportant
- 5. Very Unimportant
- 9 - DK/REF [DO NOT READ]**

## COMMUNICATION

Q17. The Otay Water District sends information to its customers on a regular basis. How would feel about receiving information from the Otay Water District at your home e-mail address?

- 1 – I think that using my home e-mail is a good way for me to receive information from the Otay Water District.
- 2 – I do not want to receive information from the Otay Water District at my home e-mail.
- 9 - DK/REF [DO NOT READ]**

Q18. Have you ever visited the Otay Water District website?

- 1 - YES
- 2 – HAVE ACCESS TO INTERNET, BUT HAVE NOT VISITED WEBSITE -----  
-----> **GO TO Q19**
- 3—DO NOT HAVE ACCESS TO THE INTERNET-----> **GO TO Q19**
- 9 - DK/REF [DO NOT READ]-----> GO TO Q19**

Q18a. **[IF Q18 = 1]** How would you rate the website? Would you say...

- 1 - excellent,
- 2 - good,
- 3 - fair, or
- 4 - poor?
- 9 - DK/REF [DO NOT READ]**

## BILL PAYMENT

Q19. The Otay Water District has recently implemented a new bill design. It was first mailed to customers in September 2011. How satisfied are you with the ease of understanding this new water bill?

- 1 - very satisfied,--**GO TO Q20**
- 2 - somewhat satisfied, **GO TO Q20**
- 3—neither satisfied nor dissatisfied
- 4 - somewhat dissatisfied,
- 5 - very dissatisfied?
- 6 –OR are you not aware of the new bill design **GO TO Q20**

**9 - DK/REF [DO NOT READ] GO TO Q20**

**Q19a. How would you suggest improving the design of the water bill?**

---

**99 - DK/REF [DO NOT READ]**

- Q20. How do you pay your water bill most months?
- 1—Send check by mail
  - 2—Automatic bank deduction
  - 3—Credit card over the telephone
  - 4—In person at the Otay Water District office
  - 5—In person at payment center
  - 6—On-line (Internet) **[GO TO Q21]**

Q20a. **[IF Q20 NOT = 6]** What can the District do to make paying on-line through the District's Website a more appealing option for you?

---

**DK/REF = 99**

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS ABOVE]**

- 1. THERE IS NOTHING THAT WOULD MAKE ME PAY ONLINE**
- 2. OFFER DISCOUNTS ON THE BILL**

Q21. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?

- 1—Send check by mail
  - 2—Automatic bank deduction
  - 3—Credit card over the telephone
  - 4—In person at the Otay Water District office
  - 5—In person at payment center
  - 6—On-line (Internet)
- 9 - DK/REF [DO NOT READ]**

Q22. Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the Postal Service?

- 1 - YES
  - 2 - NO
- 9 - DK/REF [DO NOT READ]**

Q23. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two? That is, you would receive your bill by e-mail and would make your payments in one of several ways (phone, online, automatic deduction) but not by check or cash.

1. Very likely—**GO TO Q24**
2. Somewhat likely—**GO TO Q24**
3. Somewhat unlikely
4. Very unlikely

9. DK/REF [DO NOT VOLUNTEER] —GO TO Q24

Q23a. [IF Q23 =3 or 4] What is your major objection to going paperless for bill paying?

[USE FOLLOWING CODING BUT DO NOT READ—ENTER OTHER ANSWERS VERBATIM—99 = DK/REF]

1. Want paper record
2. Computers can fail
3. Trust/security
4. Do not use computers that often
5. I do not keep personal records on the computer
6. Used to paying by check
7. I will forget to check for the bill on the computer

**POWER OUTAGE**

Q24. On September 8, 2011, many households throughout Southern California experienced a massive power outage for several hours. During the power outage and for a couple of days afterward, were you concerned that the quality of your water was compromised and therefore was not usable without special treatment?

1 – Yes. I felt the quality of my water was possibly compromised.

2 - No. I was not concerned about the quality of my water.

**9 - DK/REF [DO NOT READ]**

Q25. During the power outage, were you concerned that there would be a disruption in the delivery of your water by the Otay Water District?

1 – Yes. I was concerned that a disruption might occur.

2 - No. I was not concerned that there would be a disruption in the delivery of my water.

**9 - DK/REF [DO NOT READ]**

Q26. How did you obtain information during the power outage? (select all that apply)

1 – battery operated or car radio

2 – wireless internet

3 – conversations by cell phone

4 – Twitter \_\_\_\_\_

5-- Facebook

6 – e-mail

7 – text messages

15- other (specify) \_\_\_\_\_  
**20 - DK/REF—DO NOT READ**

Q27. If another power outage or similar mishap should occur, how would you most prefer to receive information about the situation? (select only one)

- 1 – battery operated or car radio
  - 2 – wireless internet
  - 3 – conversations by cell phone
  - 4 – Twitter \_\_\_\_\_
  - 5-- Facebook
  - 6 – e-mail
  - 7 – text messages
  - 15- other (specify) \_\_\_\_\_
- 20 - DK/REF—DO NOT READ**

### **ASK ALL:**

In closing, these questions are for comparison purposes only.

PPH. How many persons, including yourself, live in your household?

\_\_\_\_\_  
99 - DK/REF

TEN. Is your residence owned by someone in your household, or is it rented?

- 1 - OWN
- 2 - RENT/OTHER STATUS
- 9 - DK/REF [DO NOT READ**

EDU. What is the highest grade or year of school that you have completed and received credit for...

- 1 - high school or less,
- 2 - at least one year of college, trade or vocational school,
- 3 - graduated college with a bachelor's degree, or
- 4 - at least one year of graduate work beyond a bachelor's degree?
- 9 - DK/REF [DO NOT READ**

AGE. Please tell me when I mention the category that contains your age...

- 1 - 18 to 24,
- 2 - 25 to 34,
- 3 - 35 to 44,
- 4 - 45 to 54,
- 5 - 55 to 64, or
- 6 - 65 or over?
- 9 - DK/REF [DO NOT READ**

ETH. Which of the following best describes your ethnic or racial background...

- 1 - white, not of Hispanic origin;

- 2 - black, not of Hispanic origin;
- 3 - Hispanic or Latino;
- 4 - Asian or Pacific Islander;
- 5 - Native American;
- 6 - Middle Eastern
- 15 - another ethnic group? [SPECIFY:] \_\_\_\_\_
- 20 - **DK/REF [DO NOT READ]**

INC. Now, we don't want to know your exact income, but just roughly, could you tell me if your annual household income before taxes is...

- 1 - under \$25,000,
- 2 - \$25,000 up to but not including \$50,000,
- 3 - \$50,000 up to (but not including) \$75,000,
- 4 - \$75,000 up to (but not including) \$100,000,
- 5 - \$100,000 up to but not including \$150,000?
- 6 -- \$150,000 and over
- 9 - **DK/REF [DO NOT READ]**

LAN. **[LANGUAGE OF INTERVIEW:]**      1 - ENGLISH                      2 - SPANISH

**Otay Water District Survey**  
**Call Center Customer Service**

INT. Hello, my name is \_\_\_\_\_. I'm calling on behalf of the Otay Water District. We are conducting a study about some issues having to do with the service you have received from the District. We are interested in your opinions. **[IF NEEDED:]** Are you at least 18 years of age or older? **[IF 18+ HOUSEHOLDER NOT AVAILABLE NOW, ASK FOR FIRST NAME AND MAKE CB ARRANGEMENTS]**

VER. **[VERSION OF INTERVIEW:]** 1 - VERSION A 2 - VERSION B\*

\* = RESPONSE OPTIONS REVERSED ON VERSION B FOR ALL QUESTIONS INDICATED

IC. Let me assure you that no names or addresses are associated with the telephone numbers, and all of your responses are completely anonymous. The questions take about ten minutes. To ensure that my work is done honestly and correctly, this call may be monitored. Do you have a few minutes right now?

**[IF ASKED ABOUT MONITORING:]** My supervisor randomly listens to interviews to make sure we're reading the questions exactly as written and not influencing answers in any way.

TOP. **[ONLY IF ASKED FOR MORE INFORMATION ABOUT TOPIC OR WHO'S SPONSORING IT?:]** This project is sponsored by the Otay Water District, and it's about some issues related to improving customer service. **[IF SPONSOR INFORMATION GIVEN TO RESPONDENT, "TOPIC"=1]**

SEX. **[RECORD GENDER OF RESPONDENT:]**

- 1 - MALE
- 2 - FEMALE

LP. **[IF INDICATED BY ACCENT:]** Would you prefer that we speak in...

- 1 - English or
- 2 - Spanish?

Q1. Have you or anyone in your household or business called the Otay Water District for service or other help during the past 6 months **[EMPHASIZE 6 MONTHS]**?

- 1 - YES
- 2 - NO **-THANK AND TERMINATE INTERVIEW**
- 9 - DK/REF **-THANK AND TERMINATE INTERVIEW**

Q1a—Please indicate the type of customer you are

- 1—Residential
- 2—Business
- 3—Irrigation
- 4—Other, SPECIFY \_\_\_\_\_

Q1b. **[IF YES:]** Was the main purpose of your last call...

- 1 - a repair issue,
- 2 - a billing issue, or -----> **GO TO Q2**
- 3 - another issue? ---> **GO TO Q2**
- 9 - **DK/REF—DO NOT READ -----> GO TO Q3**

Q1c. **[IF REPAIR ISSUE:]** What type of repair did you call about? Was it...

- 1 - a pipeline break,
- 2 - a problem with supply to your home,
- 3—a suspected leak
- 4 - another problem? [SPECIFY:] \_\_\_\_\_
- 9 - **DK/REF—DO NOT READ**

Q1d. Did you make any other calls to customer service in the past 6 months that were not repair related?

- 1—YES
- 2—NO—**GO TO Q3**
- 9 - **DK/REF—DO NOT READ—GO TO Q3**

Q2. What was the reason for that customer service call? **[DO NOT VOLUNTEER]**

1—Did not understand bill—**[IF Q1b = 1--GO TO Q3—IF Q1b=2 or 3, GO TO Q2a]**

2 – **Need Assistance with online account** ——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

3—Thought I was charged too much for the amount of water I used——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

4—Thought I used less water than bill indicated/Meter misread——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

5---Why different amount from same month last year——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

6—Question about message box on bill——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

7—Address change——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

8---Start service——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

9---Stop Service——**[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]**

10—Reconnect Service after shutoff—[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

15—Other? SPECIFY \_\_\_\_\_ —[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

20—DK/REF—DO NOT READ [Go to Q3]

Q2a. [IF Q2 = 1-15] Did you make any other calls to customer service in the past 6 months?

1—YES

2—NO—GO TO Q3

9 - DK/REF—DO NOT READ—GO TO Q3

Q2b. What was the reason for that customer service call? [DO NOT VOLUNTEER]

1—Did not understand bill

2—Thought I was charged too much for the amount of water I used

3—Thought I used less water than bill indicated/Meter misread

4---Why different amount from same month last year

5—Question about message box on bill

6—Address change

7---Start service

8---Stop Service

9—Reconnect Service after shutoff

10-- a pipeline break,

11 - a problem with supply to your home

15—Other? SPECIFY \_\_\_\_\_

20—DK/REF—DO NOT READ

Q3. How satisfied or dissatisfied were you with the service you received as far as....

a. your ability to reach a service representative? Were you...\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

9 - DK/REF—DO NOT READ

b. the courtesy of the service representative? Were you...\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

9 - DK/REF—DO NOT READ

c. the knowledge and expertise of your service representative? Were you...\*

1 - very satisfied,

- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF—DO NOT READ**

d. getting your problem resolved? Were you...\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF—DO NOT READ**

Q4. Overall, how would you rate the quality of service that you received? Would you say

- 1 - excellent,
- 2 - good,
- 3 - fair
- 4 -poor
- 9 - DK/REF—DO NOT READ**

Q5. With regard to the problem or question you called about in the first call you mentioned, how many calls did it take to get your issue resolved?

**Comment [R1]:** Need to make respondent aware of which call they made if they made more than one

Q5a. **[IF Q5 > 1—OTHERWISE, GO TO Q6]** Was your question or problem ultimately resolved to your satisfaction?

- 1-YES
- 2-NO
- 9 - DK/REF—DO NOT READ**

Q6. The Otay Water District implemented a new telephone system in June 2011. Have you noticed that the system has changed?

**Comment [R2]:** This reference to 6 months makes the original question superfluous. How about the new Q6 and Q6a???

- 1 - Yes
- 2 - No **[GO TO Q7]**
- 9 - DK/REF—**DO NOT READ [GO TO Q7]**

Q6a. Would you say that this new system is ...? **[REVERSE]**

- 1. Better than the previous system?
- 2. About the same as the previous system?
- 3. Worse than the previous system?

Q7. The Otay Water District implemented a new telephone system in June 2011. The Otay Water District has an Interactive Voice Response feature in their telephone system. This feature provides the customer with account information, total amount due, and last payment received. Have you used this feature?

- 1—YES
- 2—NO-----**GO TO Q8**

**9 - DK/REF—DO NOT READ-----GO TO Q8**

Q7a. **[IF Q7= 1]** Did you find this feature to be useful?

1—YES

2—NO

**9 - DK/REF—DO NOT READ**

Q7b. When you last called the Otay Water District for customer service, were you able to resolve your question or problem using the automated system only?

1—YES

2—NO

**9 - DK/REF—DO NOT READ**

Q7c. Are there any other features that you would like to have offered by the Interactive Voice Response system?

1—Yes

2—No ---[GO TO Q8]

**9 - DK/REF—DO NOT READ---[GO TO Q8]**

Q7d. What is one such additional feature you would like to have offered by the automated system?

---

**99= DK/REF**

Q7e. Please rate the following features of the new phone system on a scale of 1 to 5, where 1 = very effective and 5 = not at all effective.

1 2 3 4 5

Q7e-1. Menu of options

Q7e-2. Clarity of instructions

Q7e-3. Quality of voice providing instructions

Q7e-4. Overall effectiveness of the telephone message  
in guiding you to the services that you needed

**9 - DK/REF—DO NOT READ**

Q8. Did your call require a field visit to your property?

1-YES

2-NO -----[GO TO Q14]

**9 - DK/REF—DO NOT READ -----[GO TO Q12]**

Q9. **[IF Q8 = 1]** What did the field representative do?

---

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS ABOVE—DK/REF = 99]**

<b>1. Checked meter</b>
<b>2. Check/Fix leak</b>
<b>3. Reconnect/turn water on</b>

Q10. How satisfied were you with the field service outcome? Were you\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF

Q11. How satisfied were you with the time required to come to your property to provide the field service? Were you\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF—DO NOT READ**

Q12. How satisfied were you with the amount of time the field service representative needed at your property? Were you\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF—DO NOT READ**

Q13. Please rate your overall satisfaction with the field service you received.

- 1 - excellent,
- 2 - good,
- 3 - fair, or
- 4 - poor?
- 9 - DK/REF—DO NOT READ**

Q14. How do you pay your water bill most months?

- 1—Send check by mail
- 2—Automatic bank deduction
- 3—Credit card over the telephone
- 4—In person at the Otay Water District office
- 5—In person at payment center
- 6—On-line (Internet)
- 9 - DK/REF—DO NOT READ**

Q15. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?

- 1—Send check by mail
- 2—Automatic bank deduction
- 3—Credit card over the telephone

- 4—In person at the Otay Water District office
- 5—In person at payment center
- 6—On-line (Internet) -----GO TO Q16
- 9 - DK/REF—DO NOT READ

Q15a. [IF Q15 NOT = 6] What can the District do to make paying online or make paperless billing a more appealing option for you?

---

DK/REF = 99

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS ABOVE]**

- 1. THERE IS NOTHING THAT WOULD MAKE ME PAY ONLINE
- 2. OFFER DISCOUNTS ON THE BILL

**[IF Q15a = 99, GO TO Q16]**

Q15b. **[IF any answer given to Q15a]** If the District were to do that, how much more likely would you be to pay on-line? Would you say..

- 1. Very likely
- 2. Somewhat likely
- 3. Somewhat unlikely
- 4. Very unlikely
- 9. DK/REF **[DO NOT VOLUNTEER]**

Q16. Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the Postal Service?

- 1 - YES
- 2 - NO
- 9 - DK/REF—DO NOT READ

Q17. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two? That is, you would receive your bill by e-mail and would make your payments in one of several ways (phone, online, automatic deduction) but not by check or cash.

- 1. Very likely—GO TO Q18
- 2. Somewhat likely—GO TO Q18
- 3. Somewhat unlikely
- 4. Very unlikely
- 5. DK/REF **[DO NOT VOLUNTEER]—GO TO Q18**

Q17a. **[IF Q17 = 3 or 4]** What is your major objection to the District going paperless?

- 1. I do not trust that my banking data is secure
- 2. I do not use the Internet

- 3. I feel more in control of my money when I write the checks.
- 4. Easier for my own accounting/taxes
- 5. Other, \_\_\_\_\_
- 9. DK/REF [DO NOT VOLUNTEER]**

Q18. Regarding your monthly billing, how satisfied are you with the accuracy of your water bill?

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?
- 9 - DK/REF—DO NOT READ**

Q19. How confident are you in the accuracy of your monthly meter reading?

- 1 - very confident,
- 2 - somewhat confident,
- 3 – not too confident, or
- 4 – not at all confident?
- 9 - DK/REF—DO NOT READ**

Q20. The Otay Water District has recently implemented a new bill design. It was first mailed to customers in September 2011. How satisfied are you with the ease of understanding this new water bill?

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3—Neither satisfied nor dissatisfied
- 4 - somewhat dissatisfied, or
- 5 - very dissatisfied?
- 6 – I am not aware of the new bill design
- 9 - DK/REF—DO NOT READ**

Q20a. **[IF Q20 NOT = 6 or 9]** Do you think that the previous water bill design is easier to understand than the new bill design?

- 1 –Yes
- 2 --No
- 9 - DK/REF—DO NOT READ**

Q21. The Otay Water District sends postcards to remind their customers that their water bill has not been paid. How would you prefer to be contacted by the Otay Water District under these circumstances? (select one)

- 1 – the postcards are fine
- 2- e-mail
- 3 - text message
- 4 – telephone message
- 8 – other (please specify) \_\_\_\_\_

**9 -DK/REF—DO NOT READ**

Q22. In comparison to other companies that bill you monthly (for example, gas and electric, cable TV, trash collection, among others), how would you rate your overall customer experience with the Otay Water District on a scale of 1-5, where 1 means that the Otay Water District provides the best customer experience in comparison to these other companies and 5 means that the Otay Water District provides the worst experience.

Q23. In the past 6 months, have you used the Otay Water District website to obtain information or other services from the Otay Water District?

1—YES

2—NO-----GO TO CUST

**9 - DK/REF—DO NOT READ-----GO TO CUST**

Q23a. **[IF Q23=1]** How satisfied were you with the web service you received?  
Were you\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

CUST. IN CLOSING, THESE NEXT QUESTIONS ARE FOR COMPARISON PURPOSES ONLY. How long have you been a customer of the Otay Water District?

\_\_\_\_\_YEARS

PPH. How many persons, including yourself, live in your household?

\_\_\_\_\_99 - DK/REF

TEN. Is your residence owned by someone in your household, or is it rented?

1 - OWN

2 - RENT/OTHER STATUS

**9 - DK/REF—DO NOT READ**

EDU. What is the highest grade or year of school that you have completed and received credit for...

1 - high school or less,

2 - at least one year of college, trade or vocational school,

3 - graduated college with a bachelor's degree, or

4 - at least one year of graduate work beyond a bachelor's degree?

**9 - DK/REF—DO NOT READ**

AGE. Please tell me when I mention the category that contains your age...

- 1 - 18 to 24,
- 2 - 25 to 34,
- 3 - 35 to 44,
- 4 - 45 to 54,
- 5 - 55 to 64, or
- 6 - 65 or over?

**9 - DK/REF—DO NOT READ**

ETH. Which of the following best describes your ethnic or racial background...

- 1 - white, not of Hispanic origin;
- 2 - black, not of Hispanic origin;
- 3 - Hispanic or Latino;
- 4 - Asian or Pacific Islander;
- 5 - Native American;
- 6 - Middle Eastern
- 15 - another ethnic group? [SPECIFY:]

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**20 - DK/REF—DO NOT READ**

INC. Now, we don't want to know your exact income, but just roughly, could you tell me if your annual household income before taxes is...

- 1 - under \$25,000,
- 2 - \$25,000 up to but not including \$50,000,
- 3 - \$50,000 up to (but not including) \$75,000,
- 4 - \$75,000 up to (but not including) \$100,000,
- 5 - \$100,000 up to (but not including) \$150,000
- 6. \$150,000 and over

**9 - DK/REF—DO NOT READ**

LAN. **[LANGUAGE OF INTERVIEW:]**      1 - ENGLISH      2 - SPANISH



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012		
SUBMITTED BY:	Bob Kennedy Senior Civil Engineer	PROJECT/ SUBPROJECT:	D0859- 090114	DIV. NO.	2
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> Manny Magana, Asst. GM, Engineering and Operations <input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	Approval of Water Supply Assessment Report (January 2012) for the Hawano Project				

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) approves the Water Supply Assessment Report (WSA Report) dated January 2012 for the Hawano Project, as required by Senate Bill 610 (see Exhibit A for Project location).

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To obtain Board approval of the January 2012 WSA Report for the Hawano Project, as required by Senate Bill 610 (SB 610).

**ANALYSIS:**

The Paragon Management Company submitted an entitlement application to the County of San Diego (County) for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project). The owner submitted the twenty-three (23) Industrial/Commercial lot tentative map to the County which is conducting an environmental review of the proposed

Hawano Project. SB 610 requires the agency conducting the environmental review to evaluate whether total water supplies will meet the projected water demand for certain "projects" that are otherwise subject to the requirement of the California Environmental Quality Act (CEQA). SB 610 provides its own definition of "project" in Water Code Section 10912. The County submitted a request for a WSA to the District pursuant to SB 610. In response to such request, SB 610 requires that, upon request of the agency conducting the environmental review, a water purveyor, such as the District, prepare the water supply assessment to be included in the CEQA documentation.

The requirements of SB 610 are addressed by the WSA Report for the Hawano Project. Prior to transmittal to the County, the WSA Report must be approved by the District Board. Additional information of the intent of SB 610 is provided in Exhibit B and the Hawano Project WSA Report is attached as Exhibit C.

For the Hawano Project, the County is the responsible agency that requested the SB 610 water supply assessment from the District, as the water purveyor for the proposed Hawano Project. The request for the WSA Report, in compliance with SB 610 requirements, was made by the County because the Hawano Project meets or exceeds one or both of the following SB 610 criteria:

- A proposed industrial, manufacturing or processing plant or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of area.
- A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project.

The District, as the proposed water purveyor for the Hawano Project, does not have to comply with the requirements of Senate Bill 221 (SB 221) because the Project is an industrial development and SB 221 applies to residential subdivisions.

Pursuant to SB 610, the WSA Report incorporates by reference the current Urban Water Management Plans and other water resources planning documents of the District, the San Diego County Water Authority (Water Authority), and the Metropolitan Water District of Southern California (MWD). The District prepared the WSA Report in consultation with Dexter Wilson Engineering, Inc. and the Water Authority which demonstrates and documents that sufficient water supplies are planned for and are intended to be made available over a 20-year planning horizon under normal

supply conditions and in single and multiple dry years to meet the projected demand of the Hawano Project and other planned development projects within the District.

The expected potable water demand for the Hawano Project is 67,500 gallons per day (gpd) or about 75.6 acre-feet per year (AFY). This is consistent with the demands in the District's 2008 Water Resources Master Plan updated November 2010. The projected recycled water demand for the Hawano Project is 8,600 gpd or 9.6 AFY, representing about 11% of the total Hawano Project water demand.

MWD's Integrated Resource Plan (IRP) identifies a mix of resources (imported and local) that, when implemented, will provide 100 percent reliability for full-service demands through the attainment of regional targets set for conservation, local supplies, State Water Project supplies, Colorado River supplies, groundwater banking, and water transfers. MWD's 2010 update to the IRP (2010 IRP Update) includes a water supply planning buffer to mitigate the risk associated with implementation of local and imported supply programs. The planning buffer identifies an additional increment of water that could potentially be developed if other supplies are not implemented as planned. As part of the establishment of the planning buffer, MWD periodically evaluates supply development to ensure that the region is not under- or over-developing supplies. If managed properly, the planning buffer, along with other alternative supplies, will help ensure that the Southern California region, including San Diego County, will have adequate supplies to meet future demands.

The County Water Authority Act, Section 5, Subdivision 11, states the Water Authority, "as far as practicable, shall provide each of its member agencies with adequate supplies of water to meet their expanding and increasing needs."

The intent of the SB 610 legislation is that the land use agencies and the water agencies coordinate their efforts in planning for new development and thus plan for sufficient water supplies to meet the needs.

As per the requirements of SB 610, if the water supply assessment finds that the supply is sufficient, then the governing body of the water supplier (District) must approve the water supply assessment and deliver it to the lead agency (County) within 90 days. The County's letter dated January 6, 2012 requested the WSA for the Hawano Project. The deadline for

the District to provide a Board approved WSA to the County is April 5, 2012. An extension can be requested to provide 30 additional days, if necessary.

Pursuant to SB 610, if the water supply assessment finds overall supplies are insufficient, the water supplier shall provide to the lead agency "its plans for acquiring additional water supplies, setting forth measures that are being undertaken to acquire and develop those water supplies," and the water supplier governing body must approve the assessment and deliver it to the lead agency within 90 days. If the water supplier does conclude that additional water supplies are required, the water supplier should indicate the status or stage of development of the actions identified in the plans it provides. Identification of a potential future action in such plans does not by itself indicate that a decision to approve or to proceed with the action has been made.

Once either of the two actions listed above are accomplished, the District's SB 610 water supply assessment responsibilities are complete.

Water supply agencies throughout California continue to face climatological, environmental, legal, and other challenges that impact water source supply conditions, such as the court ruling regarding the Sacramento-San Joaquin Delta issues. Challenges such as these are always present. The regional water supply agencies, the Water Authority, MWD, and the District nevertheless fully intend to have sufficient, reliable supplies to serve the Hawano Project.

**FISCAL IMPACT:**

The District has been reimbursed \$5,000 for all costs associated with the preparation of the Hawano Project WSA Report. The reimbursement was accomplished via a \$5,000 deposit the Project proponents placed with the District on November 15, 2011.

**STRATEGIC GOAL:**

The preparation and approval of the Hawano Project WSA Report supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of the Otay Water District, in a professional, effective, and efficient manner" and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

**LEGAL IMPACT:**

Approval of a WSA Report for the Hawano Project in form and content satisfactory to the Board of Directors would allow the District to comply with the requirements of Senate Bill 610.

BK/RP:jf

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Attachments: Attachment A - Committee Actions  
Exhibit A - Project Location Map  
Exhibit B - Explanation of the Intent of SB 610  
Exhibit C - Hawano WSA Report  
Exhibit D - Presentation



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> D0859-090114	Approval of Water Supply Assessment Report (January 2012) for the Hawano Project
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on February 16, 2012 and the following comments were made:

- Staff requested that the Board approves the Water Supply Assessment Report (WSA Report) dated January 2012 for the Hawano Project, as required by Senate Bill 610.
- Staff indicated that Board approval for the submittal of the WSA Report to the County of San Diego is required.
- Staff discussed the background of Senate Bills 610 and 221, and indicated that SB 221 does not apply to this industrial development project.
- Staff stated that the Hawano Project involves the development of a 79.6 acre parcel of twenty three (23) Industrial/Commercial lots and is located within the East Otay Mesa Specific Plan, Subarea 1 of the County's General Plan at the southwest corner of the intersection of Alta Road and Airway Road. "Exhibit A" was provided to the Committee that showed the location of the project site.
- Staff indicated that the expected water demands for the Hawano Project are approximately 75.6 AFY of potable water and 9.6 AFY of recycled water and are consistent with the demands in the District's 2008 Water Resources Master Plan that was updated November 2010.
- Staff indicated that the WSA Report states the following:

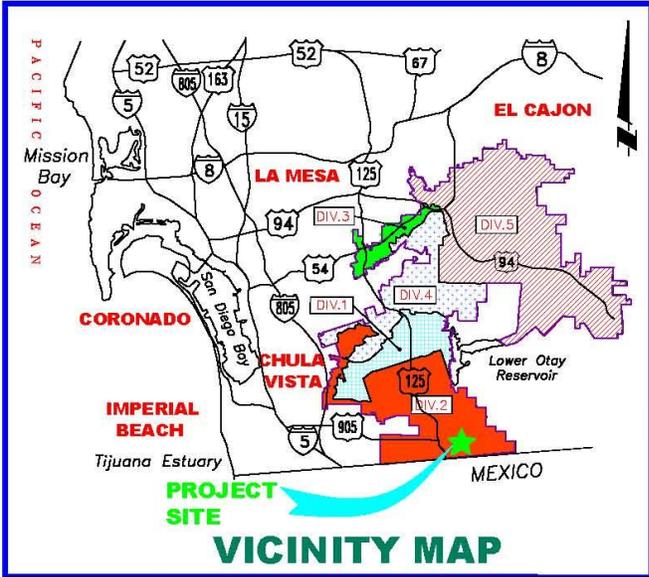
"The regional and local water supply agencies acknowledge the challenges of supply and fully intend to develop sufficient reliable supplies to meet demands. Water suppliers recognize additional water supplies are necessary and portfolios need to be reassessed and redistributed with intent to serve existing and future needs."

- Staff indicated that the status of the current water supply situation is documented in the WSA Report with the intent that the water agencies plan to develop sufficient water supplies to meet demands. Staff believes that the Board has met the intent of SB 610 statute in that Land use agencies and water suppliers have demonstrated strong linkage.
- It was noted that the Hawano Project WSA Report includes (4) four other Otay Water District Planned Local Water Supply Projects:
  - Rancho Del Rey Groundwater Well (500-600 AFY)
  - Rosarito Ocean Desalination Project (24,000-50,000 AFY)
  - Otay Mesa Lot 7 Groundwater Well (300-400 AFY)
  - Otay Mesa Recycled Water Supply Link Project (400-800 AFY)
- A slide was presented that showed the Projected Balance of Supply and Demand based on data from the District's 2010 Urban Water Management Plan. Staff indicated that it projects the District demand for single dry year and multiple dry years and is based on meeting the SBX 7-7 conservation goal of a 10% per capita reduction by 2015.
- Staff indicated that water demand and supply forecasts are included in the planning documents of Metropolitan, Water Authority, and the Otay Water District.
- Staff stated that the Hawano Project SB 610 WSA demonstrates and documents that sufficient water supplies are planned for and are intended to be available over the next 20 years.
- In response to a question by the Committee, staff indicated that the proposed Hawano Project is approximately 1.5 miles from the Cross Border Project and will be used for industrial/commercial purposes.
- In response to a question by the Committee, staff indicated that the County Water Authority (CWA) will not be affected

by the Hawano Project with regards to providing adequate water supply. Projected water demands for Industrial/Commercial areas are factored into the District's 2008 Water Resources Master Plan that was updated November 2010. Staff indicated that the District is well below its projected water supply demands.

- The Committee recommended that staff provide an exhibit to show the nearby freeway development and proposed streets to get a clear idea of where the Hawano Project is located.

Following the discussion, the Committee supported staffs' recommendation and presentation to the full board as an action item.



P:\WORKING\WO D0859 - Hawano\Staff Report\Exhibit A.dwg



**OTAY WATER DISTRICT**

HAWANO PROJECT  
LOCATION MAP

D0859-090114

**EXHIBIT A**

## **EXHIBIT B**

### **Background Information**

The Otay Water District (District) prepared the January 2012 Water Supply Assessment Report (WSA Report) for the Hawano Project development at the request of the County of San Diego (County). The County's WSA request letter dated January 6, 2012 was received by the District on January 6, 2012 so the 90-day deadline for the District to provide the Board an approved WSA Report to the County ends April 5, 2012. The Paragon Management Company submitted an entitlement application to the County for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project).

The Hawano Project is located within the jurisdictions of the District, the San Diego County Water Authority (Water Authority), and the Metropolitan Water District of Southern California (MWD). See Exhibit A for Project location. To obtain permanent imported water supply service, land areas are required to be within the jurisdictions of the District, Water Authority, and MWD.

The January 2012 WSA Report for the Hawano Project has been prepared by the District in consultation with Dexter Wilson Engineering, Inc., the Water Authority, and the County pursuant to Public Resources Code Section 21151.9 and California Water Code Sections 10631, 10656, 10910, 10911, 10912, and 10915 referred to as Senate Bill (SB) 610. SB 610 amended state law, effective January 1, 2002, intending to improve the link between information on water supply availability and certain land use decisions made by cities, counties, and other regulatory agencies. SB 610 requires that the water purveyor of the public water system prepare a water supply assessment to be included in the California Environmental Quality Act (CEQA) environmental documentation and approval process of certain proposed projects. The requirements of SB 610 are addressed in the January 2012 WSA Report for the Hawano Project.

The Paragon Management Company submitted an entitlement application to the County for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project). The twenty-three (23) Industrial/Commercial lot tentative map is located within the East Otay Mesa Specific Plan of the County's General Plan at the southwest corner of the intersection of Alta Road and Airway Road.

The expected potable water demand for the Hawano Project is 67,500 gallons per day (gpd) or about 75.6 acre-feet per year (AFY). This is consistent with the demands in the District's 2008 Water Resources Master Plan updated November 2010. The projected recycled water demand for the Hawano Project is 8,600 gpd or 9.6 AFY, representing about 11% of the total Hawano Project water demand.

The District currently depends on the Water Authority and the MWD for all of its potable water supplies and regional water resource planning.

The District's 2010 Urban Water Management Plan (UWMP) relies heavily on the UWMP's and Integrated Water Resources Plans (IRPs) of the Water Authority and MWD for documentation of supplies available to meet projected demands. These plans are developed to manage the uncertainties and variability of multiple supply sources and demands over the long-term through preferred water resources strategy adoption and resource development target approvals for implementation.

The new uncertainties that are significantly affecting California's water resources include:

- The Federal Court ruling on previous operational limits on Sacramento-San Joaquin Delta to protect the Delta species. Water agencies are still trying to determine what effect the ruling will have on State Water Project (SWP) deliveries. Actual supply curtailments for MWD are contingent upon fish distribution, behavioral patterns, weather, Delta flow conditions, and how water supply reductions are divided between state and federal projects.
- Periodic extended drought conditions.

These uncertainties have rightly caused concern among Southern California water supply agencies regarding the validity of the current water supply documentation.

MWD's October 9, 2007 IRP Implementation Report acknowledges that significant challenges in some resource areas will likely require changes in strategies and implementation approaches in order to reach long-term IRP water supply targets. Significant progress in program implementation is being realized in most resource areas. However, a further examination of the uncertainty of SWP supplies, among other uncertainties, will be required to assess the ability of achieving the long-term IRP targets.

MWD is currently involved in several proceedings concerning Delta operations to evaluate and address environmental concerns. In addition, at the State level, the Delta Vision and Bay-Delta Conservation Plan processes are defining long-term solutions for the Delta. MWD is actively engaged in these processes and in October 2010, approved the update of their IRP. An approved implementation strategy update may not be forthcoming for a year or more.

The SWP represents approximately 9% of MWD's 2025 Dry Resources Mix with the supply buffer included. A 22% cutback in SWP supply represents an overall 2% (22% of 9% is 2%) cutback in MWD supplies in 2025. Neither the Water Authority nor MWD has stated that there is insufficient water for future planning in Southern California. Each agency is in the process of reassessing and reallocating their water resources.

Under preferential rights, MWD can allocate water without regard to historic water purchases or dependence on MWD. Therefore, the Water Authority and its member agencies are taking measures to reduce dependence on MWD through development of additional supplies and a water supply portfolio that would not be jeopardized by a preferential rights allocation.

As calculated by MWD, the Water Authority's current preferential right is 17.47% of MWD's supply, while the Water Authority accounted for approximately 21% of MWD's total revenue.

So MWD could theoretically take a 3.5% cut out of the Water Authority's supply and theoretically, the Water Authority should have alternative water supply sources to make up for the difference. In the Water Authority's 2010 UWMP, they had already planned to reduce reliance on MWD supplies. This reduction is planned to be achieved through diversification of their water supply portfolio.

The Water Authority's Drought Management Plan (May 2006) provides the Water Authority and its member agencies with a series of potential actions to engage when faced with a shortage of imported water supplies due to prolonged drought conditions. Such actions help avoid or minimize impacts of shortages and ensure an equitable allocation of supplies throughout the San Diego County region.

The Otay Water District Board of Directors could acknowledge the ever-present challenge of balancing water supply with demand and the inherent need to possess a flexible and adaptable water supply implementation strategy that can be relied upon during normal and dry weather conditions. The responsible regional water supply agencies have and will continue to adapt their resource plans and strategies to meet climatological, environmental, and legal challenges so that they may continue to provide water supplies to their service areas. The regional water suppliers (i.e., the Water Authority and MWD), along with the District, fully intend to maintain sufficient reliable supplies through the 20-year planning horizon under normal, single, and multiple dry year conditions to meet projected demand of the Hawano Project, along with existing and other planned development projects within the District's service area.

If the regional water suppliers determine additional water supplies will be required, or in this case, that water supply portfolios need to be reassessed and redistributed with the intent to serve the existing and future water needs throughout Southern California, the agencies must indicate the status or stage of development of actions identified in the plans they provide. MWD's 2010 IRP update will then cause the Water Authority to update its IRP, which will then provide the District with the necessary water supply documentation. Identification of a potential future action in such plans does not by itself indicate that a decision to approve or to proceed with the action has been made. The District's Board approval of the Hawano Project WSA Report does not in any way guarantee water supply to the Hawano Project.

Alternatively, if the WSA Report is written to state that water supply is or will be unavailable; the District must include, in the assessment, a plan to acquire additional water supplies. At this time, the District should not state there is insufficient water supply.

So the best the District can do right now is to state the current water supply situation clearly, indicating intent to provide supply through reassessment and reallocation by the regional, as well as, the local water suppliers. In doing so, it is believed that the Board has met the intent of the SB 610 statute, that the land use agencies and the water agencies are coordinating their efforts in planning water supplies for new development.

With District Board approval of the Hawano Project WSA Report, the Project proponents can proceed with the draft environmental documentation required for the CEQA review process.

The water supply issues will be addressed in these environmental documents, consistent with the WSA Report.

The District, as well as others, can comment on the draft EIR with recommendations that water conservation measures and actions be employed on the Hawano Project.

Some recent actions regarding water supply assessments and verification reports by entities within Southern California are as follows:

- The City approved water supply assessment reports for both the La Jolla Crossings Project and the Quarry Falls Project in September 2007.
- Padre Dam Municipal Water District approved a water supply assessment report for the City of Santee's Fanita Ranch development project in April 2006. In October 2007, a follow-up letter was prepared stating the current uncertainties associated with the regional water supply situation. However, the letter concludes that sufficient water exists over the long-run in reliance upon the assurances, plans, and projections of the regional water suppliers (MWD and Water Authority).
- The Otay Water District unanimously approved in July 2007 the Eastern Urban Center Water Supply and Assessment Report. The Board also approved the Judd Company Otay Crossings Commerce Park WSA Report on December 5, 2007 and the Otay Ranch L.P. Otay Ranch Preserve and Resort Project Water Supply Assessment and Verification Report on February 4, 2009.
- The Otay Water District approved water supply assessment and verification reports for the City of Chula Vista Village 8 West Sectional Plan Area and Village 9 Sectional Plan Area. The District also approved the water supply assessment report for the San Diego-Tijuana Cross Border Facility, the Rabago Technology Park, and the Pio Pico Energy Center Project.

Water supplies necessary to serve the demands of the proposed Hawano Project, along with existing and other projected future users, as well as the actions necessary to develop these supplies, have been identified in the water supply planning documents of the District, the Water Authority, and MWD.

The WSA Report includes, among other information, an identification of existing water supply entitlements, water rights, water service contracts, or agreements relevant to the identified water supply needs for the proposed Hawano Project. The WSA Report demonstrates and documents that sufficient water supplies are planned and are intended to be available over a 20-year planning horizon, under normal conditions and in single and multiple dry years, to meet the projected demand of the proposed Hawano Project and the existing and other planned development projects within the District.

Accordingly, after approval of a WSA Report for the Hawano Project by the District's Board of Directors, the WSA Report may be used to comply with the requirements of the legislation enacted by Senate Bills 610 as follows:

Senate Bill (SB) 610 Water Supply Assessment: The District's Board of Directors approved WSA Report may be incorporated into the California Environmental Quality Act (CEQA) compliance process for the Hawano Project as a water supply assessment report consistent with the requirements of the legislation enacted by SB 610. The County of San Diego, as lead agency under the CEQA for the Hawano Project environmental documentation, may cite the approved WSA Report as evidence that a sufficient water supply is planned and intended to be available to serve the Hawano Project.



**OTAY WATER DISTRICT**

**WATER SUPPLY ASSESSMENT REPORT**  
for the  
**Hawano Project**  
**D0859-090114**

**Prepared by:**

**Bob Kennedy, P.E.**  
**Senior Civil Engineer**  
**Otay Water District**  
In consultation with  
**Dexter Wilson Engineering, Inc.**  
And  
**San Diego County Water Authority**

**January 2012**

**Otay Water District  
Water Supply Assessment Report  
January 2012  
Hawano Project**

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**Appendices**

- Appendix A: Hawano Project Vicinity Map
- Appendix B: Hawano Project Development Plan

# **Otay Water District Water Supply Assessment Report January 2012 Hawano Project**

## **Executive Summary**

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The Otay Water District (OWD) prepared this Water Supply Assessment Report (WSA Report) at the request of the County of San Diego (County) for the Hawano Project. The Paragon Management Company submitted an entitlement application to the County for the development of the Hawano Project.

### **Hawano Project Overview and Water Use**

The Hawano Project is located within the jurisdictions of the OWD, the San Diego County Water Authority (Water Authority), and the Metropolitan Water District of Southern California (MWD). To obtain permanent imported water supply service, land areas are required to be within the jurisdictions of the OWD, Water Authority, and MWD.

The Paragon Management Company submitted an entitlement application to the County for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project). The twenty three (23) Industrial/Commercial lot tentative map is located within the East Otay Mesa Specific Plan, Subarea 1 of the County's General Plan at the southwest corner of the intersection of Alta Road and Airway Road.

The expected potable water demand for the Hawano Project is 67,500 gallons per day (gpd) or about 75.6 acre feet per year (AFY). This is consistent with the demands in the District's 2008 Water Resources Master Plan updated November 2010 (WRMP Update). The projected recycled water demand for the Hawano Project is 8,600 gpd or 9.6 AFY, representing about 11% of the total Hawano Project water demand.

The Hawano Project development components are required to use recycled water for irrigation and other potential purposes. The primary benefit of using recycled water is that it will offset the potable water demand by an estimated 9.6 AFY. The Otay WD WRMP Update and 2010 Urban Water Management Plan (UWMP) anticipated that the Hawano Project would use both potable and recycled water.

## **Planned Imported Water Supplies from the Water Authority and MWD**

The Water Authority and MWD have an established process that ensures supplies are being planned to meet future growth. Any annexations and revisions to established land use plans are captured in the San Diego Association of Governments (SANDAG) updated forecasts for land use planning, demographics, and economic projections. SANDAG serves as the regional, intergovernmental planning agency that develops and provides forecast information. The Water Authority and MWD update their demand forecasts and supply needs based on the most recent SANDAG forecast approximately every five years to coincide with preparation of their Urban Water Management Plans (UWMP). Prior to the next forecast update, local jurisdictions with land use authority may require water supply assessment and/or verification reports for proposed land developments that are not within the OWD, Water Authority, or MWD jurisdictions (i.e. pending or proposed annexations) or that have revised land use plans with either lower or higher development intensities than reflected in the existing growth forecasts. Proposed land areas with pending or proposed annexations, or revised land use plans, typically result in creating higher demand and supply requirements than previously anticipated. The OWD, Water Authority, and MWD next demand forecast and supply requirements and associated planning documents would then capture any increase or decrease in demands and required supplies as a result of annexations or revised land use planning decisions.

The California Urban Water Management Planning Act (Act), which is included in the California Water Code, requires all urban water suppliers within the state to prepare an UWMP and update it every five years. The purpose and importance of the UWMP has evolved since it was first required 25 years ago. State agencies and the public frequently use the document to determine if agencies are planning adequately to reliably meet future demands. As such, UWMPs serve as an important element in documenting supply availability for the purpose of compliance with state laws, Senate Bill 610, linking water supply sufficiency to large land-use development approval. Agencies must also have a UWMP prepared, pursuant to the Act, in order to be eligible for state funding and drought assistance.

MWD's 2010 IRP long term water plan offers a strategy to protect the region from future supply shortages, with an emphasis on water-use efficiency through conservation and local supply development. The 2010 IRP includes a planning buffer supply intended to mitigate against the risks associated with implementation of local and imported supply programs and for the risk that future demands could be higher than projected. The planning buffer identifies an additional increment of water that could potentially be developed when needed or if other supplies are not fully implemented as planned. As part of implementation of the planning buffer, MWD periodically evaluates supply development, supply conditions, and projected demands to ensure that the region is not under or over developing supplies. Managed

properly, the planning buffer will help ensure that the southern California region, including San Diego County, will have adequate water supplies to meet long-term future demands.

Water supply agencies throughout California continue to face climate, environmental, legal, and other challenges that impact water source supply conditions, such as the court rulings regarding the Sacramento-San Joaquin Delta issues and the current ongoing drought impacting the western states. Challenges such as these essentially always will be present. The regional water supply agencies, the Water Authority and MWD, along with OWD nevertheless fully intend to have sufficient, reliable supplies to serve demands.

In Section ES-5 of their 2010 Regional Urban Water Management Plan (2010 RUWMP), MWD states that MWD has supply capacities that would be sufficient to meet expected demands from 2015 through 2035. MWD has plans for supply implementation and continued development of a diversified resource mix including programs in the Colorado River Aqueduct, State Water Project, Central Valley Transfers, local resource projects, and in-region storage that enables the region to meet its water supply needs. MWD's 2010 RUWMP identifies potential reserve supplies in the supply capability analysis (Tables 2-9, 2-10, and 2-11), which could be available to meet the unanticipated demands such as those related to the Hawano Project.

The County Water Authority Act, Section 5 subdivision 11, states that the Water Authority "as far as practicable, shall provide each of its member agencies with adequate supplies of water to meet their expanding and increasing needs."

As part of preparation of a written water supply assessment report, an agency's shortage contingency analysis should be considered in determining sufficiency of supply. Section 11 of the Water Authority's 2010 UWMP contains a detailed shortage contingency analysis that addresses a regional catastrophic shortage situation and drought management. The analysis demonstrates that the Water Authority and its member agencies, through the Emergency Response Plan, Emergency Storage Project, and Drought Management Plan (DMP) are taking actions to prepare for and appropriately handle an interruption of water supplies. The DMP, adopted in May 2006, provides the Water Authority and its member agencies with a series of potential actions to take when faced with a shortage of imported water supplies from MWD due to prolonged drought or other supply shortfall conditions. The actions will help the region avoid or minimize the impacts of shortages and ensure an equitable allocation of supplies.

### **Otay Water District Water Supply Development Program**

In evaluating the availability of sufficient water supply, the Hawano Project will be required to participate in the water supply development program being implemented by the OWD. This is intended to be achieved through financial participation in several local and/or regional water supply development projects envisioned by the OWD. These water supply projects are

in addition to those identified as sustainable supplies in the current Water Authority and MWD UWMP, IRP, Master Plans, and other planning documents. These new water supply projects are in response to the regional water supply issues. These new additional water supply projects are not currently developed and are in various stages of the planning process. Imported water supplies along with the OWD water supply development projects supplies are planned to be developed and are intended to increase water supplies to serve the Hawano Project water supply needs and that of other similar situated development projects. The OWD water supply development program includes but is not limited to projects such as the Middle Sweetwater River Basin Groundwater Well project, the North District Recycled Water Supply Concept, the Rosarito Ocean Desalination Facility project, and the Rancho del Rey Groundwater Well project. The Water Authority and MWD's next forecasts and supply planning documents would capture any increase in water supplies resulting from any new water resources developed by the OWD.

## **Findings**

This WSA Report for the Hawano Project has been prepared by the OWD in consultation with Dexter Wilson Engineering, Inc., the Water Authority, and the County pursuant to Public Resources Code Section 21151.9 and California Water Code Sections 10631, 10656, 10657, 10910, 10911, 10912, and 10915 referred to as Senate Bill (SB) 610. SB 610 amended state law, effective January 1, 2002, to improve the link between information on water supply availability and certain land use decisions made by cities and counties. SB 610 requires that the water purveyor of the public water system prepare a water supply assessment to be included in the California Environmental Quality Act (CEQA) environmental documentation and approval process of certain proposed projects. The County requested that OWD prepare a water supply assessment as per the requirements of SB 610. The requirements of SB 610 are being addressed by this WSA Report

The Hawano Project development concept exceeds the thresholds contained in the legislation enacted by SB 610 and therefore requires preparation of a WSA report. The Hawano Project is considered as an industrial development and is not a residential subdivision project of more than 500 units and hence it is not subject to the requirements of Senate Bill 221 for preparation of a Water Supply Verification Report.

The WSA Report identifies and describes the processes by which water demand projections for the proposed Hawano Project will be fully included in the water demand and supply forecasts of the Urban Water Management Plans and other water resources planning documents of the Water Authority and MWD. Water supplies necessary to serve the demands of the proposed Hawano Project, along with existing and other projected future users, as well as the actions necessary and status to develop these supplies, have been identified in the Hawano Project WSA Report and will be included in the future water supply planning documents of the Water Authority and MWD.

This WSA Report includes, among other information, an identification of existing water supply entitlements, water rights, water service contracts, water supply projects, or agreements relevant to the identified water supply needs for the proposed Hawano Project. This WSA Report demonstrates, and documents that sufficient water supplies are planned for and are intended to be available over a 20-year planning horizon, under normal conditions and in single and multiple dry years to meet the projected demand of the proposed Hawano Project and the existing and other planned development projects to be served by the OWD.

Accordingly, after approval of a WSA Report for the Hawano Project by the Otay Water District Board of Directors (Board), the WSA Report may be used to comply with the requirements of the legislation enacted by Senate Bill 610 as follows:

Senate Bill 610 Water Supply Assessment: The Otay Water District Board approved Hawano Project WSA Report may be incorporated into the California Environmental Quality Act (CEQA) compliance process for the Hawano Project as a water supply assessment report consistent with the requirements of the legislation enacted by SB 610. The County, as lead agency under CEQA for the Hawano Project EIR, may cite the approved WSA Report as evidence that a sufficient water supply is planned for and is intended to be made available to serve the Hawano Project.

## **Section 1 - Purpose**

---

The Paragon Management Company submitted an entitlement application to the County for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project). The twenty three (23) Industrial/Commercial lot tentative map is located within the East Otay Mesa Specific Plan, Subarea 1 of the County's General Plan at the southwest corner of the intersection of Alta Road and Airway Road. The County requested that the Otay Water District (OWD) prepare a Water Supply Assessment (WSA) Report for the Hawano Project. The Hawano Project description is provided in Section 3 of this WSA Report.

This WSA Report for the Hawano Project has been prepared by the OWD in consultation with Dexter Wilson Engineering, Inc., the San Diego County Water Authority (Water Authority), and the County pursuant to Public Resources Code Section 21151.9 and California Water Code Sections 10631, 10656, 10910, 10911, 10912, and 10915 referred to as Senate Bill (SB) 610. SB 610 amended state law, effective January 1, 2002, intending to improve the link between information on water supply availability and certain land use decisions made by cities and counties. SB 610 requires that the water purveyor of the public water system prepare a water supply assessment to be included in the California Environmental Quality Act (CEQA) environmental documentation and approval process of certain proposed projects. The requirements of SB 610 are being addressed by this WSA Report.

The Hawano Project's development concept exceeds the thresholds contained in the legislation enacted by SB 610 and therefore requires preparation of a WSA report. The Hawano Project is considered as an industrial development and is not a residential subdivision project of more than 500 units and hence it is not subject to the requirements of Senate Bill 221 for preparation of a Water Supply Verification Report.

This WSA Report evaluates water supplies that are planned to be available during normal, single dry year, and multiple dry water years during a 20-year planning horizon to meet existing demands, expected demands of the Hawano Project, and reasonably foreseeable planned future water demands to be served by OWD. The Otay Water District Board of Directors approved WSA Report is planned to be used by the County in its evaluation of the Hawano Project under the CEQA approval process procedures.

## **Section 2 - Findings**

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The Paragon Management Company submitted an entitlement application to the County for the development of the 79.6 acre parcel owned by INMOBILARIA HAWANO, S.A. DE C.V. (Hawano Project). The OWD prepared this WSA Report at the request of the County for the Hawano Project.

The Hawano Project is located within the jurisdictions of the OWD, the Water Authority, and the Metropolitan Water District of Southern California (MWD). To obtain permanent imported water supply service, land areas are required to be within the jurisdictions of the OWD, Water Authority, and MWD to utilize imported water supply.

The expected potable water demand for the Hawano Project is 67,500 gallons per day (gpd) or about 75.6 acre feet per year (AFY). This is unchanged from the demand estimate in the District's WRMP Update. The projected recycled water demand for the Hawano Project is approximately 8,600 gpd or 9.6 AFY, representing about 11% of the total Hawano Project water demand.

The Hawano Project development proponents are required to use recycled water for irrigation and other appropriate uses. The primary benefit of using recycled water is that it will offset the potable water demands by an estimated 9.6 AFY. The WRMP Update and the 2010 Urban Water Management Plan (UWMP) anticipated that the land area to be utilized for the Hawano Project would use both potable and recycled water.

In evaluating the availability of sufficient water supply, the Hawano project proponents are required to participate in the development of alternative water supply project(s). This can be achieved through payment of the New Water Supply Fee adopted by the Otay Water District Board in May 2010. These water supply projects are in addition to those identified as sustainable supplies in the current Water Authority and MWD UWMP, IRP, Master Plans,

and other planning documents. These new water supply projects are in response to the regional water supply issues related to the Sacramento-San Joaquin Delta and the current ongoing western states drought conditions. These new additional water supply projects are not currently developed and are in various stages of the planning process. A few examples of these alternative water supply projects include the Middle Sweetwater River Basin Groundwater Well project, the Middle Sweetwater River Basin Groundwater Well project, the OWD Desalination project, and the Rancho del Rey Groundwater Well project. The Water Authority and MWD next forecast and supply planning documents would capture any increase in water supplies resulting from verifiable new water resources developed by the OWD.

The Water Authority and MWD have an established process that ensures supplies are being planned to meet future growth. Any annexations and revisions to established land use plans are captured in the San Diego Association of Governments (SANDAG) updated forecasts for land use planning, demographics, and economic projections. SANDAG serves as the regional, intergovernmental planning agency that develops and provides forecast information. The Water Authority and MWD update their demand forecasts and supply needs based on the most recent SANDAG forecast approximately every five years to coincide with preparation of their urban water management plans. Prior to the next forecast update, local jurisdictions may require water supply assessment and/or verification reports for proposed land developments that are not within the OWD, Water Authority, or MWD jurisdictions (i.e. pending or proposed annexations) or that have revised land use plans with lower or higher land use intensities than reflected in the existing growth forecasts. Proposed land areas with pending or proposed annexations, or revised land use plans, typically result in creating higher demand and supply requirements than anticipated. The OWD, the Water Authority, and MWD next demand forecast and supply requirements and associated planning documents would then capture any increase or decrease in demands and required supplies as a result of annexations or revised land use planning decisions.

This process is utilized by the Water Authority and MWD to document the water supplies necessary to serve the demands of any proposed development project, along with existing and other projected future users, as well as the actions necessary to develop any required water supplies. Through this process the necessary demand and supply information is thus assured to be identified and incorporated within the water supply planning documents of the Water Authority and MWD.

This WSA Report includes, among other information, an identification of existing water supply entitlements, water rights, water service contracts, proposed water supply projects, and agreements relevant to the identified water supply needs for the proposed Hawano Project. This WSA Report incorporates by reference the current Urban Water Management Plans and other water resources planning documents of the OWD, the Water Authority, and MWD. The OWD prepared this WSA Report to assess and document that sufficient water supplies are planned for and are intended to be acquired to meet projected water demands of the Hawano Project as well as existing and other reasonably foreseeable planned development projects

within the OWD for a 20-year planning horizon, in normal supply years and in single dry and multiple dry years.

The Otay Water District 2010 UWMP included a water conservation component to comply with Senate Bill 7 of the Seventh Extraordinary Session (SBX 7-7), which became effective February 3, 2010. This new law was the water conservation component to the Delta legislation package, and seeks to achieve a 20 percent statewide reduction in urban per capita water use in California by December 31, 2020. Specifically, SBX 7-7 from this Extraordinary Session requires each urban retail water supplier to develop urban water use targets to help meet the 20 percent reduction goal by 2020 (20x2020), and an interim water reduction target by 2015.

OWD has adopted Method 1 to set its 2015 interim and 2020 water use targets. Method 1 requires setting the 2020 water use target to 80 percent of baseline per capita water use target as provided in the State's Draft 20x2020 Water Conservation Plan. The OWD 2015 target is 171 gpcd and the 2020 gpcd target at 80 percent of baseline is 152 gpcd.

The OWD's recent per capita water use has been declining to the point where current water use already meets the 2020 target for Method 1. This recent decline in per capita water use is largely due to drought water use restrictions, increased water costs, and economic conditions. However, OWD's effective water use awareness campaign and enhanced conservation mentality of its customers will likely result in some long-term carryover of these reduced consumption rates.

Based on a normal water supply year, the five-year increments for a 20-year projection indicate projected potable and recycled water supply is being planned for and is intended to be acquired to meet the estimated water demand targets of the OWD (44,883 acre-feet (ac-ft) in 2015 to 56,614 ac-ft in 2035 per the Otay Water District 2010 UWMP). Based on dry year forecasts, the estimated water supply is also being planned for and is intended to be acquired to meet the projected water demand, during single dry and multiple dry year scenarios. On average, the dry-year demands are about 6.4 percent higher than the normal year demands. The OWD recycled water supply is assumed to be drought-proof and not subject to reduction during dry periods.

Together, these findings assess, demonstrate, and document that sufficient water supplies are planned for and are intended to be acquired, as well as the actions necessary and status to develop these supplies are and will be further documented, to serve the proposed Hawano Project and the existing and other reasonably foreseeable planned development projects within the OWD in both normal and single and multiple dry year forecasts for a 20-year planning horizon.

## **Section 3 - Project Description**

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The Hawano Project is located at the southwest corner of the intersection of Alta Road and Airway Road. Refer to Appendix A for a vicinity map of the proposed Hawano Project. The project is proposed to be located on 79.6 acres within the East Otay Mesa Specific Plan, Subarea 1 of the County of San Diego (County) General Plan. Although the proposed development is located within the municipal boundaries of the County and subject to the County's land use jurisdiction, the OWD is the potable and recycled water purveyor. The Hawano Project is within the jurisdictions of the OWD, the Water Authority, and Metropolitan Water District of Southern California (MWD).

The Hawano Project is planned to include 23 Industrial/Commercial business park lots ranging from 1.6 to 5.5 acres in size. As each of these lots develop in the future, it would be subject to the project approval and permitting processes of the County and OWD. Refer to Appendix B for the proposed development plan of the Hawano Project.

The County has discretionary authority on land use decisions for the Hawano Project and can establish actions and/or permit approval requirements. The projected potable and recycled water demands associated with the Hawano Project have considered the anticipated County discretionary actions and/or permit approvals and are incorporated into and used in this WSA Report. The water demands for the proposed Hawano Project are included in the projected water demand estimates provided in Section 5 – Historical and Projected Water Demands.

## **Section 4 – Otay Water District**

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The OWD is a municipal water district formed in 1956 pursuant to the Municipal Water District Act of 1911 (Water Code §§ 71000 et seq.). The OWD joined the Water Authority as a member agency in 1956 to acquire the right to purchase and distribute imported water throughout its service area. The Water Authority is an agency responsible for the wholesale supply of water to its 24 public agency members in San Diego County.

The OWD currently meets all its potable demands with imported treated water from the Water Authority. The Water Authority is the agency responsible for the supply of imported water into San Diego County through its membership in MWD. The Water Authority currently obtains about half of its imported supply from MWD, but is in the process of further diversifying its available supplies.

The OWD provides water service to residential, commercial, industrial, and agricultural customers, and for environmental and fire protection uses. In addition to providing water throughout its service area, OWD also provides sewage collection and treatment services to a portion of its service area known as the Jamacha Basin. The OWD also owns and operates

the Ralph W. Chapman Water Reclamation Facility (RWCWRF) which has an effective treatment capacity of 1.2 million gallons per day (mgd) or about 1,300 acre feet per year to produce recycled water. On May 18, 2007, an additional source of recycled water supply of at least 6 mgd, or about 6,720 acre feet per year, became available to OWD from the City of San Diego's South Bay Water Reclamation Plant (SBWRP).

The OWD jurisdictional area is generally located within the south central portion of San Diego County and includes approximately 125 square miles. The OWD serves portions of the unincorporated communities of southern El Cajon, La Mesa, Rancho San Diego, Jamul, Spring Valley, Bonita, and Otay Mesa, the eastern portion of the City of Chula Vista and a portion of the City of San Diego on Otay Mesa. The OWD jurisdiction boundaries are roughly bounded on the north by the Padre Dam Municipal Water District, on the northwest by the Helix Water District, and on the west by the South Bay Irrigation District (Sweetwater Authority) and the City of San Diego. The southern boundary of OWD is the international border with Mexico.

The planning area addressed in the Otay Water District WRMP Update and the Otay Water District 2010 UWMP includes both the land within the jurisdictional boundary of the OWD and those areas outside of the present OWD boundaries considered to be in the Area of Influence of the OWD. Figure 1 contained within the Otay Water District 2010 UWMP shows the jurisdictional boundary of the OWD and the Area of Influence. The planning area is approximately 143 square miles, of which approximately 125 square miles are within the OWD current boundaries and approximately 18 square miles are in the Area of Influence. The area east of OWD is rural and currently not within any water purveyor jurisdiction and potentially could be served by the OWD in the future if the need for imported water becomes necessary, as is the case for the Area of Influence.

The City of Chula Vista, the City of San Diego, and the County of San Diego are the three land use planning agencies within the OWD jurisdiction. Data on forecasts for land use planning, demographics, economic projections, population, and the future rate of growth within OWD were obtained from the San Diego Association of Governments (SANDAG). SANDAG serves as the regional, intergovernmental planning agency that develops and provides forecast information through the year 2050. Population growth within the OWD service area is expected to increase from the 2010 figure of approximately 198,616 to an estimated 284,997 by 2035. Land use information used to develop water demand projections are based upon Specific or Sectional Planning Areas, the Otay Ranch General Development Plan/Sub-regional Plan, East Otay Mesa Specific Plan Area, San Diego County Community Plans, and City of San Diego, City of Chula Vista, and County of San Diego General Plans.

The OWD long-term historic growth rate has been approximately 4 percent. The growth rate has significantly slowed due to the current economic conditions and it is expected to slow as the inventory of developable land is diminished.

Climatic conditions within the OWD service area are characteristically Mediterranean near the coast, with mild temperatures year round. Inland areas are both hotter in summer and cooler in winter, with summer temperatures often exceeding 90 degrees and winter temperatures occasionally dipping to below freezing. Most of the region's rainfall occurs during the months of December through March. Average annual rainfall is approximately 12.17 inches per year.

Historic climate data were obtained from the Western Regional Climate Center for Station 042706 (El Cajon). This station was selected because its annual temperature variation is representative of most of the OWD service area. While there is a station in the City of Chula Vista, the temperature variation at the City of Chula Vista station is more typical of a coastal environment than the conditions in most of the OWD service area.

### **Urban Water Management Plan**

In accordance with the California Urban Water Management Planning Act and recent legislation, the Otay Water District Board of Directors adopted an UWMP in June 2011 and subsequently submitted the plan to the California Department of Water Resources (DWR). The Otay Water District 2010 UWMP is currently being reviewed by DWR. As required by law, the Otay Water District 2010 UWMP includes projected water supplies required to meet future demands through 2035. In accordance with Water Code Section 10910 (c)(2) and Government Code Section 66473.7 (c)(3), information from the Otay Water District 2010 UWMP along with supplemental information from the Otay Water District WRMP Update have been utilized to prepare this WSA Report and are incorporated herein by reference.

The state Legislature passed Senate Bill 7 as part of the Seventh Extraordinary Session (SBX 7-7) on November 10, 2009, which became effective February 3, 2010. This new law was the water conservation component to the Delta legislation package and seeks to achieve a 20 percent statewide reduction in urban per capita water use in California by December 31, 2020. Specifically, SBX 7-7 from this Extraordinary Session requires each urban retail water supplier to develop urban water use targets to help meet the 20 percent reduction goal by 2020 (20x2020), and an interim water reduction target by 2015.

The SBX 7-7 target setting process includes the following: (1) baseline daily per capita water use; (2) urban water use target; (3) interim water use target; (4) compliance daily per capita water use, including technical bases and supporting data for those determinations. In order for an agency to meet its 2020 water use target, each agency can increase its use of recycled water to offset potable water use and also step up its water conservation measures. The required water use targets for 2020 and an interim target for 2015 are determined using one of four target methods – each method has numerous methodologies. The 2020 urban water use target may be updated in a supplier's 2015 UWMP.

In 2015, urban retail water suppliers will be required to report interim compliance followed by actual compliance in 2020. Interim compliance is halfway between the baseline water use and 2020 target. Baseline, target, and compliance-year water use estimates are required to be reported in gallons per capita per day (gpcd).

Failure to meet adopted targets will result in the ineligibility of a water supplier to receive grants or loans administered by the State unless one (1) of two (2) exceptions is met. Exception one (1) states a water supplier may be eligible if they have submitted a schedule, financing plan, and budget to DWR for approval to achieve the per capita water use reductions. Exception two (2) states a water supplier may be eligible if an entire water service area qualifies as a disadvantaged community.

OWD has adopted Method 1 to set its 2015 interim and 2020 water use targets. Method 1 requires setting the 2020 water use target to 80 percent of baseline per capita water use target as provided in the State's Draft 20x2020 Water Conservation Plan. The OWD 2015 target is 171 gpcd and the 2020 gpcd target at 80 percent of baseline is 152 gpcd.

The OWD's recent per capita water use has been declining to the point where current water use already meets the 2020 target for Method 1. This recent decline in per capita water use is largely due to drought water use restrictions, increased water costs, and poor economic conditions. However, OWD's effective water use awareness campaign and enhanced conservation mentality of its customers will likely result in some long-term carryover of these reduced consumption rates beyond the current drought period.

## **Section 5 – Historical and Projected Water Demands**

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The projected demands for OWD are based on Specific or Sectional Planning Areas, the Otay Ranch General Development Plan/Sub-regional Plan, the East Otay Mesa Specific Plan Area, San Diego County Community Plans, and City of San Diego, City of Chula Vista, and County of San Diego General Plans. This land use information is also used by SANDAG as the basis for its most recent forecast data. This land use information was utilized for the preparation of the Otay Water District WRMP Update and Otay Water District 2010 UWMP to develop the forecasted demands and supply requirements.

In 1994, the Water Authority selected the Institute for Water Resources-Municipal and Industrial Needs (MAIN) computer model to forecast municipal and industrial water use for the San Diego region. The MAIN model uses demographic and economic data to project sector-level water demands (i.e. residential and non-residential demands). This econometric model has over a quarter of a century of practical application and is used by many cities and water agencies throughout the United States. The Water Authority's version of the MAIN model was modified to reflect the San Diego region's unique parameters and is known as CWA-MAIN.

The foundation of the water demand forecast is the underlying demographic and economic projections. This was a primary reason why, in 1992, the Water Authority and SANDAG entered into a Memorandum of Agreement (MOA) in which the Water Authority agreed to use the SANDAG current regional growth forecast for water supply planning purposes. In addition, the MOA recognizes that water supply reliability must be a component of San Diego County's regional growth management strategy required by Proposition C, as passed by the San Diego County voters in 1988. The MOA ensures a strong linkage between local general plan land use forecasts and water demand projections and resulting supply needs for the San Diego region.

Consistent with the previous CWA-MAIN modeling efforts, on February 26, 2010, the SANDAG Board of Directors accepted the Series 12: 2050 Regional Growth Forecast. The 2050 Regional Growth Forecast will be used by SANDAG as the foundation for the next Regional Comprehensive Plan update. SANDAG forecasts were used by local governments for planning, including the Water Authority 2010 UWMP.

The municipal and industrial forecast also included an updated accounting of projected conservation savings based on projected regional implementation of the California Urban Water Conservation Council (CUWCC) Best Management Practices and SANDAG demographic information for the period 2010 through 2035. These savings estimates were then factored into the baseline municipal and industrial demand forecast.

A separate agricultural model, also used in prior modeling efforts, was used to forecast agricultural water demands within the Water Authority service area. This model estimates agricultural demand to be met by the Water Authority's member agencies based on agricultural acreage projections provided by SANDAG, crop distribution data derived from the Department of Water Resources and the California Avocado Commission, and average crop-type watering requirements based on California Irrigation Management Information System data.

The Water Authority and MWD update their water demand and supply projections within their jurisdictions utilizing the SANDAG most recent growth forecast to project future water demands. This provides for the important strong link between demand and supply projections to the land use plans of the cities and the county. This provides for consistency between the retail and wholesale agencies water demand projections, thereby ensuring that adequate supplies are and will be planned for the OWD existing and future water users. Existing land use plans, any revisions to land use plans, and annexations are captured in the SANDAG updated forecasts. The Water Authority and MWD update their demand forecasts based on the SANDAG most recent forecast approximately every five years to coincide with preparation of their urban water management plans. Prior to the next forecast update, local jurisdictions may require water supply assessment and/or verification reports consistent with Senate Bills 610 and 221 for proposed land use developments that either have pending or proposed annexations into the OWD, Water Authority, and MWD or that have revised land use plans than originally anticipated. The Water Authority and MWD's next forecasts and

supply planning documents would then capture any increase or decrease in demands caused by annexations or revised land use plans.

The state of California Business and Professions Code Section 11010 and Government Code Sections 65867.5, 66455.3, and 66473.7, are referred to as SB 221, requires affirmative written verification from the water purveyor of the public water system that sufficient water supplies are to be available for certain residential subdivisions of property prior to approval of a tentative map. SB 221 compliance does not apply to the Hawano Project, as it is an industrial project and not a residential subdivision.

In evaluating the availability of sufficient water supply, the Hawano Project proponents are required to participate in the development of alternative water supply project(s). This can be achieved through payment of the New Water Supply Fee adopted by the OWD Board in May 2010. These water supply projects are in addition to those identified as sustainable supplies in the current Water Authority and MWD UWMP, IRP, Master Plans, and other planning documents. These new water supply projects are in response to the regional water supply issues related to the Sacramento-San Joaquin Delta and the current ongoing western states drought conditions. These new additional water supply projects are not currently developed and are in various stages of the planning process. A few examples of these alternative water supply projects include the Middle Sweetwater River Basin Groundwater Well project, the OWD Desalination project, and the Rancho del Rey Groundwater Well project. The Water Authority and MWD next forecast and supply planning documents would capture any increase in water supplies resulting from verifiable new water resources developed by the OWD.

In addition, MWD's 2010 Regional Urban Water Management Plan identified potential reserve supplies in the supply capability analysis (Tables 2-9, 2-10, and 2-11), which could be available to meet any unanticipated demands. The Water Authority and MWD's next forecasts and supply planning documents would capture any increase in necessary supply resources resulting from any new water supply resources.

### **Demand Methodology**

The OWD water demand projection methodology in the WRMP Update utilizes a component land use approach. This is done by applying representative values of water use to the acreage of each land use type and then aggregating these individual land use demand projections into an overall total demand for the OWD. This is called the water duty method, and the water duty is the amount of water used in gallons per day per acre per year. This approach is used for all the land use types except residential development where a demand per dwelling unit was applied. In addition, commercial and industrial water use categories are further subdivided by type including separate categories for golf courses, schools, jails, prisons, hospitals, etc. where specific water demands are established.

To determine water duties for the various types of land use, the entire water meter database of the OWD is utilized and sorted by the appropriate land use types. The metered consumption records are then examined for each of the land uses, and water duties are determined for the various types of residential, commercial, industrial, and institutional land uses. For example the water duty factors for commercial and industrial land uses are estimated using 1,785 and 893 gallons per day per acre (gpd/acre) respectively. Residential water demand is established based on the same data but computed on a per-dwelling unit basis. The focus is to ensure that for each of the residential land use categories (very low, low, medium, and high densities), the demand criteria used is adequately represented based upon actual data. This method is used because residential land uses constitute a substantial percentage of the total developable planning area of the OWD.

The WRMP Update calculates potable water demand by taking the gross acreage of a site and applying a potable water reduction factor (PWRF), which is intended to represent the percentage of acreage to be served by potable water and that not served by recycled water for irrigation. For industrial land use, as an example, the PWRF is 0.95 (i.e., 95% of the site is assumed to be served by potable water, 5% of the site is assumed to be irrigated with recycled water). The potable net acreage is then multiplied by the unit demand factor corresponding to its respective land use. This approach is used in the WRMP Update for all the land use types except residential development where a demand per dwelling unit is applied. In addition, commercial and industrial water use categories are further subdivided by type including separate categories for golf courses, schools, jails, prisons, hospitals, etc. where specific water demands are allocated.

### **Otay Water District Projected Demand**

By applying the established water duties to the proposed land uses, the projected water demand for the entire OWD planning area at ultimate development is determined. Projected water demands for the intervening years were determined using growth rate projections consistent with data obtained from SANDAG and the experience of the OWD.

The historical and projected potable water demands for OWD are shown in Table 1.

**Table 1**  
**Historical and Projected Potable Water Fiscal Year Demands (acre-feet)**

Water Use Sectors	2005	2010	2015	2020	2025	2030	2035
Single Family	21,233	17,165	23,633	28,312	33,600	37,211	40,635
Multi-Family	3,095	3,605	3,444	4,126	4,897	5,423	5,922
Commercial &	1,657	2,243	1,844	2,209	2,622	2,904	3,171
Institutional &	2,262	1,867	2,518	3,017	3,580	3,965	4,330
Landscape	6,458	3,732	10,134	12,141	14,408	15,957	17,425
Other	2,426	584	2,700	3,235	3,839	4,252	4,643
Unaccounted for	547	23	608	729	865	958	1,046
<b>Totals</b>	<b>37,668</b>	<b>29,270</b>	<b>44,883</b>	<b>53,768</b>	<b>63,811</b>	<b>70,669</b>	<b>77,171</b>

Source: Otay Water District 2010 UWMP.

The historical and projected recycled water demands for OWD are shown in Table 2.

**Table 2**  
**Historical and Projected Recycled Water Fiscal Year Demands (acre-feet)**

Water Use Sector	2005	2010	2015	2020	2025	2030	2035
Landscape	4,090	4,000	4,400	5,000	5,800	6,800	8,000
<b>Totals</b>	<b>4,090</b>	<b>4,000</b>	<b>4,400</b>	<b>5,000</b>	<b>5,800</b>	<b>6,800</b>	<b>8,000</b>

Source: Otay Water District 2010 UWMP, Table 10.

### Hawano Project Projected Water Demand

Using the land use demand projection noted above, the projected potable water demand and projected recycled water demand for the proposed Hawano Project are shown in Table 3 and Table 4, respectively. The projected potable water demand is 67,500 gpd, or about 75.6 ac-ft/yr. The projected recycled water demand is 8,600 gpd, or about 9.6 ac-ft/yr, representing about 13% of the total Hawano Project demand.

**Table 3  
 Hawano Project Projected Potable  
 Water Annual Average Demands**

Location (Land Use)	Gross Acreage	Potable Water Factor	Net Potable Acreage/Units	Unit Rate	Average Demand
Industrial Lots	79.6	95%	75.6 ac	893 gpd/ac	67,500 gpd

The Hawano Project development proponents are required to use recycled water for irrigation and for other appropriate uses. The primary benefit of using recycled water is that it will offset the potable water demands by an estimated 9.6 ac-ft/yr. The WRMP Update and 2010 UWMP anticipated that the Hawano Project site would use both potable and recycled water.

**Table 4  
 Hawano Project Projected Recycled  
 Water Average Demands**

Location (Land Use)	Gross Acreage	Recycled Water Factor	Net Recycled Acreage	Unit Rate	Average Demand
Industrial Lots	79.6 acres	5%	4.0 acres	2,155 gpd/acre	8,600 gpd

The WRMP Update projected a potable water demand for the project site based on land uses in the East Otay Mesa Specific Plan. The current development plan does not propose any changes to the Specific Plan land uses and, therefore, the proposed development has been accounted for in the Otay Water District planning documents.

## 5.1 Demand Management (Water Conservation)

Demand management, or water conservation is a critical part of the Otay Water District 2010 UWMP and its long-term strategy for meeting water supply needs of the OWD customers. Water conservation is frequently the lowest cost resource available to any water agency. The goals of the OWD water conservation programs are to:

- Reduce the demand for more expensive, imported water.
- Demonstrate continued commitment to the Best Management Practices (BMP).
- Ensure a reliable water supply.

The OWD is signatory to the Memorandum of Understanding (MOU) Regarding Urban Water Conservation in California, which created the California Urban Water Conservation Council (CUWCC) in 1991 in an effort to reduce California's long-term water demands. Water conservation programs are developed and implemented on the premise that water

conservation increases the water supply by reducing the demand on available supply, which is vital to the optimal utilization of a region's water supply resources. The OWD participates in many water conservation programs designed and typically operated on a shared cost participation program basis among the Water Authority, MWD, and their member agencies. The demands shown in Tables 1 and 2 take into account implementation of water conservation measures within OWD.

As one of the first signatories to the MOU Regarding Urban Water Conservation in California, the OWD has made BMP implementation for water conservation the cornerstone of its conservation programs and a key element in its water resource management strategy. As a member of the Water Authority, OWD also benefits from regional programs performed on behalf of its member agencies. The BMP programs implemented by OWD and regional BMP programs implemented by the Water Authority that benefit all their member agencies are addressed in the Otay Water District 2010 UWMP. In partnership with the Water Authority, the County of San Diego, City of San Diego, City of Chula Vista, and developers, the OWD water conservation efforts are expected to grow and expand. The resulting savings directly relate to additional available water in the San Diego County region for beneficial use within the Water Authority service area, including the OWD.

Additional conservation or water use efficiency measures or programs practiced by the OWD include the following:

#### Supervisory Control and Data Acquisition System

The OWD implemented and has operated for many years a Supervisory Control and Data Acquisition (SCADA) system to control, monitor, and collect data regarding the operation of the water system. The major facilities that have SCADA capabilities are the water flow control supply sources, transmission network, pumping stations, and water storage reservoirs. The SCADA system allows for many and varied useful functions. Some of these functions provide for operating personnel to monitor the water supply source flow rates, reservoir levels, turn on or off pumping units, etc. The SCADA system aids in the prevention of water reservoir overflow events and increases energy efficiency.

#### Water Conservation Ordinance

California Water Code Sections 375 et seq. permit public entities which supply water at retail to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving water supplies of such public entity. The Otay Water District Board of Directors established a comprehensive water conservation program pursuant to California Water Code Sections 375 et seq., based upon the need to conserve water supplies and to avoid or minimize the effects of any future shortage. A water shortage could exist based upon the occurrence of one or more of the following conditions:

1. A general water supply shortage due to increased demand or limited supplies.

2. Distribution or storage facilities of the Water Authority or other agencies become inadequate.
3. A major failure of the supply, storage, and distribution facilities of MWD, Water Authority, and/or OWD.

The OWD water conservation ordinance finds and determines that the conditions prevailing in the San Diego County area require that the available water resources be put to maximum beneficial use to the extent to which they are capable, and that the waste or unreasonable use, or unreasonable method of use, of water be prevented and that the conservation of such water be encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the people of the OWD and for the public welfare.

OWD continues to promote water conservation at a variety of events, including those involving developers in its service area. In addition, OWD developed and manages a number of its own programs such as the Cash for WaterSmart Plants retrofit program, the Water Smart Irrigation Upgrade Program, and the Commercial Process Improvement Program.

OWD is currently engaged in a number of conservation and water use efficiency activities. Listed below are the current programs that are either on-going or were recently concluded:

- Residential Water Surveys: 1,349 completed since 1994
- Large Landscape Surveys: 194 completed since 1990
- Cash for Water Smart Plants Landscape Retrofit Program: over 217,600 square feet of turf grass replaced with water wise plants since 2003
- Rotating Nozzles Rebated: 3,170
- Residential Weather-Based Irrigation Controller (WBIC) Incentive Program: 231 distributed or rebated since 2004
- Residential High Efficiency Clothes Washers: 7,187 rebates since 1994
- Residential ULFT/HET Rebate Program: 22,376 rebates provided between 1991-2010
- Outreach Efforts to OWD Customers - the OWD promotes its conservation programs through staffing outreach events, bill inserts, articles in the OWD's quarterly customer Pipeline newsletter, direct mailings to OWD customers, the OWD's webpage and through the Water Authority's marketing efforts.
- School Education Programs- the OWD funds school tours of the Water Conservation Garden, co-funds Splash Labs, provides classroom water themed kits, maintains a library of school age appropriate water themed books, DVDs, and videos, and runs both a school poster contest and a water themed photo contest.
- Water efficiency in new construction through Cal Green and the Model Water Efficient Landscape Ordinance
- Focus on Commercial/Institutional/Industrial through Promoting MWD's Save a Buck (Commercial) Program in conjunction with the OWD's own Commercial Process Improvement Program

As a signatory to the MOU Regarding Urban Water Conservation in California, the OWD is required to submit biannual reports that detail the implementation of current water conservation practices. The OWD voluntarily agreed to implement the fourteen water conservation Best Management Practices beginning in 1992. The OWD submits its report to the CUWCC every two years. The OWD BMP Reports for 2005 to 2010, as well as the BMP Coverage Report for 1999-2010, are included in the Otay Water District 2010 UWMP.

## **Section 6 - Existing and Projected Supplies**

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The OWD currently does not have an independent raw or potable water supply source. The OWD is a member public agency of the Water Authority. The Water Authority is a member public agency of MWD. The statutory relationships between the Water Authority and its member agencies, and MWD and its member agencies, respectively, establish the scope of the OWD entitlement to water from these two agencies.

The Water Authority through two delivery pipelines, referred to as Pipeline No. 4 and the Helix Flume Pipeline, currently supply the OWD with 100 percent of its potable water. The Water Authority in turn, currently purchases the majority of its water from MWD. Due to the OWD reliance on these two agencies, this WSA Report includes referenced documents that contain information on the existing and projected supplies, supply programs, and related projects of the Water Authority and MWD. The OWD, Water Authority, and MWD are actively pursuing programs and projects to further diversify their water supply resources.

The description of local recycled water supplies available to the OWD is also discussed below.

### **6.1 Metropolitan Water District of Southern California 2010 Regional Urban Water Management Plan**

In November 2010, MWD adopted its 2010 Regional Urban Water Management Plan (RUWMP). The 2010 RUWMP provides MWD's member agencies, retail water utilities, cities, and counties within its service area with, among other things, a detailed evaluation of the supplies necessary to meet future demands, and an evaluation of reasonable and practical efficient water uses, recycling, and conservation activities. During the preparation of the 2010 RUWMP, MWD also utilized the previous SANDAG regional growth forecast in calculating regional water demands for the Water Authority service area.

### **6.1.1 Availability of Sufficient Supplies and Plans for Acquiring Additional Supplies**

MWD is a wholesale supplier of water to its member public agencies and obtains its supplies from two primary sources: the Colorado River, via the Colorado River Aqueduct (CRA), which it owns and operates, and Northern California, via the State Water Project (SWP). The 2010 RUWMP documents the availability of these existing supplies and additional supplies necessary to meet future demands.

MWD's Integrated Resources Plan (IRP) identifies a mix of resources (imported and local) that, when implemented, will provide 100 percent reliability for full-service demands through the attainment of regional targets set for conservation, local supplies, State Water Project supplies, Colorado River supplies, groundwater banking, and water transfers. The 2010 update to the IRP (2010 IRP Update) includes a planning buffer supply intended to mitigate against the risks associated with implementation of local and imported supply programs and for the risk that future demands could be higher than projected. The planning buffer identifies an additional increment of water that could potentially be developed when needed and if other supplies are not fully implemented as planned. As part of implementation of the planning buffer, MWD periodically evaluates supply development, supply conditions, and projected demands to ensure that the region is not under or over developing supplies. Managed properly, the planning buffer will help ensure that the southern California region, including San Diego County, will have adequate water supplies to meet future demands.

In November 2010, MWD adopted its 2010 RUWMP in accordance with state law. The resource targets included in the preceding 2010 IRP Update serve as the foundation for the planning assumptions used in the 2010 RUWMP. MWD's 2010 RUWMP contains a water supply reliability assessment that includes a detailed evaluation of the supplies necessary to meet demands over a 25-year period in average, single dry year, and multiple dry year periods. As part of this process, MWD also uses the current SANDAG regional growth forecast in calculating regional water demands for the Water Authority's service area.

As stated in MWD's 2010 RUWMP, the plan may be used as a source document for meeting the requirements of SB 610 and SB 221 until the next scheduled update is completed in 2015. The 2010 RUWMP includes a "Justifications for Supply Projections" in Appendix A.3, that provides detailed documentation of the planning, legal, financial, and regulatory basis for including each source of supply in the plan. A copy of MWD's 2010 RUWMP can be found on the internet at the following site address:

[http://www.mwdh2o.com/mwdh2o/pages/yourwater/RUWMP/RUWMP\\_2010.pdf](http://www.mwdh2o.com/mwdh2o/pages/yourwater/RUWMP/RUWMP_2010.pdf)

The UWMPs for both MWD and the Water Authority will include the increase in demand projections included in SANDAG's Series 12 Update and from the projections from Otay Water District WRMP Update.

Water supply agencies throughout California continue to face climate, environmental, legal, and other challenges that impact water source supply conditions, such as the court rulings regarding the Sacramento-San Joaquin Delta and the current western states drought conditions. Challenges such as these essentially always will be present. The regional water supply agencies, the Water Authority and MWD, along with OWD nevertheless fully intend to have sufficient, reliable supplies to serve demands.

### 6.1.2 MWD Capital Investment Plan

MWD prepares a Capital Investment Plan as part of its annual budget approval process. The cost, purpose, justification, status, progress, etc. of MWD's infrastructure projects to deliver existing and future supplies are documented in the Capital Investment Plan. The financing of these projects is addressed as part of the annual budget approval process.

MWD's Capital Investment Plan includes a series of projects identified from MWD studies of projected water needs, which, when considered along with operational demands on aging facilities and new water quality regulations, identify the capital projects needed to maintain infrastructure reliability and water quality standards, improve efficiency, and provide future cost savings. All projects within the Capital Investment Plan are evaluated against an objective set of criteria to ensure they are aligned with the MWD's goals of supply reliability and quality.

## 6.2 San Diego County Water Authority Regional Water Supplies

The Water Authority has adopted plans and is taking specific actions to develop adequate water supplies to help meet existing and future water demands within the San Diego region. This section contains details on the supplies being developed by the Water Authority. A summary of recent actions pertaining to development of these supplies includes:

- In accordance with the Urban Water Management Planning Act, the Water Authority adopted their 2010 UWMP in June 2011. The updated Water Authority 2010 UWMP identifies a diverse mix of local and imported water supplies to meet future demands. A copy of the updated Water Authority 2010 UWMP can be found on the internet at <http://www.sdcwa.org/2010-urban-water-management-plan>
- As part of the October 2003 Quantification Settlement Agreement (QSA), the Water Authority was assigned MWD's rights to 77,700 acre feet per year of conserved water from the All-American Canal (AAC) and Coachella Canal (CC) lining projects. Deliveries of this conserved water from the CC reached the region in 2007 and deliveries from the AAC reached the region in 2010. Expected supplies from the canal lining projects are considered verifiable Water Authority supplies.

- Deliveries of conserved agricultural water from the Imperial Irrigation District (IID) to San Diego County have increased annually since 2003, with 70,000 acre feet per year of deliveries in Fiscal Year (FY) 2010. The quantities will increase annually to 200,000 acre feet per year by 2021, then remain fixed for the duration of the transfer agreement.

Through implementation of the Water Authority and member agency planned supply projects, along with reliable imported water supplies from MWD, the region anticipates having adequate supplies to meet existing and future water demands.

To ensure sufficient supplies to meet projected growth in the San Diego region, the Water Authority uses the SANDAG most recent regional growth forecast in calculating regional water demands. The SANDAG regional growth forecast is based on the plans and policies of the land-use jurisdictions with San Diego County. The existing and future demands of the member agencies are included in the Water Authority's projections.

### **6.2.1 Availability of Sufficient Supplies and Plans for Acquiring Additional Supplies**

The Water Authority currently obtains imported supplies from MWD, conserved water from the AAC and CC lining projects, and an increasing amount of conserved agricultural water from IID. Of the twenty-seven member agencies that purchase water supplies from MWD, the Water Authority is MWD's largest customer.

Section 135 of MWD's Act defines the preferential right to water for each of its member agencies. As calculated by MWD, the Water Authority's preferential right as of June 30, 2010 is 17.47 percent of MWD's supply, while the Water Authority accounted for approximately 21 percent of MWD's water sales. Under preferential rights, MWD could allocate water without regard to historic water purchases or dependence on MWD. The Water Authority and its member agencies are taking measures to reduce dependence on MWD through development of additional supplies and a water supply portfolio that would not be jeopardized by a preferential rights allocation. MWD has stated, consistent with Section 4202 of its Administrative Code that it is prepared to provide the Water Authority's service area with adequate supplies of water to meet expanding and increasing needs in the years ahead. When and as additional water resources are required to meet increasing needs, MWD stated it will be prepared to deliver such supplies. In Section ES-5 of their 2010 RUWMP, MWD states that MWD has supply capacities that would be sufficient to meet expected demands from 2015 through 2035. MWD has plans for supply implementation and continued development of a diversified resource mix including programs in the Colorado River Aqueduct, State Water Project, Central Valley Transfers, local resource projects, and in-region storage that enables the region to meet its water supply needs.

The Water Authority has made large investments in MWD’s facilities and will continue to include imported supplies from MWD in the future resource mix. As discussed in the Water Authority’s 2010 UWMP, the Water Authority and its member agencies are planning to diversify the San Diego regions supply portfolio and reduce purchases from MWD.

As part of the Water Authority’s diversification efforts, the Water Authority is now taking delivery of conserved agricultural water from IID and water saved from the AAC and CC lining projects. The CC lining project is complete and the Water Authority has essentially completed construction of the AAC lining project. Table 5 summarizes the Water Authority’s supply sources with detailed information included in the sections to follow. Deliveries from MWD are also included in Table 5, which is further discussed in Section 6.1 above. The Water Authority’s member agencies provided the verifiable local supply targets for groundwater, groundwater recovery, recycled water, and surface water, which are discussed in more detail in Section 5 of the Water Authority’s 2010 UWMP.

**Table 5**  
**Projected Verifiable Water Supplies – Water Authority Service Area**  
 Normal Year (acre feet)

<b>Water Supply Sources</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>
<b>Water Authority Supplies</b>					
MWD Supplies	358,189	230,601	259,694	293,239	323,838
Water Authority/IID Transfer	100,000	190,000	200,000	200,000	200,000
AAC and CC Lining Projects	80,200	80,200	80,200	80,200	80,200
Proposed Regional Seawater Desalination	0	56,000	56,000	56,000	56,000
<b>Member Agency Supplies</b>					
Surface Water	48,206	47,940	47,878	47,542	47,289
Water Recycling	38,660	43,728	46,603	48,278	49,998
Groundwater	11,710	11,100	12,100	12,840	12,840
Groundwater Recovery	10,320	15,520	15,520	15,520	15,520
<b>Total Projected Supplies</b>	<b>647,285</b>	<b>675,089</b>	<b>717,995</b>	<b>753,619</b>	<b>785,685</b>

Source: Water Authority 2010 Urban Water Management Plan – Table 9-1.

Section 5 of the Water Authority’s 2010 UWMP also includes a discussion on the local supply target for seawater desalination. Seawater desalination supplies represent a significant future local resource in the Water Authority’s service area. The Water Authority is pursuing the purchase of a water supply from the Carlsbad Desalination Project, a fully-permitted private desalination project at the Encina Power Station site located in the City of Carlsbad. In 2010, the Water Authority’s Board of Directors approved a Term Sheet between the Water Authority and the private investor-owned company, Poseidon Resources (Poseidon), and directed staff to prepare a draft Water Purchase Agreement based on its provisions. The Water Authority’s water purchase agreement with Poseidon is expected to include water purchase price, allocation of risk and options to eventually purchase the project’s pipeline and

the entire desalination plant. Before negotiations begin on a final agreement, Poseidon must secure sufficient financial commitments from private investors to meet requirements for fully funding project construction. In addition, Poseidon must execute all agreements for construction and operation of the project and finalize the documents needed to finance the project in the bond market.

The Water Authority's existing and planned supplies from the IID transfer and canal lining projects are considered "drought-proof" supplies and should be available at the yields shown in Table 5 in normal water year supply and demand assessment. Single dry year and multiple dry year scenarios are discussed in more detail in Section 9 of the Water Authority's 2010 UWMP.

As part of preparation of a written water supply assessment and/or verification report, an agency's shortage contingency analysis should be considered in determining sufficiency of supply. Section 11 of the Water Authority's 2010 UWMP contains a detailed shortage contingency analysis that addresses a regional catastrophic shortage situation and drought management. The analysis demonstrates that the Water Authority and its member agencies, through the Emergency Response Plan, Emergency Storage Project, and Drought Management Plan (DMP) are taking actions to prepare for and appropriately handle an interruption of water supplies. The DMP, adopted in May 2006, provides the Water Authority and its member agencies with a series of potential actions to take when faced with a shortage of imported water supplies from MWD due to prolonged drought or other supply shortfall conditions. The actions will help the region avoid or minimize the impacts of shortages and ensure an equitable allocation of supplies throughout the San Diego region.

### **6.2.1.1 Water Authority-Imperial Irrigation District Water Conservation and Transfer Agreement**

The QSA was signed in October 2003, and resolves long-standing disputes regarding priority and use of Colorado River water and creates a baseline for implementing water transfers. With approval of the QSA, the Water Authority and IID were able to implement their Water Conservation and Transfer Agreement. This agreement not only provides reliability for the San Diego region, but also assists California in reducing its use of Colorado River water to its legal allocation.

On April 29, 1998, the Water Authority signed a historic agreement with IID for the long-term transfer of conserved Colorado River water to San Diego County. The Water Authority-IID Water Conservation and Transfer Agreement (Transfer Agreement) is the largest agriculture-to-urban water transfer in United States history. Colorado River water will be conserved by Imperial Valley farmers who voluntarily participate in the program and then transferred to the Water Authority for use in San Diego County.

### *Implementation Status*

On October 10, 2003, the Water Authority and IID executed an amendment to the original 1998 Transfer Agreement. This amendment modified certain aspects of the Transfer Agreement to be consistent with the terms and conditions of the QSA and related agreements. It also modified other aspects of the agreement to lessen the environmental impacts of the transfer of conserved water. The amendment was expressly contingent on the approval and implementation of the QSA, which was also executed on October 10, 2003. Section 6.2.1, "Colorado River," contains details on the QSA.

On November 5, 2003, IID filed a complaint in Imperial County Superior Court seeking validation of 13 contracts associated with the Transfer Agreement and the QSA. Imperial County and various private parties filed additional suits in Superior Court, alleging violations of the California Environmental Quality Act (CEQA), the California Water Code, and other laws related to the approval of the QSA, the water transfer, and related agreements. The lawsuits were coordinated for trial. The IID, Coachella Valley Water District, MWD, the Water Authority, and state are defending these suits and coordinating to seek validation of the contracts. In January 2010, a California Superior Court judge ruled that the QSA and 11 related agreements were invalid, because one of the agreements created an open-ended financial obligation for the state, in violation of California's constitution. The QSA parties appealed this decision and are continuing to seek validation of the contracts. The appeal is currently pending in the Third District Court of Appeal. A stay of the trial court judgment has been issued during the appeal. Implementation of the transfer provisions is proceeding during litigation.

### *Expected Supply*

Deliveries into San Diego County from the transfer began in 2003 with an initial transfer of 10,000 acre feet per year. The Water Authority received increasing amounts of transfer water each year, according to a water delivery schedule contained in the transfer agreement. In 2010, the Water Authority received 70,000 acre feet per year. The quantities will increase annually to 200,000 acre feet per year by 2021 then remain fixed for the duration of the transfer agreement. The initial term of the Transfer Agreement is 45 years, with a provision that either agency may extend the agreement for an additional 30-year term.

During dry years, when water availability is low, the conserved water will be transferred under IID's Colorado River rights, which are among the most senior in the Lower Colorado River Basin. Without the protection of these rights, the Water Authority could suffer delivery cutbacks. In recognition for the value of such reliability, the 1998 contract required the Water Authority to pay a premium on transfer water under defined regional shortage circumstances. The shortage premium period duration is the period of consecutive days during which any of the following exist: 1) a Water Authority shortage; 2) a shortage condition for the Lower Colorado River as declared by the Secretary; and 3) a Critical Year. Under terms of the October 2003 amendment, the shortage premium will not be included in the cost formula until Agreement Year 16.

### *Transportation*

The Water Authority entered into a water exchange agreement with MWD on October 10, 2003, to transport the Water Authority–IID transfer water from the Colorado River to San Diego County. Under the exchange agreement, MWD takes delivery of the transfer water through its Colorado River Aqueduct. In exchange, MWD delivers to the Water Authority a like quantity and quality of water. The Water Authority pays MWD’s applicable wheeling rate for each acre-foot of exchange water delivered. Under the terms of the water exchange agreement, MWD will make delivery of the transfer water for 35 years, unless the Water Authority and MWD elect to extend the agreement another 10 years for a total of 45 years.

### *Cost/Financing*

The costs associated with the transfer are financed through the Water Authority’s rates and charges. In the agreement between the Water Authority and IID, the price for the transfer water started at \$258 per acre-foot and increased by a set amount for the first seven years. In December 2009, the Water Authority and IID executed a fifth amendment to the water transfer agreement that sets the price per acre-foot for transfer water for calendar years 2010 through 2015, beginning at \$405 per acre-foot in 2010 and increasing to \$624 per acre-foot in 2015. For calendar years 2016 through 2034, the unit price will be adjusted using an agreed-upon index. The amendment also required the Water Authority to pay IID \$6 million at the end of calendar year 2009 and another \$50 million on or before October 1, 2010, provided that a transfer stoppage is not in effect as a result of a court order in the QSA coordinated cases. Beginning in 2035, either the Water Authority or IID can, if certain criteria are met, elect a market rate price through a formula described in the water transfer agreement.

The October 2003 exchange agreement between MWD and the Water Authority set the initial cost to transport the conserved water at \$253 per acre-foot. Thereafter, the price is set to be equal to the charge or charges set by MWD’s Board of Directors pursuant to applicable laws and regulation, and generally applicable to the conveyance of water by MWD on behalf of its member agencies. The transportation charge in 2010 was \$314 per acre-foot.

The Water Authority is providing \$10 million to help offset potential socioeconomic impacts associated with temporary land fallowing. IID will credit the Water Authority for these funds during years 16 through 45. In 2007, the Water Authority prepaid IID an additional \$10 million for future deliveries of water. IID will credit the Water Authority for this up-front payment during years 16 through 30.

As part of implementation of the QSA and water transfer, the Water Authority also entered into an environmental cost sharing agreement. Under this agreement the Water Authority is contributing a total of \$64 million to fund environmental mitigation projects and the Salton Sea Restoration Fund.

*Written Contracts or Other Proof*

The supply and costs associated with the transfer are based primarily on the following documents:

Agreement for Transfer of Conserved Water by and between IID and the Water Authority (April 29, 1998). This Agreement provides for a market-based transaction in which the Water Authority would pay IID a unit price for agricultural water conserved by IID and transferred to the Water Authority.

Revised Fourth Amendment to Agreement between IID and the Water Authority for Transfer of Conserved Water (October 10, 2003). Consistent with the executed Quantification Settlement Agreement (QSA) and related agreements, the amendments restructure the agreement and modify it to minimize the environmental impacts of the transfer of conserved water to the Water Authority.

Amended and Restated Agreement between MWD and Water Authority for the Exchange of Water (October 10, 2003). This agreement was executed pursuant to the QSA and provides for delivery of the transfer water to the Water Authority.

Environmental Cost Sharing, Funding, and Habitat Conservation Plan Development Agreement among IID, Coachella Valley Water District (CVWD), and Water Authority (October 10, 2003). This Agreement provides for the specified allocation of QSA-related environmental review, mitigation, and litigation costs for the term of the QSA, and for development of a Habitat Conservation Plan.

Quantification Settlement Agreement Joint Powers Authority Creation and Funding Agreement (October 10, 2003). The purpose of this agreement is to create and fund the QSA Joint Powers Authority and to establish the limits of the funding obligation of CVWD, IID, and Water Authority for environmental mitigation and Salton Sea restoration pursuant to SB 654 (Machado).

Fifth Amendment to Agreement Between Imperial Irrigation District and San Diego County Water Authority for Transfer of Conserved Water (December 21, 2009). This agreement implements a settlement between the Water Authority and IID regarding the base contract price of transferred water.

*Federal, State, and Local Permits/Approvals*

Federal Endangered Species Act Permit. The U.S. Fish and Wildlife Service (USFWS) issued a Biological Opinion on January 12, 2001, that provides incidental take authorization and certain measures required to offset species impacts on the Colorado River regarding such actions.

State Water Resources Control Board (SWRCB) Petition. SWRCB adopted Water Rights Order 2002-0016 concerning IID and Water Authority's amended joint petition for approval of a long-term transfer of conserved water from IID to the Water Authority and to change the point of diversion, place of use, and purpose of use under Permit 7643.

Environmental Impact Report (EIR) for Conservation and Transfer Agreement. As lead agency, IID certified the Final EIR for the Conservation and Transfer Agreement on June 28, 2002.

U. S. Fish and Wildlife Service Draft Biological Opinion and Incidental Take Statement on the Bureau of Reclamation's Voluntary Fish and Wildlife Conservation Measures and Associated Conservation Agreements with the California Water Agencies (12/18/02). The U. S. Fish and Wildlife Service issued the biological opinion/incidental take statement for water transfer activities involving the Bureau of Reclamation and associated with IID/other California water agencies' actions on listed species in the Imperial Valley and Salton Sea (per the June 28, 2002 EIR).

Addendum to EIR for Conservation and Transfer Agreement. IID as lead agency and Water Authority as responsible agency approved addendum to EIR in October 2003.

Environmental Impact Statement (EIS) for Conservation and Transfer Agreement. Bureau of Reclamation issued a Record of Decision on the EIS in October 2003.

CA Department of Fish and Game California Endangered Species Act Incidental Take Permit #2081-2003-024-006). The California Department of Fish and Game issued this permit (10/22/04) for potential take effects on state-listed/fully protected species associated with IID/other California water agencies' actions on listed species in the Imperial Valley and Salton Sea (per the June 28, 2002 EIR).

California Endangered Species Act (CESA) Permit. A CESA permit was issued by California Department of Fish and Game (CDFG) on April 4, 2005, providing incidental take authorization for potential species impacts on the Colorado River.

#### 6.2.1.2 All-American Canal and Coachella Canal Lining Projects

As part of the QSA and related contracts, the Water Authority was assigned MWD's rights to 77,700 acre-feet per year of conserved water from projects that will line the All-American Canal (AAC) and Coachella Canal (CC). The projects will reduce the loss of water that currently occurs through seepage, and the conserved water will be delivered to the Water Authority. This conserved water will provide the San Diego region with an additional 8.5 million acre-feet over the 110-year life of the agreement.

### *Implementation Status*

The CC lining project began in November 2004 and was completed in 2006. Deliveries of conserved water to the Water Authority began in 2007. The project constructed a 37-mile parallel canal adjacent to the CC. The AAC lining project was begun in 2005 and was completed in 2010. The lining project constructed a concrete-lined canal parallel to 24 miles of the existing AAC from Pilot Knob to Drop 3.

In July 2005, a lawsuit (*CDEM v United States*, Case No. CV-S-05-0870-KJD-PAL) was filed in the U. S. District Court for the District of Nevada on behalf of U.S. and Mexican groups challenging the lining of the AAC. The lawsuit, which names the Secretary of the Interior as a defendant, claims that seepage water from the canal belongs to water users in Mexico. California water agencies note that the seepage water is actually part of California's Colorado River allocation and not part of Mexico's allocation. The plaintiffs also allege a failure by the United States to comply with environmental laws. Federal officials have stated that they intend to vigorously defend the case.

### *Expected Supply*

The AAC lining project makes 67,700 acre-feet of Colorado River water per year available for allocation to the Water Authority and San Luis Rey Indian water rights settlement parties. The CC lining project makes 26,000 acre-feet of Colorado River water each year available for allocation. The 2003 Allocation Agreement provides for 16,000 acre-feet per year of conserved canal lining water to be allocated to the San Luis Rey Indian Water Rights Settlement Parties. The remaining amount, 77,700 acre-feet per year, is to be available to the Water Authority, with up to an additional 4,850 acre-feet per year available to the Water Authority depending on environmental requirements from the CC lining project. For planning purposes, the Water Authority assumes that 2,500 acre-feet of the 4,850 acre-feet will be available each year for delivery, for a total of 80,200 acre-feet per year of that supply. According to the Allocation Agreement, IID has call rights to a portion (5,000 acre-feet per year) of the conserved water upon termination of the QSA for the remainder of the 110 years of the Allocation Agreement and upon satisfying certain conditions. The term of the QSA is for up to 75 years.

### *Transportation*

The October 2003 Exchange Agreement between the Water Authority and MWD provides for the delivery of the conserved water from the canal lining projects. The Water Authority pays MWD's applicable wheeling rate for each acre-foot of exchange water delivered. In the Agreement, MWD will deliver the canal lining water for the term of the Allocation Agreement (110 years).

### *Cost/Financing*

Under California Water Code Section 12560 et seq., the Water Authority received \$200 million in state funds for construction of the canal lining projects. In addition, \$20 million was made available from Proposition 50 and \$36 million from Proposition 84. The Water Authority was responsible for additional expenses above the funds provided by the state.

The rate to be paid to transport the canal lining water will be equal to the charge or charges set by MWD's Board of Directors pursuant to applicable law and regulation and generally applicable to the conveyance of water by MWD on behalf of its member agencies.

In accordance with the Allocation Agreement, the Water Authority is responsible for a portion of the net additional Operation, Maintenance, and Repair (OM&R) costs for the lined canals. Any costs associated with the lining projects as proposed are to be financed through the Water Authority's rates and charges.

### *Written Contracts or Other Proof*

The expected supply and costs associated with the lining projects are based primarily on the following documents:

U.S. Public Law 100-675 (1988). Authorized the Department of the Interior to reduce seepage from the existing earthen AAC and CC. The law provides that conserved water will be made available to specified California contracting water agencies according to established priorities.

California Department of Water Resources - MWD Funding Agreement (2001). Reimburse MWD for project work necessary to construct the lining of the CC in an amount not to exceed \$74 million. Modified by First Amendment (2004) to replace MWD with the Authority. Modified by Second Amendment (2004) to increase funding amount to \$83.65 million, with addition of funds from Proposition 50.

California Department of Water Resources - IID Funding Agreement (2001). Reimburse IID for project work necessary to construct a lined AAC in an amount not to exceed \$126 million.

MWD - CVWD Assignment and Delegation of Design Obligations Agreement (2002). Assigns design of the CC lining project to CVWD.

MWD - CVWD Financial Arrangements Agreement for Design Obligations (2002). Obligates MWD to advance funds to CVWD to cover costs for CC lining project design and CVWD to invoice MWD to permit the Department of Water Resources to be billed for work completed.

Allocation Agreement among the United States of America, The MWD Water District of Southern California, Coachella Valley Water District, Imperial Irrigation District, San Diego County Water Authority, the La Jolla, Pala, Pauma, Rincon, and San Pasqual Bands of Mission

Indians, the San Luis Rey River Indian Water Authority, the City of Escondido, and Vista Irrigation District (October 10, 2003). This agreement includes assignment of MWD's rights and interest in delivery of 77,700 acre-feet of Colorado River water previously intended to be delivered to MWD to the Water Authority. Allocates water from the AAC and CC lining projects for at least 110 years to the Water Authority, the San Luis Rey Indian Water Rights Settlement Parties, and IID, if it exercises its call rights.

Amended and Restated Agreement between MWD and Water Authority for the Exchange of Water (October 10, 2003). This agreement was executed pursuant to the QSA and provides for delivery of the conserved canal lining water to the Water Authority.

Agreement between MWD and Water Authority regarding Assignment of Agreements related to the AAC and CC Lining Projects. This agreement was executed in April 2004 and assigns MWD's rights to the Water Authority for agreements that had been executed to facilitate funding and construction of the AAC and CC lining projects:

Assignment and Delegation of Construction Obligations for the Coachella Canal Lining Project under the Department of Water Resources Funding Agreement No. 4600001474 from the San Diego County Water Authority to the Coachella Valley Water District, dated September 8, 2004.

Agreement Regarding the Financial Arrangements between the San Diego County Water Authority and Coachella Valley Water District for the Construction Obligations for the Coachella Canal Lining Project, dated September 8, 2004.

Agreement No. 04-XX-30-W0429 Among the United States Bureau of Reclamation, the Coachella Valley Water District, and the San Diego County Water Authority for the Construction of the Coachella Canal Lining Project Pursuant to Title II of Public Law 100-675, dated October 19, 2004.

California Water Code Section 12560 et seq. This Water Code Section provides for \$200 million to be appropriated to the Department of Water Resources to help fund the canal lining projects in furtherance of implementing California's Colorado River Water Use Plan.

California Water Code Section 79567. This Water Code Section identifies \$20 million as available for appropriation by the California Legislature from the Water Security, Clean Drinking Water, Coastal, and Beach Protection Fund of 2002 (Proposition 50) to DWR for grants for canal lining and related projects necessary to reduce Colorado River water use. According to the Allocation Agreement, it is the intention of the agencies that those funds will be available for use by the Water Authority, IID, or CVWD for the AAC and CC lining projects.

California Public Resources Code Section 75050(b) (1). This section identifies up to \$36 million as available for water conservation projects that implement the Allocation Agreement as defined in the Quantification Settlement Agreement.

### *Federal, State, and Local Permits/Approvals*

AAC Lining Project Final EIS/EIR (March 1994). A final EIR/EIS analyzing the potential impacts of lining the AAC was completed by the Bureau of Reclamation (Reclamation) in March 1994. A Record of Decision was signed by Reclamation in July 1994, implementing the preferred alternative for lining the AAC. A re-examination and analysis of these environmental compliance documents by Reclamation in November 1999 determined that these documents continued to meet the requirements of the NEPA and the CEQA and would be valid in the future.

CC Lining Project Final EIS/EIR (April 2001). The final EIR/EIS for the CC lining project was completed in 2001. Reclamation signed the Record of Decision in April 2002. An amended Record of Decision has also been signed to take into account revisions to the project description.

Mitigation, Monitoring, and Reporting Program for Coachella Canal Lining Project, SCH #1990020408; prepared by Coachella Valley Water District, May 16, 2001.

Environmental Commitment Plan for the Coachella Canal Lining Project, approved by the US Bureau of Reclamation (Boulder City, NV) on March 4, 2003.

Environmental Commitment Plan and Addendum to the All-American Canal Lining Project EIS/EIR California State Clearinghouse Number SCH 90010472 (June 2004, prepared by IID).

Addendum to Final EIS/EIR and Amendment to Environmental Commitment Plan for the All-American Canal Lining Project (approved June 27, 2006, by IID Board of Directors).

### **6.2.1.3 Carlsbad Seawater Desalination Project**

Development of seawater desalination in San Diego County will assist the region in diversifying its water resources, reduce dependence on imported supplies, and provide a new drought-proof, locally treated water supply. The Carlsbad Desalination Project is a fully-permitted seawater desalination plant and conveyance pipeline currently being developed by Poseidon, a private investor-owned company that develops water and wastewater infrastructure. The project, located at the Encina Power Station in Carlsbad, has been in development since 1998 and was incorporated into the Water Authority's 2003 Water Facilities Master Plan and the 2010 UWMP. The Carlsbad Desalination Project has obtained all required permits and environmental clearances and, when completed, will provide a highly reliable local supply of 56,000 acre-feet per year for the region.

#### *Implementation Status*

The Project has obtained all required permits and environmental clearances, including the following:

- National Pollutant Discharge Elimination System (NPDES) Discharge Permit (Regional Water Quality Control Board)
- Conditional Drinking Water Permit (California Department of Health Services)
- State Lands Commission Lease (State Lands Commission)
- Coastal Development Permit (California Coastal Commission)

IDE Technologies, a worldwide leader in the design, construction, and operation of desalination plants, was selected by Poseidon to be the desalination process contractor for the Project.

In July 2010, the Water Authority Board approved a Term Sheet between the Water Authority and Poseidon and directed staff to prepare a Water Purchase Agreement based on its provisions. Prior to the Water Authority engaging (in 2010) as a potential purchaser of all the water produced by the Project, Poseidon was pursuing a project structure where nine local water agencies had signed water purchase agreements. Ultimately, that project structure was found to be financially infeasible and the Water Authority was asked to step into the role of purchaser of the supply. Key terms for a potential Water Purchase Agreement between the Water Authority and Poseidon include the following:

- The term of the agreement will be for 30 years once commercial operation begins, subject to early buyout provisions beginning at 10 years.
- The Water Authority will shift the risks associated with the design, permitting, financing, construction, and operation of the Project to Poseidon.
- The price for water will be based on the actual cost of production.
- There will be the option to buy the entire plant beginning 10 years after the start date for commercial operation at a price to be specified in the water purchase agreement, as well as the right to purchase the plant at the end of the 30-year water purchase agreement term for \$1. This ensures eventual public ownership of the plant, securing long-term price certainty and regional public benefit from ratepayers' past investments in the plant through 30 years of water purchase payments.

#### *Expected Supply*

When completed, the Project will provide a highly reliable local supply of 56,000 acre-feet per year of supply for the region, available in both normal and dry hydrologic conditions.

#### *Transportation*

A 54-inch pipeline will be constructed to convey product water from the desalination plant 10.5 miles east to the Water Authority's Second Aqueduct. The water will be then be conveyed 5 miles north to the Water Authority's Twin Oaks Valley Water Treatment Plant facility, where it will be blended with treated imported water and subsequently distributed into the Water Authority's existing aqueduct system.

### *Cost/Financing*

The Term Sheet between the Water Authority and Poseidon provides the basis for a potential purchase agreement whereby the Water Authority would purchase the entire output from the Project at a price based on the cost of production. A preliminary September 2010 unit cost estimate was \$1,600/AF. The Water Authority's water purchase costs would be financed through Water Authority rates and charges. If the water purchase agreement is approved by the Water Authority Board, Poseidon plans to finance the capital cost of the Project with a combination of private equity and tax-exempt Private Activity Bonds.

### *Written Contracts or Other Proof*

The expected supply and costs associated with the Carlsbad Desalination Project are based primarily on the following documents:

Development Agreement between City of Carlsbad and Poseidon (October 2009). A Development Agreement between Carlsbad and Poseidon was executed on October 5, 2009

Agreement of Term Sheet between the Water Authority and Poseidon Resources (July 2010). The Water Authority approved the Term Sheet at its July 2010 Board Meeting. The Term Sheet outlines the terms and conditions of a future Water Purchase Agreement with Poseidon and allocates the resources to prepare the draft Water Purchase Agreement.

### *Federal, State, and Local Permits/Approvals*

Carlsbad Desalination Project Final EIR (June 2006). The City of Carlsbad certified the Final EIR and the final Notice of Determination for the project was signed on June 14, 2006.

NPDES Discharge Permit (August 2006). The Regional Water Quality Control Board issues the NPDES Discharge Permit for the project on August 16, 2006.

Drinking Water Permit (October 2006). The California Department of Health Services approved the Conditional Drinking Water Permit on October 19, 2006.

Coastal Development Permit (November 2007). The California Coastal Commission approved, with conditions, the Coastal Development Permit on November 15, 2007. The Coastal Development Permit allows construction and operation of the project in the Coastal Zone.

State Lands Commission Lease Application (August 2008). Amends lease of land by Cabrillo Power I LLC (Cabrillo) from the State Lands Commission for the lands where the project will be constructed. Cabrillo and Poseidon entered into agreement on July 1, 2003, authorizing Poseidon to use those lands to construct the project.

Addendum to Final EIR (September 2009). An Addendum to the Final EIR was certified by the City of Carlsbad and Notice of Determination for the Addendum was signed on September 15, 2009. The Addendum modified water conveyance pipeline alignments.

## 6.2.2 Water Authority Capital Improvement Program and Financial Information

The Water Authority's Capital Improvement Program (CIP) can trace its beginnings to a report approved by the Board in 1989 entitled, The Water Distribution Plan, a Capital Improvement Program through the Year 2010. The Water Distribution Plan included ten projects designed to increase the capacity of the aqueduct system, increase the yield from existing water treatment plants, obtain additional supplies from MWD, and increase the reliability and flexibility of the aqueduct system. Since that time the Water Authority has made numerous additions to the list of projects included in its CIP as the region's infrastructure needs and water supply outlook have changed.

The current list of projects included in the CIP is based on the results of planning studies, including the 2005 UWMP and the 2002 Regional Water Facilities Master Plan. These CIP projects, which are most recently described in the Water Authority's Adopted Multi-Year Budget, include projects valued at \$3.50 billion. These CIP projects are designed to meet projected water supply and delivery needs of the member agencies through 2035. The projects include a mix of new facilities that will add capacity to existing conveyance, storage, and treatment facilities, as well as repair and replace aging infrastructure:

- Asset Management – The primary components of the asset management projects include relining and replacing existing pipelines and updating and replacing metering facilities.
- New Facilities – These projects will expand the capacity of the aqueduct system, complete the projects required under the Quantification Settlement Agreement (QSA), and evaluate new supply opportunities.
- Emergency Storage Project – Projects remaining to be completed under the ongoing ESP include the San Vicente Dam Raise, the Lake Hodges projects, and a new pump station to extend ESP supplies to the northern reaches of the Water Authority service area.
- Other Projects – This category includes out-of-region groundwater storage, increased local water treatment plant capacity, and projects that mitigate environmental impacts of the CIP.

The Water Authority Board of Directors is provided a semi-annual and annual report on the status of development of the CIP projects. As described in the Water Authority's biennial budget, a combination of long and short term debt and cash (pay-as-you-go) will provide funding for capital improvements. Additional information is included in the Water

Authority's biennial budget, which also contains selected financial information and summarizes the Water Authority's investment policy.

### **6.3 Otay Water District**

The Otay Water District WRMP Update and the 2010 UWMP contain comparisons of projected supply and demands through the year 2035. Projected potable water resources to meet planned demands as documented were planned to be supplied entirely with imported water received from the Water Authority. Recycled water resources to meet projected demands are planned to be supplied from local wastewater treatment plants. The OWD currently has no local supply of raw water, potable water, or groundwater resources.

The development and/or acquisition of potential groundwater, recycled water market expansion, and seawater desalination supplies by the OWD have evolved and are planned to occur in response to the regional water supply issues. These water supply projects are in addition to those identified as sustainable supplies in the current Water Authority and MWD UWMP, IRP, Master Plans, and other planning documents. These new additional water supply projects are not currently developed and are in various stages of the planning process. These local and regional water supply projects will allow for less reliance upon imported water and are considered a new water supply resource for the OWD.

The OWD expansion of the market areas for the use of recycled water within the watersheds upstream of the Sweetwater Reservoir and the Lower Otay Reservoir, and Otay Mesa will increase recycled water use and thus require less dependence on imported water for irrigation purposes.

The supply forecasts contained within this WSA Report do consider development and/or acquisition of potential groundwater, recycled water market expansion, and seawater desalination supplies by the OWD.

#### **6.3.1 Availability of Sufficient Supplies and Plans for Acquiring Additional Supplies**

The availability of sufficient potable water supplies and plans for acquiring additional potable water supplies to serve existing and future demands of the OWD is founded upon the preceding discussions regarding MWD's and the Water Authority's water supply resources and water supplies to be acquired by the OWD. Historic imported water deliveries from the Water Authority to OWD and recycled water deliveries from the OWD Ralph W. Chapman Water Reclamation Facility (RWCWRF) are shown in Table 6. Since the year 2000 through mid May 2007, recycled water demand has exceeded the recycled water supply capability typically in the summer months. The RWCWRF is limited to a maximum production of about 1,300 acre-feet per year. The recycled water supply shortfall had been met by

supplementing with potable water into the recycled water storage system as needed by adding potable water supplied by the Water Authority. On May 18, 2007 an additional source of recycled water supply from the City of San Diego’s South Bay Water Reclamation Plant (SBWRP) became available. The supply of recycled water from the SBWRP is a result of essentially completing construction and commencement of operations of the transmission, storage, and pump station systems necessary to link the SBWRP recycled water supply source to the existing OWD recycled water system.

**Table 6**  
**Otay Water District**  
**Historic Imported and Local Water Supplies**

<b>Calendar Year</b>	<b>Imported Water (acre-feet)</b>	<b>Recycled Water (acre-feet)</b>	<b>Total (acre-feet)</b>
1980	12,558	0	12,558
1985	14,529	0	14,529
1990	23,200	0	23,200
1995	20,922	614	21,536
2000	29,901	948	30,849
2005	37,678	1,227	38,905
2010	29,270	4,090	33,270

Source: Otay Water District operational records.

### **6.3.1.1 Imported and Regional Supplies**

The availability of sufficient imported and regional potable water supplies to serve existing and planned uses within OWD is demonstrated in the above discussion on MWD and the Water Authority’s water supply reliability. The County Water Authority Act, Section 5 subdivision 11, states that the Water Authority “as far as practicable, shall provide each of its member agencies with adequate supplies of water to meet their expanding and increasing needs.” The Water Authority provides between 75 to 95 percent of the total supplies used by its 24 member agencies, depending on local weather and supply conditions. In calendar year 2010 the supply to OWD was 29,270 acre-feet of supply from the Water Authority. An additional 4,090 ac-ft of recycled water was provided from the City of San Diego and from OWD’s Ralph W. Chapman Water Reclamation Facility. The total baseline demand for potable water within the OWD is expected to increase to about 77,171 acre-feet by 2035 as per the Otay Water District 2010 UWMP.

### *Potable Water System Facilities*

The OWD continues to pursue diversification of its water supply resources to increase reliability and flexibility. The OWD also continues to plan, design, and construct potable water system facilities to obtain these supplies and to distribute potable water to meet customer demands. The OWD has successfully negotiated two water supply diversification agreements that enhance reliability and flexibility, which are briefly described as follows.

- The OWD entered into an agreement with the City of San Diego, known as the Otay Water Treatment Plant (WTP) Agreement. The Otay WTP Agreement provides for raw water purchase from the Water Authority and treatment by the City of San Diego at their Otay WTP for delivery to OWD. The supply system link to implement the Otay WTP Agreement to access the regions raw water supply system and the local water treatment plant became fully operational in August 2005. This supply link consists of the typical storage, transmission, pumping, flow measurement, and appurtenances to receive and transport the treated water to the OWD system. The City of San Diego obligation to supply 10 mgd of treated water under the Otay WTP Agreement is contingent upon there being available 10 mgd of surplus treatment capacity in the Otay WTP until such time as OWD pays the City of San Diego to expand the Otay WTP to meet the OWD future needs. In the event that the City of San Diego's surplus is projected to be less than 10 mgd the City of San Diego will consider and not unreasonably refuse the expansion of the Otay WTP to meet the OWD future needs. The Otay WTP existing rated capacity is 40 mgd with an actual effective capacity of approximately 34 mgd. The City of San Diego's typical demand for treated water from the Otay WTP is approximately 20 mgd. It is at the City of San Diego's discretion to utilize either imported raw water delivered by the Water Authority Pipeline No. 3 or local water stored in Lower Otay Reservoir for treatment to supply the OWD demand.
- The OWD entered into an agreement with the Water Authority, known as the East County Regional Treated Water Improvement Program (ECRTWIP Agreement). The ECRTWIP Agreement provides for transmission of raw water to the Helix WD R. M. Levy WTP for treatment and delivery to OWD. The supply system link to implement the ECRTWIP Agreement is complete allowing access to the regions raw water supply system and the local water treatment plant. This supply link consists of the typical transmission, pumping, storage, flow control, and appurtenances to receive and transport the potable water from the R. M. Levy WTP to OWD. The OWD is required to take a minimum of 10,000 acre-feet per year of treated water from the R.M. Levy WTP supplied from the regions raw water system.

### *Cost and Financing*

The capital improvement costs associated with water supply and delivery are financed through the OWD water meter capacity fee and user rate structures. The OWD potable water

sales revenue are used to pay for the wholesale cost of the treated water supply and the operating and maintenance expenses of the potable water system facilities.

*Written Agreements, Contracts, or Other Proof*

The supply and cost associated with deliveries of treated water from the Otay WTP and the R.M. Levy WTP is based on the following documents.

Agreement for the Purchase of Treated Water from the Otay Water Treatment Plant between the City of San Diego and the Otay Water District. The OWD entered into an agreement dated January 11, 1999 with the City of San Diego that provides for 10 mgd of surplus treated water to the OWD from the existing Otay WTP capacity. The agreement allows for the purchase of treated water on an as available basis from the Otay WTP. The OWD pays the Water Authority at the prevailing raw water rate for raw water and pays the City of San Diego at a rate equal to the actual cost of treatment to potable water standards.

Agreement between the San Diego County Water Authority and Otay Water District Regarding Implementation of the East County Regional Treated Water Improvement Program. The ECRTWIP Agreement requires the purchase of at least 10,000 acre-feet per year of potable water from the Helix WD R.M. Levy WTP at the prevailing Water Authority treated water rate. The ECRTWIP Agreement is dated April 27, 2006.

Agreement between the San Diego County Water Authority and Otay Water District for Design, Construction, Operation, and Maintenance of the Otay 14 Flow Control Facility Modification. The OWD entered into the Otay 14 Flow Control Facility Modification Agreement dated January 24, 2007 with the Water Authority to increase the physical capacity of the Otay 14 Flow Control Facility. The Water Authority and OWD shared the capital cost to expand its capacity from 8 mgd to 16 mgd.

*Federal, State, and Local Permits/Approvals*

The OWD acquired all the permits for the construction of the pipeline and pump station associated with the Otay WTP supply source and for the 640-1 and 640-2 water storage reservoirs project associated with the ECRTWIP Agreement through the typical planning, environmental approval, design, and construction processes.

The transmission main project constructed about 26,000 feet of a 36-inch diameter steel pipeline from the Otay 14 Flow Control Facility to the 640-1 and 640-2 Reservoirs project. The Otay 14 Flow Control Facility modification increased the capacity of the existing systems from 8 mgd to 16 mgd. CEQA documentation is complete for both projects. Construction of both of these projects was completed October 2010.

The City of San Diego and the Helix Water District are required to meet all applicable federal, state, and local health and water quality requirements for the potable water produced at the Otay WTP and the R.M. Levy WTP respectively.

### 6.3.1.2 Recycled Water Supplies

Wastewater collection, treatment, and disposal services provided by the OWD is limited to a relatively small area within what is known as the Jamacha Basin, located within the Middle Sweetwater River Basin watershed upstream of the Sweetwater Reservoir and downstream of Loveland Reservoir. Water recycling is defined as the treatment and disinfection of municipal wastewater to provide a water supply suitable for non-potable reuse. The OWD owns and operates the Ralph W. Chapman Water Reclamation Facility, which produces recycled water treated to a tertiary level for landscape irrigation purposes. The recycled water market area of the OWD is located primarily within the eastern area of the City of Chula Vista and on the Otay Mesa. The OWD distributes recycled water to a substantial market area that includes but is not limited to the U.S. Olympic Training Center, the Eastlake Golf Course, Otay Ranch, and other development projects.

The OWD projects that annual average demands for recycled water will increase to 8,000 acre-feet per year by 2035. About 1,300 acre-feet per year of supply is generated by the RWCWRF, with the remainder planned to be supplied to OWD by the City of San Diego's SBWRP.

#### North District Recycled Water Concept

The OWD is a recognized leader in the use of recycled water for irrigation and other commercial uses. The OWD continues the quest to investigate all viable opportunities to expand the successful recycled water program into areas that are not currently served. One of these areas is in the portion of the service area designated as the North District, located within the Middle Sweetwater River Basin watershed upstream of the Sweetwater River. The close proximity of the recycled water markets in the North District to the OWD source of recycled water, the RWCWRF, means that the distribution system to serve this area could be constructed relatively cost effectively. This makes the North District a logical location for the expansion of the OWD recycled water system and market area.

The purpose of the North District Recycled Water System Development Project, Phase I Concept Study, is to identify the feasibility of using recycled water in the North District and to investigate and assess any limitations or constraints to its use. The Phase I study components of the North District Recycled Water Concept encompassed the preparation of six technical memorandums including the project definition, a discussion of the regulatory process, a discussion of the protection of the watershed that would be affected by recycled water use in the North District, identification of stakeholders, public outreach, and an implementation plan.

Several opportunities that could be realized with the implementation of the use of recycled water in the North District were identified. These include a reduction of demand on the

potable water system and maximizing recycled water resources which in turn minimizes treated wastewater discharges to the local ocean outfall. Other opportunities are a possible partnership with Sweetwater Authority to monitor any benefits and impacts of increased recycled water use in the watershed and stakeholder outreach to resolve any water quality concerns and to retain consumer confidence. Also identified were two major constraints associated with the North District Recycled Water System Development Project. One constraint is the water quality objectives for the Middle Sweetwater Basin that will affect the effluent limitations for the recycled water produced at the RWCWRF. At this time, the effluent limit that is of concern is total nitrogen. An examination as to how the treatment process might be modified to enhance nitrogen removal and a design is underway to remedy the total nitrogen issue. The other major constraint is the cost of the infrastructure needed to convey and store recycled water in the North District. These costs are estimated to be in the range of \$14 to \$15 million dollars.

There are two additional phases proposed for the North District Recycled Water System Development Project. Phase II would include further investigation of the issues identified in Phase I as requiring further study. These include stakeholder outreach, regulatory issues, and facility planning. The third phase of the effort would include the facility planning, permitting, environmental compliance, design, and construction of the improvements necessary for delivery of recycled water to the North District markets.

The estimated amount of imported water saved at full implementation of the North District Recycled Water System Development Project is 1,200 acre-feet per year. This saved imported water could then be used to offset new potable water demands.

#### *Recycled Water System Facilities*

The OWD has and continues to construct recycled water storage, pumping, transmission, and distribution facilities to meet projected recycled water market demands. For nearly 20 years, millions of dollars of capital improvements have been constructed. The supply link consisting of a transmission main, storage reservoir, and a pump station to receive and transport the recycled water from the City of San Diego's SBWRP are complete and recycled water deliveries began on May 18, 2007.

#### *Cost and Financing*

The capital improvement costs associated with the recycled water supply and distribution systems are financed through the OWD water meter capacity fee and user rate structures. The OWD recycled water sales revenue, along with MWD and the Water Authority's recycled water sales incentive programs are used to help offset the costs for the wholesale purchase and production of the recycled water supply, the operating and maintenance expenses, and the capital costs of the recycled water system facilities.

*Written Agreements, Contracts, or Other Proof*

The supply and cost associated with deliveries of recycled water from the SBWRP is based on the following document.

Agreement between the Otay Water District and the City of San Diego for Purchase of Reclaimed Water from the South Bay Water Reclamation Plant. The agreement provides for the purchase of at least 6,721 acre-feet per year of recycled water from the SBWRP at an initial price of \$350 per acre-foot. The Otay Water District Board of Directors approved the final agreement on June 4, 2003 and the San Diego City Council approved the final agreement on October 20, 2003.

*Federal, State, and Local Permits/Approvals*

The OWD has in place an agreement with MWD for their recycled water sales incentive program for supplies from the RWCWRF and the SBWRP. Also, the OWD has in place an agreement with the Water Authority for their recycled water sales incentive program for supplies from the RWCWRF and the SBWRP. The Water Authority sales incentive agreement was approved by Water Authority on July 26, 2007 and by OWD on August 1, 2007. All permits for the construction of the recycled water facilities to receive, store, and pump the SBWRP supply have been acquired through the typical planning, environmental approval, design, and construction processes.

The California Regional Water Quality Control Board San Diego Region (RWQCB) “Master Reclamation Permit for Otay Water District Ralph W. Chapman Reclamation Facility” was adopted on May 9, 2007 (Order No. R9-2007-0038). This order establishes master reclamation requirements for the production, distribution, and use of recycled water in the OWD service area. The order includes the use of tertiary treated water produced and received from the City of San Diego’s SBWRP. Recycled water received from and produced by the SBWRP is regulated by Regional Board Order No. 2000-203 and addenda. The City of San Diego is required to meet all applicable federal, state, and local health and water quality requirements for the recycled water produced at the SBWRP and delivered to OWD in conformance with Order No. 2000-203.

### **6.3.1.3 Potential Groundwater Supplies**

The Otay Water District WRMP Update, 2010 UWMP, and the Otay Water District March 2007 Integrated Water Resources Plan (2007 IRP) all contain a description of the development of potential groundwater supplies. Over the past several years, OWD has studied numerous potential groundwater supply options that have shown, through groundwater monitoring well activities, poor quality water and/or insufficient yield from the basins at a cost effective level. The OWD has developed capital improvement program projects to continue the quest to develop potential groundwater resources. Local OWD groundwater

supply development is currently considered as a viable water supply resource to meet projected demands.

The development and/or acquisition of potential groundwater supply projects by the OWD have evolved and have been resurrected in response to the regional water supply issues related to water source supply conditions. Local ground water supply projects will allow for less reliance upon imported water, achieve a level of independence of the regional wholesale water agencies, and diversify the OWD water supply portfolio consistent the Otay Water District 2007 IRP.

In recognition of the need to develop sufficient alternative water supplies, the OWD has taken the appropriate next steps towards development of production groundwater well projects.

There are three groundwater well projects that the OWD is actively pursuing to develop as new local water supplies. They are known as the Middle Sweetwater River Basin Groundwater Well, the Otay Mesa Lot 7 Groundwater Well, and the Rancho del Rey Groundwater Well projects.

#### Middle Sweetwater River Basin Groundwater Well

The Middle Sweetwater River Basin Groundwater Well is an additional water supply project that was thoroughly studied and documented in the 1990s. The Middle Sweetwater River Basin is located within the Sweetwater River watershed and that reach of the river extends from Sweetwater Reservoir to the upstream Loveland Reservoir. The next step in development of the Middle Sweetwater River Basin Groundwater Well is the implementation of a pilot well project. The ultimate objective of the OWD is to develop a groundwater well production system within the Middle Sweetwater River Basin capable of producing a sustainable yield of potable water as a local supply.

The purpose of the Middle Sweetwater River Basin Groundwater Well Pilot project is to identify the feasibility of developing a groundwater resource production system and then determine and assess any limitations or constraints that may arise. The Middle Sweetwater River Basin Groundwater Well Pilot Project will accomplish six primary goals:

- Update project setting
- Update applicable project alternatives analysis
- Prepare groundwater well pilot project implementation plan
- Construct and test pilot monitoring and extraction wells
- Provide recommendations regarding costs and feasibility to develop a groundwater well production system within the Middle Sweetwater River Basin capable of producing a sustainable yield of potable water
- Prepare groundwater well production project implementation plan and scope of work

The groundwater conjunctive use concept is described as the extraction of the quantity of water from the groundwater basin that was placed there by customers of the Otay Water District, Helix Water District, and Padre Dam Municipal Water District by means of their use of imported treated water that contributed to the overall volume of groundwater within the basin. An estimated quantity was developed to be approximately 12.5 percent of the total consumption of the OWD customers within that basin, as measured by water meters. In the 1994-1995 period, the quantity of water that was returned to the groundwater basin by OWD customers was estimated to be 810 acre-feet per year. Currently, that 12.5 percent quantity could be on the order of 1,000 acre-feet per year. A future scope of work will need to address this concept while considering further development of the groundwater basin as an additional supply resource. If it is deemed that a Middle Sweetwater River Basin Groundwater Well Production Project is viable then the consultant will develop and provide a groundwater well production project implementation plan, cost estimate, and related scope of work.

Further development of the groundwater basin to enhance the total groundwater production could be accomplished by the OWD by means of additional extraction of water from the basin that is placed there by means of either injection and/or spreading basins using imported untreated water as the resource supply. The existing La Mesa Sweetwater Extension Pipeline, owned by the Water Authority, once converted to an untreated water delivery system, could be the conveyance system to transport untreated water for groundwater recharge in support of this conjunctive use concept. These two distinct water resource supply conjunctive use concepts will be addressed so they may coexist and to allow for their development as separate phases.

The scope of work to complete Middle Sweetwater River Basin Groundwater Well Pilot Project consists of many major tasks and is to address the groundwater supply concepts outlined above. It is anticipated that the cost for the entire scope of work, will be on the order of \$2,000,000, which includes a contingency and may take up to one and a half years to complete.

The primary desired outcome of the Middle Sweetwater River Basin Groundwater Well Pilot Project is for the engineering consultant to determine and make recommendations if it is financially prudent and physically feasible to develop a Phase I groundwater well production system within the Middle Sweetwater River Basin capable of producing a sustainable yield of up to 1,500 ac-ft/yr of potable water for the OWD. If it is deemed that a Middle Sweetwater River Basin Groundwater Well Production Project is viable then the consultant will develop and provide a groundwater well production project implementation plan and related scope of work.

#### Otay Mesa Lot 7 Groundwater Well

In early 2001 the OWD was approached by a landowner representative about possible interest in purchasing an existing well or alternatively, acquiring groundwater supplied from the well

located on Otay Mesa. The landowner, National Enterprises, Inc., reportedly stated that the well could produce 3,200 acre-feet per year with little or no treatment required prior to introducing the water into the OWD potable water system or alternatively, the recycled water system. In March 2001 authorization to proceed with testing of the Otay Mesa Lot 7 Groundwater Well was obtained and the OWD proceeded with the investigation of this potential groundwater supply opportunity.

The May 2001 Geoscience Support Services, Inc. completed for the OWD the preparation of a report entitled, "Otay Mesa Lot 7 Well Investigation," to assess the Otay Mesa Lot 7 Well. The scope of work included a geohydrologic evaluation of the well, analyses of the water quality samples, management and review of the well video log, and documentation of well pump testing. The primary findings, as documented in the report, formed the basis of the following recommendations:

- For the existing well to be use as a potable water supply resource, a sanitary seal must be installed in accordance with the CDPH guidelines.
- Drawdown in the well must be limited to avoid the possibility of collapsing the casing.
- Recover from drawdown from pumping is slow and extraction would need to be terminated for up to 2 days to allow for groundwater level recovery.
- The well water would need to be treated and/or blended with potable water prior to introduction into the potable water distribution system.

The existing Otay Mesa Lot 7 Well, based upon the above findings, was determined not to be a reliable municipal supply of potable water and that better water quality and quantity perhaps could be discovered deeper or at an alternative location within the San Diego Formation.

The OWD may still continue to pursue the Otay Mesa groundwater well opportunity with due consideration of the recommendations of the existing report. Based on the recommendations of the investigation report, a groundwater well production facility at Otay Mesa Lot 7 could realistically extract approximately 300 acre-feet per year.

#### Rancho del Rey Groundwater Well

In 1991, the McMillin Development Company drilled the Rancho del Rey Groundwater Well to augment grading water supplies for their Rancho del Rey development projects. Although the well was considered a "good producer," little was known regarding its water quality and sustainable yield because the water was used solely for earthwork (i.e. dust control and soil compaction). The well was drilled to 865 feet, with a finished depth of 830 feet and produced approximately 400 acre-feet per year of low quality water for four years until its use was discontinued in April 1995 when the well was no longer needed. McMillin notified the OWD of its intent to sell off the groundwater well asset.

In 1997, the OWD purchased an existing 7-inch well and the surrounding property on Rancho del Rey Parkway from the McMillin Company with the intent to develop it as a source of

potable water. Treatment was required to remove salts and boron, among other constituents, using reverse osmosis membranes and ion exchange.

In 2000, having received proposals for the design and construction of a reverse osmosis treatment facility that far exceeded the allocated budget, the Board of Directors instructed staff to suspend the project until such time as it became economically viable.

In January 2010, citing the rising cost of imported water and the OWD's interest in securing its own water source for long-term supply reliability, the Board authorized Phase 1 for drilling and development of the Rancho del Rey Well.

In September 2010, a new 12-inch production well was drilled to a depth of 900 feet through the groundwater formation and into fractured bedrock. Testing showed the long-term yield of the new well to be 450 gpm, higher than previous studies had estimated. Separation Processes, Inc. (SPI), a highly qualified membrane treatment firm, was hired to conduct a detailed economic feasibility study to confirm that the annualized unit cost of the new water source was economically competitive with other sources. The economic study estimated the unit cost of water to be \$1, 500 to \$2,000 per acre-foot for an alternative that utilizes a seawater membrane for treating both salts and boron. When compared with the current imported treated water rate from the Water Authority, and with the knowledge that this rate will continually increase as MWD and the Water Authority raise their rates, the Rancho del Rey Well project appears to be economically viable.

The OWD is continuing to pursue the Rancho del Rey groundwater well opportunity with due consideration of the recommendations of the existing reports and plans to develop a groundwater well production facility to extract approximately 500 acre-feet per year. For water planning purposes, production of groundwater from the Rancho del Rey well is considered “additional planned” for local supplies. During preparation of this 2010 UWMP, the OWD has contracted for design services for the wellhead treatment facilities.

#### **6.3.1.4 Otay Water District Desalination Project**

The OWD is currently investigating the feasibility of purchasing desalinated water from a seawater reverse osmosis plant that is planned to be located in Rosarito, Mexico, known as the Otay Mesa Desalinated Water Conveyance System (Desalination) project. The treatment facility is intended to be designed, constructed, and operated in Mexico by a third party. The OWD’s draft Desalination Feasibility Study, prepared in 2008, discusses the likely issues to be considered in terms of water treatment and monitoring, potential conveyance options within the United States from the international border to potential delivery points, and environmental, institutional, and permitting considerations for the OWD to import the Desalination project product water as a new local water supply resource.

While the treatment facility for the Desalination project will likely not be designed or operated by the OWD as the lead agency, it is important that the OWD maintain involvement with the planning, design, and construction of the facility to ensure that the implemented processes provide a product water of acceptable quality for distribution and use within the OWD's system as well as in other regional agencies' systems that may use the product water, i.e. City of San Diego, the Water Authority, etc. A seawater reverse osmosis treatment plant removes constituents of concern from the seawater, producing a water quality that far exceeds established United States and California drinking water regulations for most parameters, however, a two-pass treatment system may be required to meet acceptable concentrations of boron and chlorides, similar to the levels seen within the existing OWD supply sources. The Desalination Feasibility Study addresses product water quality that is considered acceptable for public health and distribution.

The OWD, or any other potential participating agencies, will be required to get approval from the CDPH in order to use the desalinated seawater as a water source. Several alternative approaches are identified for getting this approval. These alternatives vary in their cost and their likelihood of meeting CDPH approval.

The Rosarito Desalination Facility Conveyance and Disinfection System Project report addresses two supply targets for the desalinated water (i.e. local and regional). The local alternative assumes that only OWD would participate and receive desalinated water, while the regional alternative assumes that other regional and/or local agencies would also participated in the Rosarito project.

On November 3, 2010, the OWD authorized the General Manager to enter into an agreement with AECOM for the engineering design, environmental documentation, and the permitting for the construction of the conveyance pipeline, pump station, and disinfection facility to be constructed within the OWD. The supply target is assumed to be 50 mgd while the ultimate capacity of the plant will be 100 mgd.

The OWD is proceeding with negotiations among the parties to establish water supply resource acquisition terms through development of a Principles of Understanding document.

### ***6.3.2 Otay Water District Capital Improvement Program***

The OWD plans, designs, constructs, and operates water system facilities to acquire sufficient supplies and to meet projected ultimate demands placed upon the potable and recycled water systems. In addition, the OWD forecasts needs and plans for water supply requirements to meet projected demands at ultimate build out. The necessary water facilities and water supply projects are implemented and constructed when development activities proceed and require service to achieve timely and adequate cost effective water service.

New water facilities that are required to accommodate the forecasted growth within the entire OWD service area are defined and described within the Otay Water District WRMP Update. These facilities are incorporated into the annual OWD Six Year Capital Improvement Program (CIP) for implementation when required to support development activities. As major development plans are formulated and proceed through the land use jurisdictional agency approval processes, OWD prepares water system requirements specifically for the proposed development project consistent with the Otay Water District WRMP Update. These requirements document, define, and describe all the potable water and recycled water system facilities to be constructed to provide an acceptable and adequate level of service to the proposed land uses, as well as the financial responsibility of the facilities required for service. The OWD funds the facilities identified as CIP projects. Established water meter capacity fees and user rates are collected to fund the CIP project facilities. The developer funds all other required water system facilities to provide water service to their project.

## **Section 7 – Conclusion: Availability of Sufficient Supplies**

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The Hawano Project is currently located within the jurisdictions of the OWD, Water Authority, and MWD. To obtain permanent imported water supply service, land areas are required to be within the jurisdictions of the OWD, Water Authority, and MWD to utilize imported water supply.

The Water Authority and MWD have an established process that ensures supplies are being planned to meet future growth. Any annexations and revisions to established land use plans are captured in the San Diego Association of Governments (SANDAG) updated forecasts for land use planning, demographics, and economic projections. SANDAG serves as the regional, intergovernmental planning agency that develops and provides forecast information. The Water Authority and MWD update their demand forecasts and supply needs based on the most recent SANDAG forecast approximately every five years to coincide with preparation of their urban water management plans. Prior to the next forecast update, local jurisdictions with land use authority may require water supply assessment and/or verification reports for proposed land developments that are not within the OWD, Water Authority, or MWD jurisdictions (i.e. pending or proposed annexations) or that have revised land use plans with either lower or higher development intensities than reflected in the existing growth forecasts. Proposed land areas with pending or proposed annexations, or revised land use plans, typically result in creating higher demand and supply requirements than previously anticipated. The OWD, Water Authority, and MWD next demand forecast and supply requirements and associated planning documents would then capture any increase or decrease in demands and required supplies as a result of annexations or revised land use planning decisions.

MWD's Integrated Resources Plan (IRP) identifies a mix of resources (imported and local) that, when implemented, will provide 100 percent reliability for full-service demands through

the attainment of regional targets set for conservation, local supplies, State Water Project supplies, Colorado River supplies, groundwater banking, and water transfers. The 2010 update to the IRP includes a planning buffer supply intended to mitigate against the risks associated with implementation of local and imported supply programs and for the risk that future demands could be higher than projected. The planning buffer identifies an additional increment of water that could potentially be developed when needed and if other supplies are not fully implemented as planned. As part of implementation of the planning buffer, MWD periodically evaluates supply development, supply conditions, and projected demands to ensure that the region is not under or over developing supplies. Managed properly, the planning buffer will help ensure that the southern California region, including San Diego County, will have adequate water supplies to meet long-term future demands.

In Section ES-5 of their 2010 RUWMP, MWD states that MWD has supply capacities that would be sufficient to meet expected demands from 2015 through 2035. MWD has plans for supply implementation and continued development of a diversified resource mix including programs in the Colorado River Aqueduct, State Water Project, Central Valley Transfers, local resource projects, and in-region storage that enables the region to meet its water supply needs. MWD's 2010 RUWMP identifies potential reserve supplies in the supply capability analysis (Tables 2-9, 2-10, and 2-11), which could be available to meet the unanticipated demands.

The County Water Authority Act, Section 5 subdivision 11, states that the Water Authority "as far as practicable, shall provide each of its member agencies with adequate supplies of water to meet their expanding and increasing needs."

As part of preparation of a written water supply assessment report, an agency's shortage contingency analysis should be considered in determining sufficiency of supply. Section 11 of the Water Authority's 2010 Updated UWMP contains a detailed shortage contingency analysis that addresses a regional catastrophic shortage situation and drought management. The analysis demonstrates that the Water Authority and its member agencies, through the Emergency Response Plan, Emergency Storage Project, and Drought Management Plan (DMP) are taking actions to prepare for and appropriately handle an interruption of water supplies. The DMP, adopted in May 2006, provides the Water Authority and its member agencies with a series of potential actions to take when faced with a shortage of imported water supplies from MWD due to prolonged drought or other supply shortfall conditions. The actions will help the region avoid or minimize the impacts of shortages and ensure an equitable allocation of supplies.

The WSA Report identifies and describes the processes by which water demand projections for the proposed Hawano Project will be fully included in the water demand and supply forecasts of the Urban Water Management Plans and other water resources planning documents of the Water Authority and MWD. Water supplies necessary to serve the demands of the proposed Hawano Project, along with existing and other projected future users, as well as the actions necessary and status to develop these supplies, have been identified in the

Hawano Project WSA Report and will be included in the future water supply planning documents of the Water Authority and MWD.

This WSA Report includes, among other information, an identification of existing water supply entitlements, water rights, water service contracts, water supply projects, or agreements relevant to the identified water supply needs for the proposed Hawano Project. This WSA Report assesses, demonstrates, and documents that sufficient water supplies are planned for and are intended to be available over a 20-year planning horizon, under normal conditions and in single and multiple dry years to meet the projected demand of the proposed Hawano Project and the existing and other planned development projects to be served by the OWD.

Table 7 presents the forecasted balance of water demands and required supplies for the OWD service area under average or normal year conditions. The total actual demand for FY 2010 was 33,270 acre feet. The demand for FY 2010 is 5,635 acre feet lower than the demand in FY 2005 of 38,905 acre feet. The drop in demand is a result of the unit price of water, the conservation efforts of users as a result of the prolonged drought, and the economy.

Table 8 presents the forecasted balance of water demands and supplies for the OWD service area under single dry year conditions. Table 8 presents the forecasted balance of water demands and supplies for the OWD service area under multiple dry year conditions for the three year period ending in 2018. The multiple dry year conditions for periods ending in 2023, 2028, and 2033 are provided in the Otay Water District 2010 UWMP. The projected potable demand and supply requirements shown the Tables 7 and 8 are from the Otay Water District 2010 UWMP adjusted to reflect the additional 75.6 acre-feet per year of potable water demand for the Hawano Project. Hot, dry weather may generate urban water demands that are about 6.4 percent greater than normal. This percentage was utilized to generate the dry year demands shown in Table 8. The recycled water supplies are assumed to experience no reduction in a dry year.

**Table 7**  
**Projected Balance of Water Demands and Supplies Normal Year Conditions (acre feet)**

Description	FY 2015	FY 2020	FY 2025	FY 2030	FY 2035
<b>Demands</b>					
OWD Demands	44,883	53,768	63,811	70,669	77,171
Hawano Project Demand Increase	0	0	0	0	0
Additional Conservation Target	0	(7,447)	(13,996)	(17,895)	(20,557)
<b>Total Demand</b>	44,883	46,321	49,815	52,774	56,614
<b>Supplies</b>					
Water Authority Supply	40,483	41,321	44,015	45,974	48,614
Recycled Water Supply	4,400	5,000	5,800	6,800	8,000
<b>Total Supply</b>	44,883	46,321	49,815	52,774	56,614
<b>Supply Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 8 presents the forecasted balance of water demands and supplies for the OWD service area under single dry year and multiple dry year conditions as from the Otay Water District 2010 UWMP.

**Table 8**  
**Projected Balance of Water Demands and Supplies**  
**Single Dry and Multiple Dry Year Conditions (acre feet)**

	Normal Year	Single Dry Year	Multiple Dry Years		
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Demands</b>					
OWD Demands	37,176	41,566	43,614	46,385	50,291
<b>Total Demand</b>	37,176	41,566	43,614	46,385	50,291
<b>Supplies</b>					
Water Authority Supply	33,268	37,535	39,460	42,108	45,891
Recycled Water Supply	3,908	4,031	4,154	4,277	4,400
<b>Total Supply</b>	37,176	41,566	43,614	46,385	50,291
<b>Supply Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>District Demand totals with SBX7-7 conservation target achievement plus single dry year increase as shown. The Water Authority could implement its DMP. In this instances, the Water Authority may have to allocate supply shortages based on it equitable allocation methodology in its DMP.</b>					

Dry year demands assumed to generate a 6.4% increase in demand over normal conditions for each year in addition to new demand growth.

Table 8 also presents the forecasted balance of water demands and supplies for the OWD service area under multiple dry year conditions for the three year period ending in 2015.

In evaluating the availability of sufficient water supply, the Hawano Project development proponents will be required to participate in the development of alternative water supply project(s). This can be achieved through payment of the New Water Supply Fee adopted by the OWD Board in May 2010. These water supply projects are in addition to those identified as sustainable supplies in the current Water Authority and MWD UWMP, IRP, Master Plans, and other planning documents. These new water supply projects are in response to the regional water supply issues related to climatological, environmental, legal, and other challenges that impact water source supply conditions, such as the court rulings regarding the Sacramento-San Joaquin Delta and the current ongoing western states drought conditions. These new additional water supply projects are not currently developed and are in various stages of the planning process. The OWD water supply development program includes but is not limited to projects such as the Middle Sweetwater River Basin Groundwater Well project, the North District Recycled Water Supply Concept, the OWD Desalination project, and the Rancho del Rey Groundwater Well project. The Water Authority and MWD's next forecasts and supply planning documents would capture any increase in water supplies resulting from any new water resources developed by the OWD.

The OWD acknowledges the ever-present challenge of balancing water supply with demand and the inherent need to possess a flexible and adaptable water supply implementation strategy that can be relied upon during normal and dry weather conditions. The responsible regional water supply agencies have and will continue to adapt their resource plans and strategies to meet climate, environmental, and legal challenges so that they may continue to provide water supplies to their service areas. The regional water suppliers along with OWD fully intend to maintain sufficient reliable supplies through the 20-year planning horizon under normal, single, and multiple dry year conditions to meet projected demand of the Hawano Project, along with existing and other planned development projects within the OWD service area.

This WSA Report assesses, demonstrates, and documents that sufficient water supplies are planned for and are intended to be acquired, as well as the actions necessary and status to develop these supplies, to meet projected water demands of the Hawano Project as well as existing and other reasonably foreseeable planned development projects within the OWD for a 20-year planning horizon, in normal and in single and multiple dry years.

## **Source Documents**

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County of San Diego, January 6, 2012, Letter Request to Initiate the Preparation of a Water Supply Assessment for the Hawano Technology Park. Compliance request letter received January 6, 2012.

City of Chula Vista, "Otay Ranch General Development Plan/Sub-regional Plan, The Otay Ranch Joint Planning Project," October 1993 amended June 1996.

County of San Diego, "East Otay Mesa Specific Plan Area," adopted July 27, 1994.

Otay Water District, "2008 Water Resources Master Plan Update," dated November 2010.

Atkins and Otay Water District, "Otay Water District 2010 Urban Water Management Plan," June 2011.

Camp Dresser & McKee, Inc., "Otay Water District Integrated Water Resources Plan," March 2007

San Diego County Water Authority, "Urban Water Management Plan 2010 Update," May 2011.

MWD Water District of Southern California, "Regional Urban Water Management Plan," November 2010.

Camp Dresser & McKee, Inc., "Rosarito Desalination Facility Conveyance and Disinfection System Project," June 21, 2010.

PBS&J, "Draft Otay Water District North District Recycled Water System Development Project, Phase I Concept Study," December 2008.

NBS Lowry, "Middle Sweetwater River System Study Water Resources Audit," June 1991.

Michael R. Welch, "Middle Sweetwater River System Study Alternatives Evaluation," May 1993.

Michael R. Welch, "Middle Sweetwater River Basin Conjunctive Use Alternatives," September 1994.

Geoscience Support Services, Inc., "Otay Mesa Lot 7 Well Investigation," May 2001.

Boyle Engineering Corporation, "Groundwater Treatment Feasibility Study Ranch del Ray Well Site," September 1996.

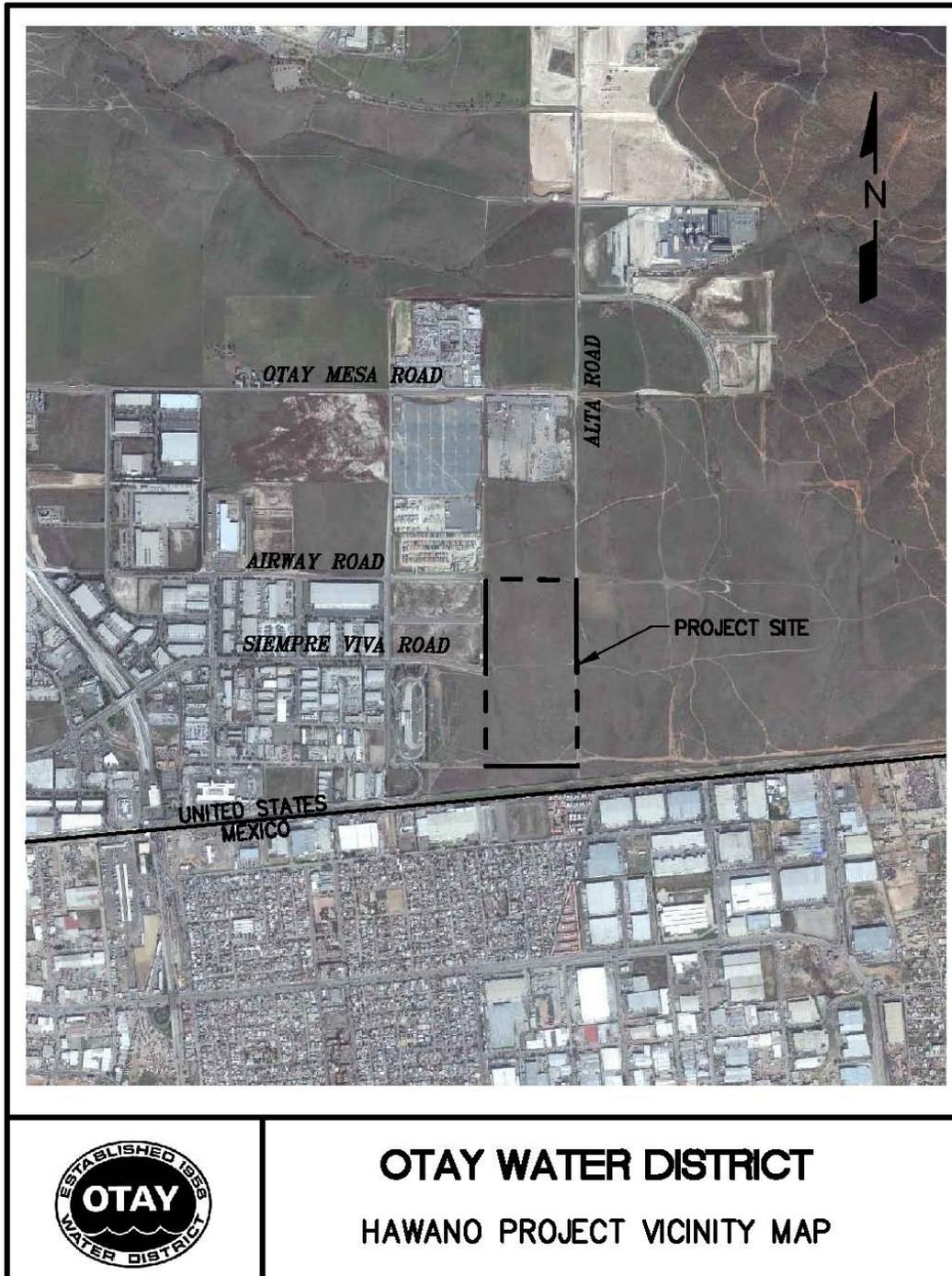
Agreement for the Purchase of Treated Water from the Otay Water Treatment Plant between the City of San Diego and the Otay Water District.

Agreement between the San Diego County Water Authority and Otay Water District regarding Implementation of the East County Regional Treated Water Improvement Program.

Agreement between the San Diego County Water Authority and Otay Water District for Design, Construction, Operation, and Maintenance of the Otay 14 Flow Control Facility Modification.

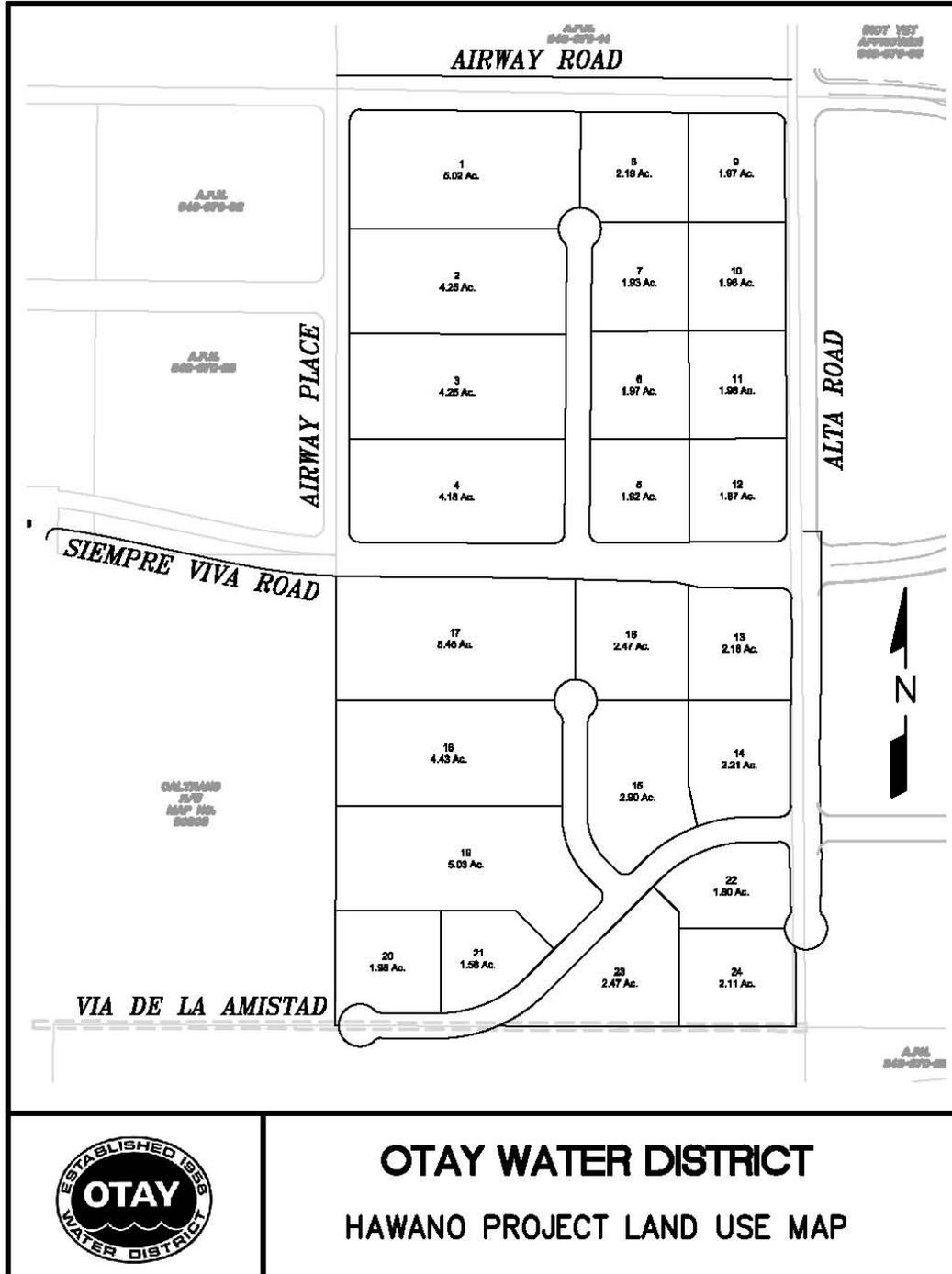
Agreement between the Otay Water District and the City of San Diego for Purchase of Reclaimed Water from the South Bay Water Reclamation Plant.

## Appendix A Hawano Project Vicinity Map



APPENDIX A

## Appendix B Hawano Project Development Plan

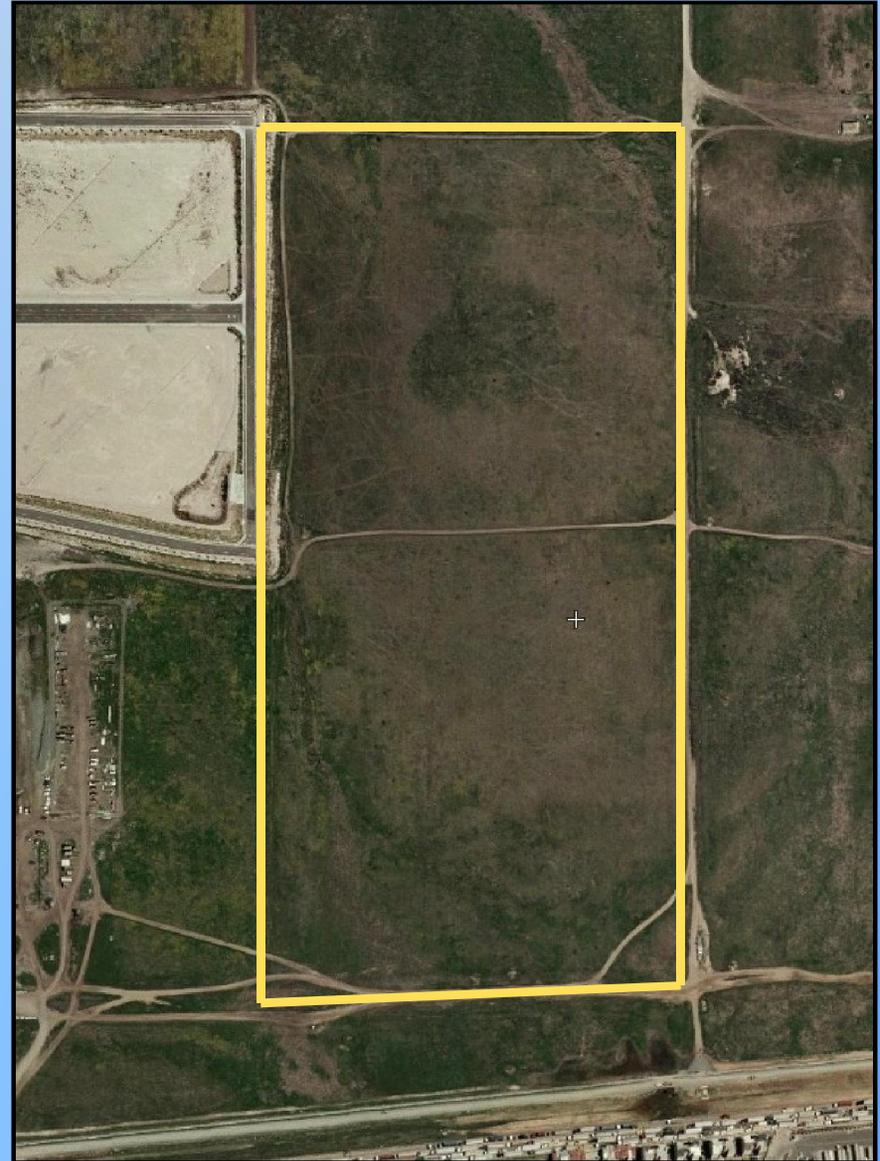


# Otay Water District Board of Directors Meeting

March 7, 2012

## Water Supply Assessment Report for the Hawano Project

### SB 610 Compliance



# Background

**Senate Bills 610 and 221 became effective on January 1, 2002, with the primary intent to improve the link between water supply availability and land use decisions.**

## **SB 610 Water Supply Assessment (WSA):**

- **Requires water purveyor to prepare a Water Supply Assessment report for inclusion in agency CEQA documentation.**

## **SB 221 Water Supply Verification:**

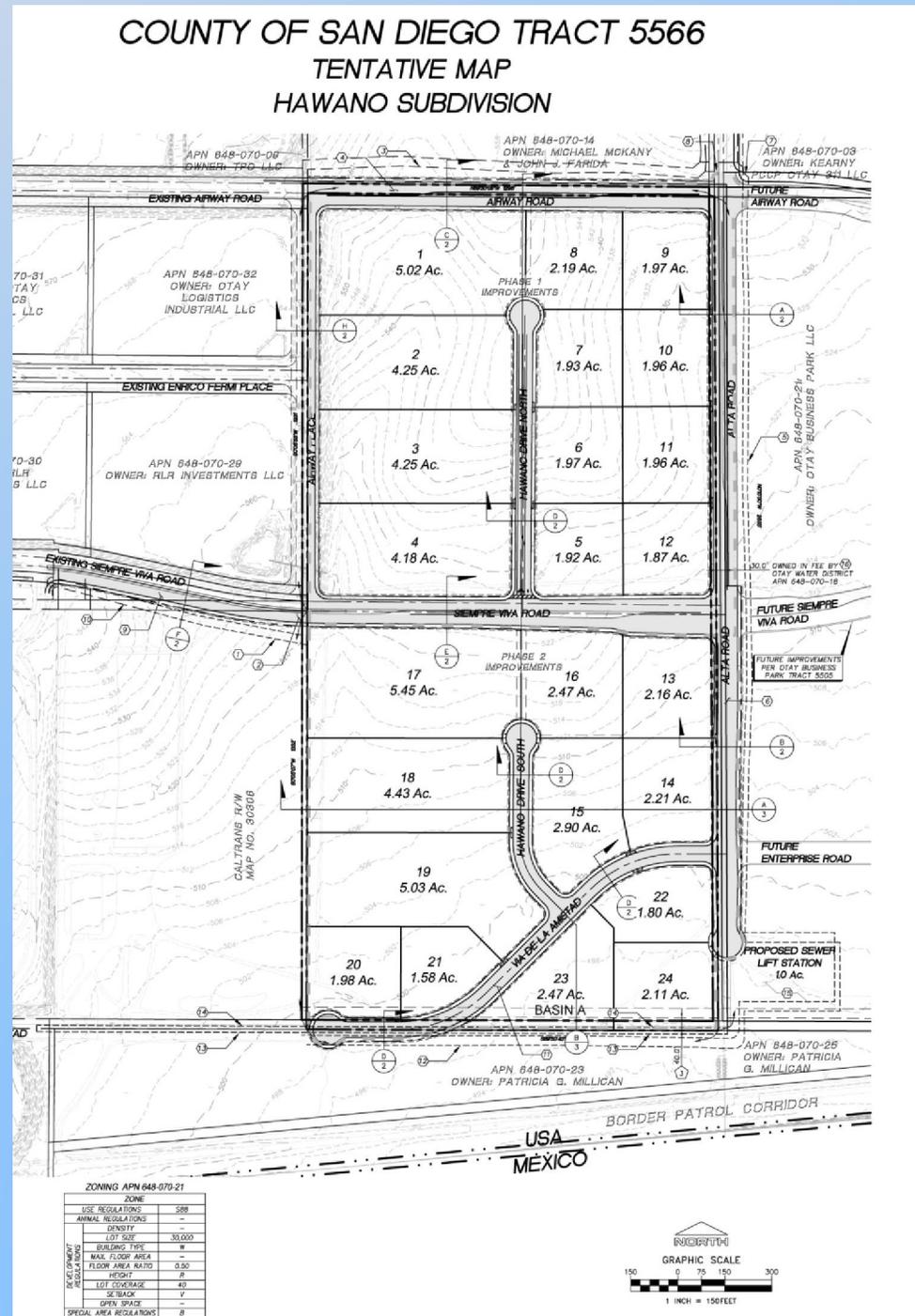
- **Does not apply to the Hawano Project for it is an industrial subdivision.**

## **The Hawano Project Water Supply Assessment Report:**

- **Board approval required for submittal of the WSA to the County of San Diego.**

# Hawano Project

- 79.6 Acre site
- 23 Commercial/Industrial Lots
- Lots size varies ~ 1.9 – 5.0 Acres
- Water Demand
  - 75.6 AFY Potable
  - 9.6 AFY Recycled
  - Demands are consistent with District's WRMP



# Hawano Project Water Supply Assessment

- **The regional and local water supply agencies acknowledge the challenges and fully intend to develop sufficient, reliable supplies to meet demands.**
- **Water suppliers recognize additional water supplies are necessary and portfolios need to be reassessed and redistributed with intent to serve existing and future needs.**

# Hawano Project Water Supply Assessment

- **The WSA Report documents the planned water supply projects and the actions necessary to develop the supplies.**
- **Water supply for the Hawano Project and for existing and future developments within the District for a 20-year planning horizon, under normal and in single and multiple dry years, are planned for and are intended to be made available.**

# **Otay Water District Planned Local Water Supply Projects**

- **Rancho Del Rey Groundwater Well (500 AFY)**
- **Rosarito Ocean Desalination Project (20,000-50,000 AFY)**
- **Otay Mesa Lot 7 Groundwater Well (300 AFY)**
- **Otay Mesa Recycled Water Supply Link Project (800 AFY)**

# Otay Water District Projected Balance of Supply and Demand

	Normal Year	Single Dry Year	Multiple Dry Years		
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Demands</b>					
Otay Water District Demands	37,176	41,566	43,614	46,385	50,291
<b>Total Demand</b>	37,176	41,566	43,614	46,385	50,291
<b>Supplies</b>					
Water Authority Supply	33,268	37,535	39,460	42,108	45,891
Recycled Water Supply	3,908	4,031	4,154	4,277	4,400
<b>Total Supply</b>	37,176	41,566	43,614	46,385	50,291
<b>Supply Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 8 of Hawano WSA Report based on data from Table 30 on page 41 of OWD 2010 UWMP**

**District Demand totals with SBX7-7 conservation target achievement with single dry year and multiple dry year increase as shown.** The Water Authority could implement its DMP. In these instances, the Water Authority may have to allocate supply shortages based on the equitable allocation methodology in its DMP.

# Conclusion

- **Water demand and supply forecasts are included in the planning documents of MWD, Water Authority, and the Otay Water District.**
- **Actions necessary to develop the identified water supplies are documented.**
- **Hawano Project SB 610 WSA demonstrates and documents that sufficient water supplies are planned for and are intended to be available over the next 20 years.**

# Conclusion continued

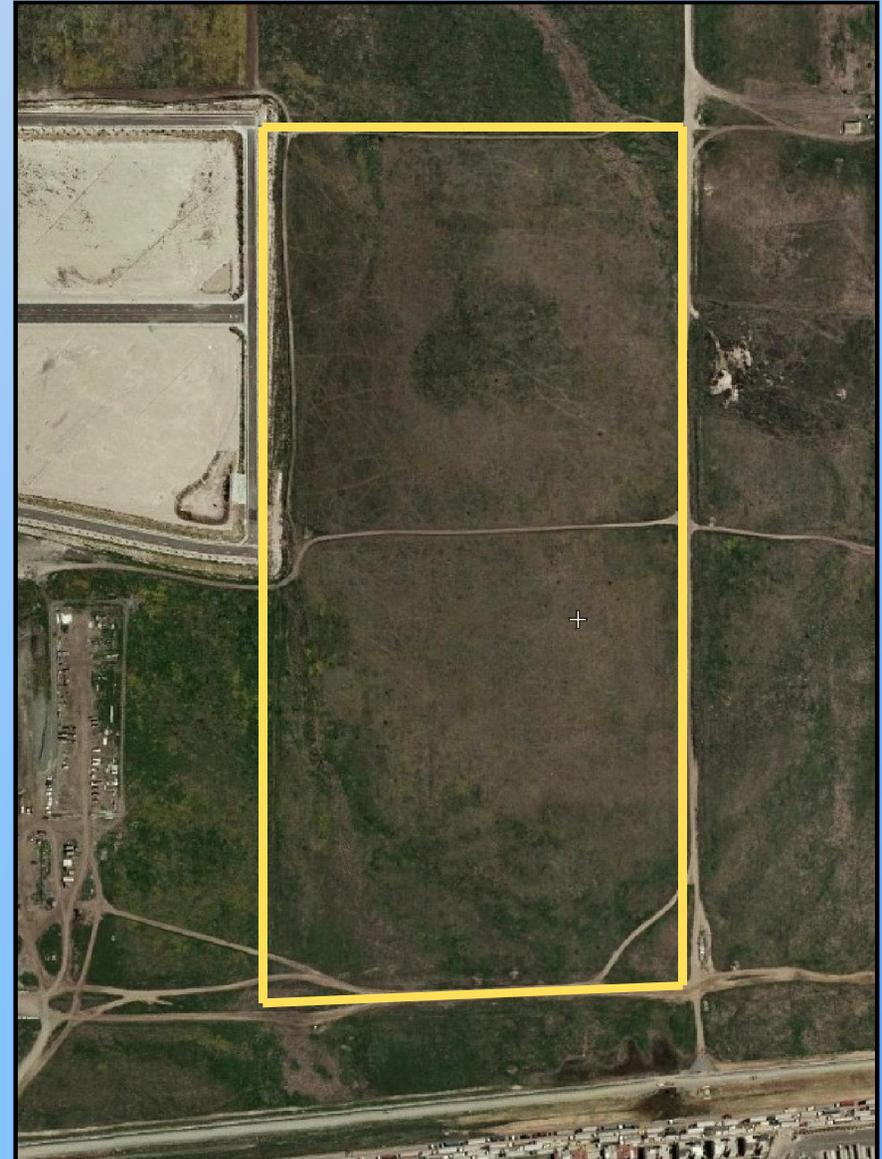
- **It is believed that the Board has met the intent of SB 610 statute in that:**
  - 1) Land use agencies and water suppliers have demonstrated strong linkage.**
  - 2) The Hawano Project Water Supply Assessment clearly documents the current water supply situation.**

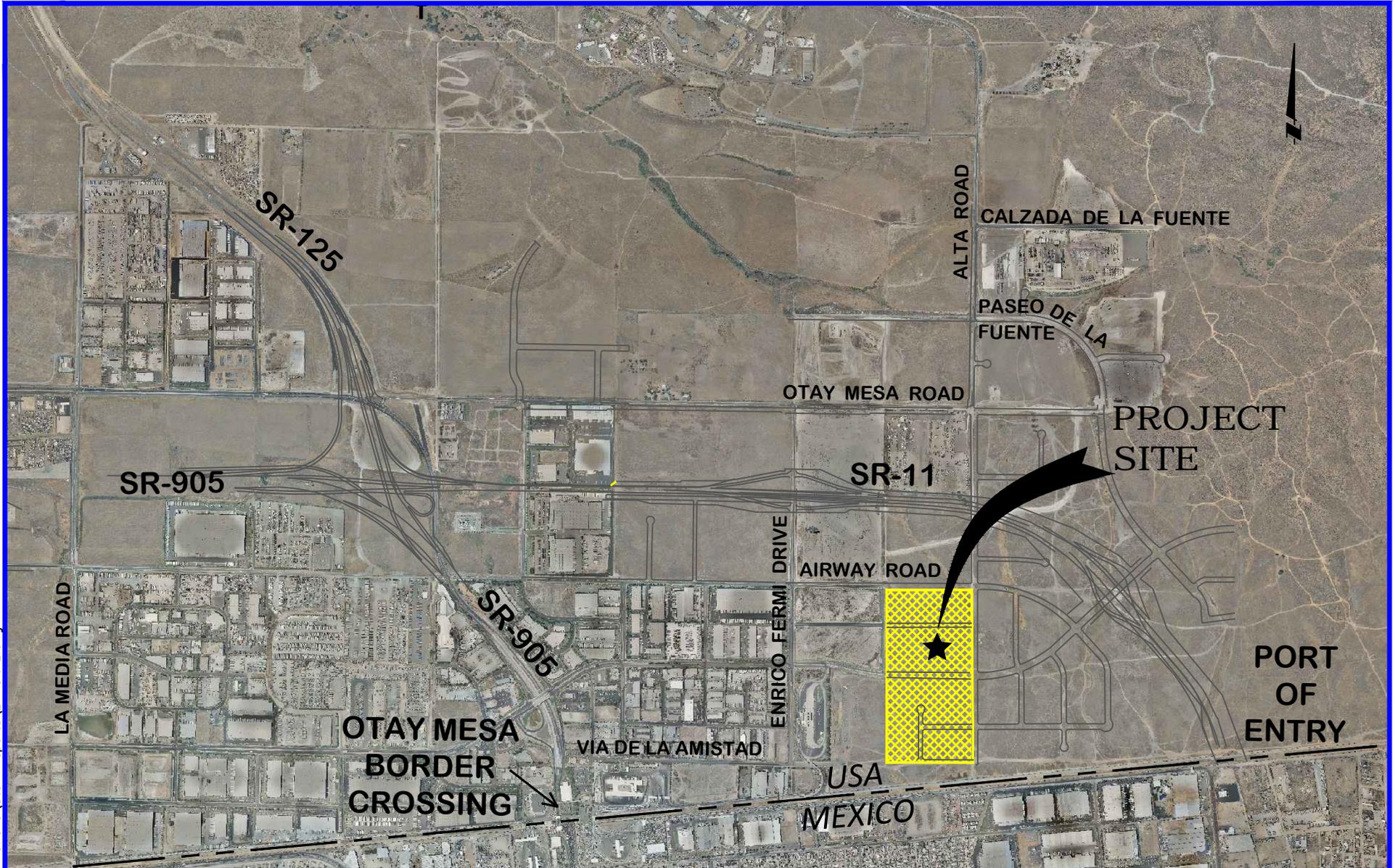
# **Staff Recommendation**

**That the Board of Directors approve the Senate Bill 610 Water Supply Assessment Report dated July 2011 for the Hawano Project.**

# Questions?

## Water Supply Assessment Report for the Hawano Project SB 610 Compliance





# OTAY WATER DISTRICT

HAWANO PROJECT

## EXHIBIT E



**STAFF REPORT**

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	March 7, 2012
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	<input checked="" type="checkbox"/> Susan Cruz, District Secretary <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Board of Directors 2012 Calendar of Meetings		

**GENERAL MANAGER'S RECOMMENDATION:**

At the request of the Board, the attached Board of Director's meeting calendar for 2012 is being presented for discussion.

**PURPOSE:**

This staff report is being presented to provide the Board the opportunity to review the 2012 Board of Director's meeting calendars and amend the schedule as needed.

**COMMITTEE ACTION:**

N/A

**ANALYSIS:**

The Board requested that this item be presented at each meeting so they may have an opportunity to review the Board meeting calendar schedule and amend it as needed.

**STRATEGIC GOAL:**

N/A

**FISCAL IMPACT:**

None.

**LEGAL IMPACT:**

None.

Attachments: Calendar of Meetings for 2012

**Board of Directors, Workshops  
and Committee Meetings  
2012**

**Regular Board Meetings:**

January 4, 2012  
February 1, 2012  
March 7, 2012  
**April 4, 2012**  
May 2, 2012  
June 6, 2012  
July 4, 2012  
August 1, 2012  
September 5, 2012  
October 3, 2012`  
November 7, 2012  
December 5, 2012

**Special Board or Committee Meetings (3<sup>rd</sup>  
Wednesday of Each Month or as Noted)**

January 18, 2012  
February 15, 2012  
**March 21, 2012**  
April 18, 2012  
May 16, 2012  
June 20, 2012  
July 18, 2012  
August 15, 2012  
September 19, 2012  
October 17, 2012  
November 21, 2012

**Board Workshops:**

Budget Workshops: March 19, 2012 and May 15, 2012  
Board Workshop: TBD



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Sean Prendergast, Payroll/AP Supervisor		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager Finance and Administration <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Director's Expenses for the 2nd Quarter of Fiscal Year 2012		

**GENERAL MANAGER'S RECOMMENDATION:**

This is an informational item only.

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To inform the Board of the Director's expenses for the 2nd quarter of Fiscal Year 2012.

**ANALYSIS:**

The Director's expense information is being presented in order to comply with State law. (See Attachment B for Summary and C-H for Details.)

**FISCAL IMPACT:**

None.

**STRATEGIC GOAL:**

Prudently manage District funds.

**LEGAL IMPACT:**

Compliance with State law.

Attachments:    Attachment A Committee Action  
                  Attachment B Director's Expenses and per Diems  
                  Attachment C-H Director's Expenses Detail



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Director's Expenses for the 2nd Quarter of Fiscal Year 2012
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### COMMITTEE ACTION:

This item was presented to the Finance, Administration and Communications Committee at a meeting held on February 14, 2012. The expenses for each director from October 1, 2011 thru December 31, 2011 was presented. It was indicated that directors' expenses totaled \$2,098.61 for the 2nd quarter of Fiscal Year 2012 and to date, expenses total \$6,874.43. It was noted that Director's expenses will decline from a total of \$22,629 in FY 2011 to approximately, if the current expense trend continues, \$13,747 in FY 2012. This item will be presented to the full board as an informational item.

**BOARD OF DIRECTORS'  
EXPENSES AND PER-DIEMS**

**BOARD OF DIRECTORS MEETING  
MARCH 7, 2012**

Policy 8 requires that staff present the Expenses and Per-Diems for the Board of Directors on a Quarterly basis:

- Fiscal Year 2012, 2nd Quarter.
- The expenses are shown in detail by Board member, month and expense type.
- This presentation is in alphabetical order.
- This information was presented to the Finance, Administration, and Communications Committee on February 14, 2012.

Board of Directors' Expenses and Per-Diems  
Fiscal Year 2012 Quarter 2 (Oct 2011- Dec 2011)

Director Bonilla	\$0.00
Director Croucher	\$700.00
Director Gonzalez	\$600.00
Director Lopez	\$786.58
Director Robak	\$126.46
<b>Total</b>	<b>\$2,213.04</b>

# Director Bonilla

## Fiscal Year 2012 Quarter 2

	Oct 2011	Nov 2011	Dec 2011
Business Meetings	0.00	0.00	0.00
Director's Fees	0.00	0.00	0.00
Mileage Business	0.00	0.00	0.00
Mileage Commuting	0.00	0.00	0.00
Seminars and Travel	0.00	00.00	0.00
<b>Monthly Totals</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
<b>Quarterly Total</b>			<b><u>\$0.00</u></b>

<b>Fiscal Year-to-Date 2011 (Jul 2011-Jun2012)</b>	<b>\$0.00</b>
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**Director Bonilla does not request per diem reimbursements**

Meetings Attended			
Meetings Paid			

# Director Croucher

## Fiscal Year 2012 Quarter 2

	Oct 2011	Nov 2011	Dec 2011
Business Meetings	0.00	0.00	0.00
Director's Fees	300.00	400.00	0.00
Mileage Business	0.00	0.00	0.00
Seminars	0.00	0.00	0.00
Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>300.00</u></b>	<b><u>400.00</u></b>	<b><u>0.00</u></b>
<b>Quarterly Total</b>			<b><u><u>\$700.00</u></u></b>

<b>Fiscal Year-to-Date 2011 (Jul 2011-Jun 2012)</b>	<b>\$1,000.00</b>
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**Director Croucher serves on all  
District Committees (6)**

Meetings Attended	4	4	
Meetings Paid	3	4	

# Director Gonzalez

## Fiscal Year 2012 Quarter 2

	Oct 2011	Nov 2011	Dec 2011
Business Meetings	0.00	0.00	0.00
Director's Fees	0.00	500.00	100.00
Mileage Business	0.00	0.00	0.00
Seminars	0.00	0.00	0.00
Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>0.00</u></b>	<b><u>500.00</u></b>	<b><u>100.00</u></b>
<b>Quarterly Total</b>			<b><u>\$600.00</u></b>

<b>Fiscal Year-to-Date 2011 (Jul 2011-Jun2012)</b>	<b>\$3,155.45</b>
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Meetings Attended		6	2
Meetings Paid		5	1

# Director Lopez

## Fiscal Year 2012 Quarter 2

	Oct 2011	Nov 2011	Dec 2011
Business Meetings	0.00	0.00	0.00
Director's Fees	300.00	300.00	100.00
Mileage Business	5.55	0.00	14.43
Mileage Commuting	33.30	33.30	0.00
Seminars and Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>338.85</u></b>	<b><u>333.30</u></b>	<b><u>114.43</u></b>
<b>Quarterly Total</b>			<b><u>\$786.58</u></b>

<b>Fiscal Year-to-Date 2011 (Jul 2011-Jun 2012)</b>	<b>\$2,347.53</b>
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Meetings Attended	5	4	3
Meetings Paid	3	3	1

# Director Robak

## Fiscal Year 2012 Quarter 2

	Oct 2011	Nov 2011	Dec 2011
Business Meetings	0.00	0.00	0.00
Director's Fees	100.00	0.00	0.00
Mileage Business	3.33	0.00	0.00
Mileage Commuting	2.22	0.00	0.00
Seminars and Travel	20.91	0.00	0.00
<b>Monthly Totals</b>	<b><u>126.46</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
<b>Quarterly Total</b>			<b><u>\$126.46</u></b>

<b>Fiscal Year-to-Date 2011 (Jul 2011-Jun2012)</b>	<b>\$485.88</b>
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Meetings Attended	4		
Meetings Paid	1		

Board of Directors' Expenses and Per Diems  
Fiscal Year 2012 to Date (Jul 2011- Dec 2011)

Director Bonilla	\$0.00
Director Croucher	\$1,000.00
Director Gonzalez	\$3,155.45
Director Lopez	\$2,347.53
Director Robak	\$485.88
<b>Total</b>	<b>\$6,988.86</b>

Board of Directors' Expenses and Per Diems  
Fiscal Year 2012 **Projected** (Jul 2011-Jun 2012)

Director Bonilla	\$00.00
Director Croucher	\$2,000.00
Director Gonzalez	\$6,310.00
Director Lopez	\$4,694.00
Director Robak	\$971.00
<b>Total</b>	<b>\$13,975.00</b>

Based on six months of actuals



**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME: BONILLA, JAIME**

**ATTACHMENT D**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION D Amount</b>
		MR. BONILLA DOES NOT REQUEST PER DIEM REIMBURSEMENTS	\$0.00

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME: CROUCHER, GARY**

**ATTACHMENT E**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION E Amount</b>
Director's Fee	7/5/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	\$ 100.00
	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	7/19/2011	FINANCE COMMITTEE MEETING	100.00
	10/19/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	10/21/2011	LAFCO SPECIAL DISTRICTS ADVISORY COMMITTEE	100.00
	10/31/2011	LEGAL AD HOC COMMITTEE	100.00
	11/8/2011	LEGAL AD HOC COMMITTEE	100.00
	11/16/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	11/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
Director's Fee Total			<u>1,000.00</u>
<b>Grand Total</b>			<u><u>\$1,000.00</u></u>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME: GONZALEZ, DAVID**

**ATTACHMENT F**

Account Name	Date	Descriptions	SECTION F Amount
Director's Fee	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	\$ 100.00
	7/19/2011	FINANCE COMMITTEE MEETING	100.00
	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/8/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/9/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/10/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/29/2011	METRO COMMISSION BRIEFING MEETING	100.00
	11/2/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/3/2011	METRO COMMISSION BRIEFING MEETING	100.00
	11/7/2011	PADRE DAM MWD CEREMONY	100.00
	11/16/2011	FINANCE COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	12/6/2011	SOUTH COUNTY ECONOMIC DEVELOPMENT	100.00
Director's Fee Total			<u>1,400.00</u>
Registration Fee	9/10/2011	REGISTRATION FEE - SPECIAL DISTRICT AND LOCAL GOVERNMENT INSTITUTE SEPTEMBER 8-10, 2011	<u>780.00</u>
Travel	9/31/2011	LODGING FEE - ATTENDED THE SPECIAL DISTRICTS & LOCAL GOV'T INSTITUTE FINANCE SEMINAR SEPT. 7-9,	<u>577.65</u>
	9/7/2011	AIRFARE FEE TO ATTEND THE SPECIAL DISTRICTS & LOCAL GOV'T INSTITUTE FINANCE SEMINAR	397.80
Travel Total			<u>975.45</u>
<b>Grand Total</b>			<u><u>\$ 3,155.45</u></u>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME: LOPEZ, JOSE**

**ATTACHMENT G**

Account Name	Date	Descriptions	SECTION G Amount
Mileage - Business	7/31/2011	MEETING - JULY 11, 2011	\$ 22.20
	9/30/2011	MEETING - SEPTEMBER 9 & 15, 2011	13.32
	10/31/2011	MEETING -OCTOBER 11, 2011	5.55
	12/14/2011	MEETING - DECEMBER 14, 2011	14.43
Mileage - Business Total			55.50
Mileage - Commuting	7/31/2011	MEETING - JULY 5, 12, & 15, 2011	33.30
	8/31/2011	MEETING - AUGUST 4, 10, & 18, 2011	33.30
	9/30/2011	MEETING - SEPTEMBER 7, 14, 19, 28, & 29, 2011	58.83
	10/31/2011	MEETING -OCTOBER 5 & 19 2011	33.30
	11/30/2011	MEETING - NOVEMBER 2, 28, & 30, 2011	33.30
Mileage - Commuting Total			192.03
Director's Fee	7/5/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	100.00
	7/11/2011	DESAL PLANT WITH ROSARITO MAYOR	100.00
	7/12/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/4/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	100.00
	8/10/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/18/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/9/2011	MEETING WITH STAR NEWS EDITOR CARLOS DAVALOS	100.00
	9/14/2011	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	9/15/2011	MEETING WITH CHULA VISTA COUNCIL WOMAN PAT AGUILAR	100.00
	9/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME: LOPEZ, JOSE**

**ATTACHMENT G**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION G Amount</b>
Director's Fee	9/29/2011	METRO COMMISSION BRIEFING MEETING	100.00
	10/5/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	10/11/2011	CITY COUNCIL MEETING - GREEN BUSINESS RECOGNITION AWARD	100.00
	10/19/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/2/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	12/14/2011	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
Director's Fee Total			2,100.00
<b>Grand Total</b>			<b>\$ 2,347.53</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH DECEMBER 31, 2011**

**DIRECTOR'S NAME:      ROBAK, MARK**

**ATTACHMENT H**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION H Amount</b>
Mileage - Business	7/15/2011	MEETING - JULY 15, 2011	\$ 3.33
	9/7/2011	MEETING - SEPTEMBER 2, & 7, 2011	16.65
	10/5/2011	MEETING - OCTOBER 5, 2011	3.33
Mileage - Business Total			23.31
Mileage - Commuting	7/15/2011	MEETING - JULY 15, 2011	2.22
	9/4/2011	MEETING - SEPTEMBER 4, 2011	2.22
	10/5/2011	MEETING - OCTOBER 5, 2011	2.22
Mileage - Commuting Total			6.66
Director's Fee	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/2/2011	MEETING CHULA VISTA CHAMBER OF COMMERCE	100.00
	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	10/5/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
Director's Fee Total			400.00
Registration Fee	8/19/2011	REGISTRATION FEE - SAN DIEGO EAST CO. CHAMBER WORKSHOP	35.00
	10/26/2011	REGISTRATION FEE - EAST COUNTY ECONOMIC DEVELOPMENT COUNCIL	20.91
Registration Fee Total			55.91
<b>Grand Total</b>			<b>\$ 485.88</b>







**OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM**

Pay To: David Gonzalez

Period Covered:

Employee Number: 1796

From: NOV 2/11 To: NOV 30/11

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1.	11/02		OWD BOARD MEETING		
✓ 2.	11/03		METRO COMMISSION MEETING		
3.	11/03		OTAY MESA CHAMBER 25TH		
4.			ANNUAL CEREMONY		
5.	11/07		PADRE DAM MWD CEREMONY		
6.			TO RENAME RECYCLING FACILITY		
✓ 7.	11/16		FINANCE COMMITTEE MEETING		
✓ 8.	11/30		OWD SPECIAL BOARD MEETING		
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					

Total Meeting Per Diem: \$500. -  
(\$100 per meeting)

Total Mileage Claimed: 0 miles

  
(Director's Signature)

GM Receipt: 

Date: 1/8/2012

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ 0

*0.12 per  
Mile Overtime*



**OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM**

Pay To: David Gonzalez

Period Covered: From: 12/1/11 - To: 12/31/11

Employee Number: 1796

*012 per  
Notes attached*

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
1.	12/03		CHIVA VISTA PARADE		
2.	12/06		SOUTH COUNTY ECONOMIC DEVELOP.		
3.			ANNUAL MEETING.		
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					

Total Meeting Per Diem: 100  
(\$100 per meeting)

Total Mileage Claimed: 0 miles

(Director's Signature)

GM Receipt:

Date: 1/10/2012

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ 0



AB 000 - 134000 - 2101 - 528101 300.00  
 AB 000 - 134000 - 2101 - 521102 3.30

**EXHIBIT B**

**OTAY WATER DISTRICT  
 BOARD OF DIRECTORS  
 PER-DIEM AND MILEAGE CLAIM FORM**

Pay To: Jose Lopez

Period Covered:

Employee Number: 7010

From: 10/01/11 To: 10/31/11

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1.	10/05	OWD	Regular Board Meeting	20	
✓ 2.	10/11	CV CITY	City Council Mtg- Green Business Recognition Award		10
3.	10/13	CV CITY	South B. Elected Officials SB Economics (No Charge)		
4.	10/19	OWD	Review Policy on Consultants with Staff (No Charge)	20	
✓ 5.	10/19	OWD	Eng & Ops Committee meeting	20	
6.					
7.					
8.				0.*	
9.				3.*	
10.				100.00=	
11.				300.00*	
12.				0.*	
13.				20.00+	
14.				20.00+	
15.				20.00+	
16.				60.00*	
17.				60.00x	
18.				0.5550=	
				33.30*	

*Per Diem*

*Mileage*

Total Meeting Per Diem: \$300.00  
 (\$100 per meeting)

Total Mileage Claimed: 70 miles

*Jose Lopez*  
 (Director's Signature)

GM Receipt: *Watt*

Date: 11/22/2011

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_

*11/20  
 12-6-11  
 1074/6*



AB 000-1B4000-2101-528101  
AB 000-1B4000-2101-521102

300.00  
33.30  
EXHIBIT B

OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Jose Lopez

Period Covered:

Employee Number: 7010

From: 11/01/11 To: 11/30/11

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1.	11/2/11	OWD	REGULAR BOARD MEETING	20	
2.	11/5/11	WC GARDEN	GARDEN FESTIVAL (NO CHARGE)		
✓ 3.	11/28/11	OWD	ENG & OPS MEETING	20	
✓ 4.	11/30/11	OWD	SPECIAL BOARD MEETING	20	
5.					
6.					
7.					
8.				0.*	
9.				3.*	
10.				100.00=	
11.				300.00*	
12.					
13.				0.*	
14.				20.+	
15.				20.+	
16.				20.+	
17.				60.**	
18.				60.*	

*Per Items*

*Mileage*

Total Meeting Per Diem: \$300  
(\$100 per meeting)

Total Mileage Claimed: 60 n

(Director's Signature)

GM Receipt:

Date: 12/9/2011

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_

*AD*  
12-16-11



EXHIBIT B

OTAY WATER DISTRICT BOARD OF DIRECTORS PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Jose Lopez

Period Covered:

Employee Number: 7010

From: 12/01/11 To: 12/31/11

Table with 6 columns: ITEM, DATE, MEETING, PURPOSE / ISSUES DISCUSSED, MILEAGE HOME to OWD, MILEAGE OWD to HOME, MILEAGE OTHER LOCATIONS. Row 3 is checked and contains 'Conservation Garden meeting' with 26 miles.

Total Meeting Per Diem: \$100 (\$100 per meeting)

Total Mileage Claimed: 26 miles

Signature of Jose C. Lopez (Director's Signature)

GM Receipt: [Signature]

Date: 2/16/2012

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$

AB000 · 1B5000 · 2101 · 528101 100.00  
 AB000 · 1B5000 · 2101 · 521102 2.22



OTAY WATER DISTRICT  
 BOARD OF DIRECTORS  
 PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Mark Robak

Period Covered:

Employee Number: 70141011

From: 10-1-11 To: 10-31-11

3217 Fair Oaks Lane, Spring Valley, CA 91978

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1	10-5	Monthly Otay Board Meeting	General District Business	4	6
2	10-8	Sweetwater Authority Treatment Facility	Perdue Water Treatment Plant Rededication – NO CHARGE	0	0
3	10-16	Jamul Fest	Annual Community Event – NO CHARGE	0	0
4	10-26	Bus Tour of East County by East County EDC	Tour of key facilities and business opportunities in East County – NO CHARGE	0	0
				0 * *	
				1 * x	
				100.00 =	
				100.00 * ✓	
				0 * *	
				4 * x	
				0.5550 = ✓	
				2.22 *	
				4	6

*Per diem*  
 100.00 =  
 100.00 \* ✓  
 0 \* \*  
*Mileage*  
 4 \* x  
 0.5550 = ✓  
 2.22 \*

Total Meeting Per Diem: \$100  
 (\$100 per meeting)

Total Mileage Claimed: 10 miles

*Mark Robak*  
 (Director's Signature)

rec'd  
 GM Approval: *[Signature]*

Date: 11/2/2011

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_

*WAD*  
 11/8/11

ber h  
Cruz

REGISTRATION FEE FOR DIR. ROBAK  
AB000 1B5000 2101 521301 11 1211

From: service@paypal.com  
Sent: Wednesday, October 26, 2011 8:51 AM  
To: Susan Cruz  
Subject: Your payment to East County Economic Development Council

Oct 26, 2011 08:50:40 PDT  
Receipt No: 3261-3971-1645-6714



Hello Susan Cruz,

You sent a payment of \$20.91 USD to East County Economic Development Council.  
This charge will appear on your credit card statement as payment to PAYPAL \*EASTCOUNTYE.

**Merchant information**

East County Economic Development Council  
<http://www.eastcountyledc.org>

**Instructions to merchant**

None provided

**Shipping information**

Susan Cruz  
2554 Sweetwater Springs Blvd  
Spring Valley, CA 91978  
United States

**Shipping method**

Not specified

Description	Unit price	Qty	Amount
Bus Tour - Member Rate	\$20.91 USD	1	\$20.91 USD
<b>Total:</b>			\$20.91 USD

**Receipt No: 3261-3971-1645-6714**

Please keep this receipt number for future reference. You'll need it if you contact customer service at East County Economic Development Council or PayPal.

**Use PayPal next time!**

It looks as if you already have a PayPal account.

When you shop online, it's faster and easier to check out with PayPal. Your financial information is securely stored and never shared with merchants when you pay.



Questions? Visit the Help Center at [www.paypal.com/help](http://www.paypal.com/help)

Thanks for using PayPal – the safer, easier way to pay and get paid online.

Please do not reply to this email. This mailbox is not monitored and you will not receive a response.

PayPal Email ID PP1469

For Mark Robak



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
	Daniel Kay Associate Civil Engineer	PROJECT:	Various DIV.NO. ALL
SUBMITTED BY:	Ron Ripperger Engineering Manager		
	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> Manny Magana, Asst. GM, Engineering and Operations <input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
APPROVED BY:			
SUBJECT:	Informational Item - Second Quarter Fiscal Year 2012 Capital Improvement Program Report		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) accepts the Second Quarter Fiscal Year 2012 Capital Improvement Program (CIP) Report for review and receives a summary via PowerPoint presentation.

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To update the Board about the status of all CIP project expenditures and to highlight significant issues, progress, and milestones on major projects.

**ANALYSIS:**

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water, each year the District staff prepares a Six-Year CIP Plan that

identifies the District's infrastructure needs. The CIP is comprised of four categories consisting of backbone capital facilities, replacement/renewal projects, developer's reimbursement projects, and capital purchases.

The Second Quarter Fiscal Year 2012 update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget of \$22.8 million. Expenditures through the Second Quarter totaled approximately \$7.2 million. Approximately 31% of the Fiscal Year 2012 expenditure budget was spent.

**FISCAL IMPACT:**

None.

**STRATEGIC GOAL:**

The Capital Improvement Program supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner" and the District's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

**LEGAL IMPACT:**

None.

DK/RR/RP:jf

F:\CIP\CIP Quarterly Reports\2012\Q1\Staff Report\BD 03-07-12, Staff Report, Second Quarter FY 2012 CIP Report, (DK-RR-RP).docx

- Attachments: Attachment A - Committee Action  
Attachment B - Fiscal 2012 Second Quarter CIP Expense Report  
Attachment C - Presentation



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Informational Item - Second Quarter Fiscal Year 2012 Capital Improvement Program Report
Various	

### **COMMITTEE ACTION:**

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on February 16, 2012. The Committee supported Staff's recommendation.

### **NOTE:**

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.

**FISCAL YEAR 2012 2nd QUARTER REPORT**  
(Expenditures through 12/30/2011)

ATTACHMENT B

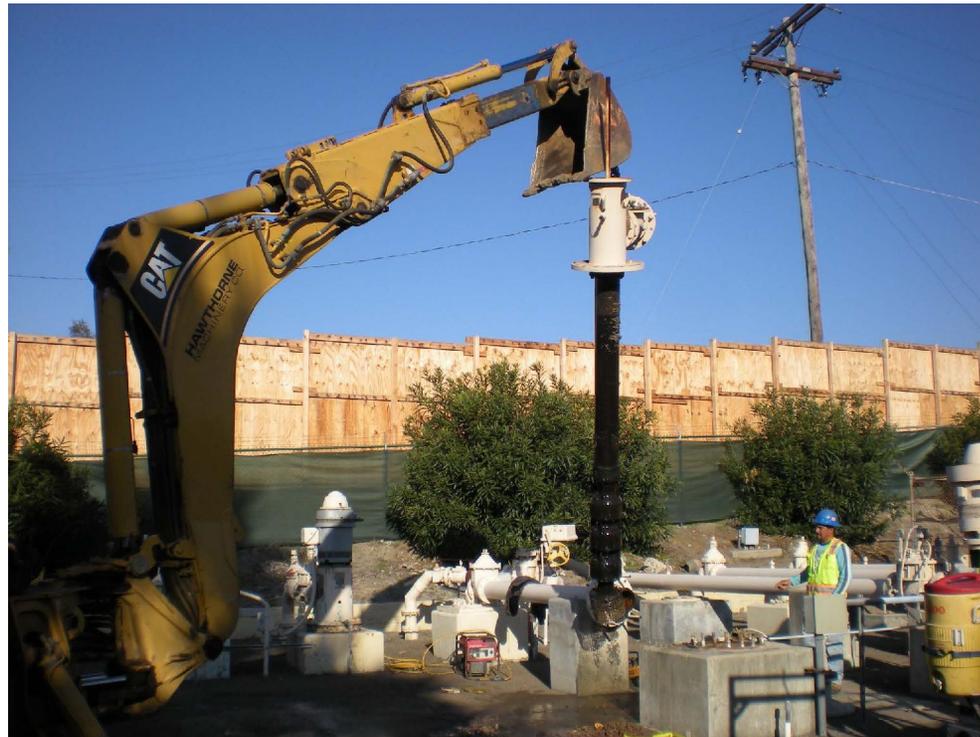
CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 12/31/11				LIFE-TO-DATE				Comments
			FY 2012 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %	
P2009	PL - 36-Inch, SDCWA Otay FCF No. 14 to Regulatory Site	Ripperger	\$ 300	\$ 274	\$ 26	91%	\$ 20,800	\$ 20,363	\$ 437	98%	Project complete. IEC litigation.
P2083	PS - 870-2 Pump Station Replacement (28,000 GPM)	Ripperger	-	-	-	0%	12,581	581	12,000	5%	On hold due to CIP 2451 delay.
P2370	La Presa System Improvements	Marchioro	600	95	505	16%	960	134	826	14%	Board approved a \$250K overall budget increase on Nov 2. FY 2012 budget should be increased to \$850K. Board should approve another \$25K budget increase on 2/2.
P2434	Rancho Del Rey Groundwater Well Development	Marchioro	850	389	461	46%	6,250	3,107	3,143	50%	PDR finalized. 90% design submittal nearly complete pending Otay direction on architectural design.
P2451	Otay Mesa Desalination Conveyance and Disinfection System	Kennedy	2,350	172	2,178	7%	30,000	965	29,035	3%	Spending adjusted based on limited notice to proceed.
P2466	Regional Training Facility	Coburn-Boyd	20	17	3	85%	272	269	3	99%	100% of budget will be spent in FY 2012.
P2467	San Diego Formation Groundwater Feasibility Study	Kennedy	400	3	397	1%	1,800	763	1,037	42%	Spending estimated to be \$40K for FY 2012 for monitoring water quality.
P2473	PS - 711-1 Pump Station Improvement	Cameron	300	287	13	96%	500	373	127	75%	Project completed.
P2488	Del Rio Road Helix and Otay Interconnection	Kay	150	35	115	23%	300	335	(35)	112%	Construction complete. 50% reimbursement due from Helix.
P2486	Asset Management Plan Condition Assessment and Data Acquisition	Stevens	400	60	340	15%	1,350	710	640	53%	Less money spent than expected due to not hiring a consultant and doing the work in-house.
P2489	Gillespie Drive Helix & Otay Agency Conn	Kay	150	16	134	11%	300	318	(18)	106%	Construction complete. 50% reimbursement due from Helix.
P2497	Solar Power Feasibility Study	Kennedy	25	15	10	60%	250	60	190	24%	Study complete, but recommends waiting for better economic conditions.
P2502	803-1 Pump Station Modifications	Marchioro	425	312	113	73%	575	376	199	65%	VFDs and ALCs delivered. 75% of motors have been rewound. HVAC work underway.
P2503	850-2 Pump Station Modifications	Marchioro	325	274	51	84%	475	352	123	74%	See P2502.
P2511	North District - South District Interconnection System	Marchioro	1,400	525	875	38%	37,300	1,223	36,077	3%	Alternatives analysis revision completed. Proctor Valley Road initial studies underway.
P2514	PL - 30-Inch, 980 Zone, Hunte Parkway - Proctor Valley/Use Area	Ripperger	750	111	639	15%	1,500	111	1,389	7%	Project out for construction bid.
P2516	PL - 12-Inch, 640 Zone, Jamacha Road - Darby/Osage	Marchioro	-	-	-	0%	450	-	450	0%	No anticipated expenditures for this Fiscal Year.
P2517	Chase Avenue Helix and Otay Interconnection	Kay	100	6	94	6%	400	6	394	2%	Project on hold.
R2048	RecPL - Otay Mesa Distribution Pipelines and Conversions	Kay	100	66	34	66%	2,200	325	1,875	15%	Project in Design.
R2058	RecPL - 16-Inch, 860 Zone, Airway Road - Otay Mesa/Alta	Kennedy	150	34	116	23%	3,500	1,323	2,177	38%	Project on hold.
R2077	RecPL - 24-Inch, 860 Zone, Alta Road - Alta Gate/Airway	Kay	350	243	107	69%	4,500	1,965	2,535	44%	Spending for developer reimbursement.
R2087	RecPL - 24-Inch, 927 Zone, Wueste Road - Olympic/Otay WTP	Cameron	150	41	109	27%	7,000	906	6,094	13%	Easement acquisition budget for the City of Chula Vista and the City of San Diego.
R2091	RecPS - 927-1 Pump Station Upgrade (10,000 GPM) and System Enhancements	Kay	1,500	538	962	36%	3,950	1,008	2,942	26%	Project in Construction.
R2094	Potable Irrigation Meters to Recycled Water Conversions	Charles	200	53	147	27%	3,100	1,447	1,653	47%	Project on track.
<b>Total S</b>			<b>10,995</b>	<b>3,566</b>	<b>7,429</b>	<b>32%</b>	<b>140,313</b>	<b>37,020</b>	<b>103,293</b>	<b>26%</b>	
<b>REPLACEMENT/RENEWAL PROJECTS</b>											
P2267	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	Vasquez	-	-	-	0%	435	234	201	54%	No anticipated expenditures for this Fiscal Year.
P2366	APCD Engine Replacements and Retrofits	Rahders	295	74	221	25%	3,488	2,039	1,449	58%	100% of budget will be spent in FY 2012.
P2382	Safety and Security Improvements	Munoz	480	36	444	8%	3,397	1,527	1,870	45%	We are projecting to spend \$300,000 for this in FY 2012 (\$180,000 less than planned).
P2416	SR-125 Utility Relocations	Kennedy	48	3	45	6%	963	925	38	96%	Legal Counsel collecting from ORC.
P2440	I-905 Utility Relocations	Marchioro	25	7	18	28%	1,600	1,578	22	99%	Final invoices submitted May 2011. Acceptance letter/notice of completion will be sent to Caltrans. Caltrans waiting on the City of San Diego to complete a sewer line before they can reconcile the project and issue a \$33K credit to Otay.
P2453	SR-11 Utility Relocations	Kay	50	3	47	6%	155	9	146	6%	Project in Design.
P2458	AMR Manual Meter Replacement	Keeran	1,400	1,294	106	92%	10,298	6,926	3,372	67%	We expect 100% expenditure this FY.
P2477	Res - 624-1 Reservoir Cover Replacement	Marchioro	200	4	196	2%	450	33	417	7%	PDR in progress.
P2484	Large Water Meter Replacement Program	Keeran	220	1	219	0%	835	240	595	29%	We expect 100% expenditure this FY.
P2485	SCADA Communication System and Software Replacement	Stalker	350	41	309	12%	1,325	722	603	54%	Expect only 29% of this year's budget to be spent due to delay in purchasing replacement SCADA system software.
P2491	850-3 Reservoir Exterior Coating	Cameron	200	7	193	4%	300	9	291	3%	Design to begin FY 2013.
P2493	624-2 Reservoir Interior Coating	Cameron	30	1	29	3%	950	2	948	0%	Design to begin FY 2013.
P2494	Multiple Species Conservation Plan	Coburn-Boyd	90	12	78	13%	930	765	165	82%	USFWS estimate that 50% of budget may be used.
P2495	San Miguel Habitat Management/Mitigation Area	Coburn-Boyd	250	106	144	42%	1,975	659	1,316	33%	New contractor at lower cost for last 1/2 of fiscal year; estimate using 80% of budget.
P2496	Otay Lakes Road Utility Relocations	Kay	25	44	(19)	176%	250	188	62	75%	Phase II Design complete.
P2504	Regulatory Site Access Road and Pipeline Relocation	Cameron	100	92	8	92%	600	100	500	17%	Preliminary design.
P2505	657-1 Reservoir Interior/Exterior Coating	Cameron	25	-	25	0%	375	375	-	100%	Completed.
P2506	657-2 Reservoir Interior/Exterior Coating	Cameron	25	198	(173)	792%	375	370	5	99%	Completed.
P2507	East Palomar Street Utility Relocation	Cameron	350	85	265	24%	800	132	668	17%	Caltrans driven project.
P2508	Pipeline Cathodic Protection Replacement Program	Kay	50	2	48	4%	150	2	148	1%	Project in Design.

**FISCAL YEAR 2012 2nd QUARTER REPORT**  
(Expenditures through 12/30/2011)

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 12/31/11				LIFE-TO-DATE				Comments
			FY 2012 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %	
P2513	East Orange Avenue Bridge Crossing	Cameron	5	76	(71)	1520%	750	76	674	10%	In Design.
P2515	870-1 Reservoir Paving	Cameron	25	-	25	0%	300	-	300	0%	Design to begin FY 2013.
P2518	803-3 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	450	-	450	0%	Design to begin FY 2013.
P2519	832-2 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	450	-	450	0%	Design to begin FY 2013.
P2520	Motorola Mobile Radio Upgrade	Anderson	50	2	48	4%	100	2	98	2%	On track.
P2521	Large Meter Vault Upgrade Program	Keeran	200	26	174	13%	600	26	574	4%	We expect 75% expenditure this FY.
R2096	RWCWRF - Upgrades and Modifications	Kay	2,000	601	1,399	30%	4,950	1,487	3,463	30%	Project in Construction.
R2099	Recycled System Air and Vacuum Value Retrofit	Holly	234	148	86	63%	700	148	552	21%	Expect to spend budgeted amount in FY 2012.
R2100	Recycled Force Main Access Road Repairs	Cameron	210	150	60	71%	210	-	210	0%	To be completed in 1/2012.
S2012	SVSD Outfall and RSD Replacement and OM Reimbursement	Kennedy	642	-	642	0%	4,392	751	3,641	17%	Money to be spent in Q4.
S2019	Avocado Boulevard 8-Inch Sewer Main Improvement	Cameron	1,400	43	1,357	3%	1,900	351	1,549	18%	Construction beginning 3/2012.
S2020	Calavo Drive 8-Inch Sewer Main Replacement	Cameron	370	13	357	4%	550	69	481	13%	Construction beginning 3/2012.
S2022	Hidden Mesa Drive 8-Inch Sewer Main Rehabilitation	Cameron	80	11	69	14%	150	39	111	26%	Construction beginning 3/2012.
S2023	Calavo Drive Sewer Main Utility Relocation	Cameron	50	1	49	2%	65	15	50	23%	County driven project.
S2024	Campo Road Sewer Main Replacement	Cameron	10	-	10	0%	3,250	2	3,248	0%	To be assessed in the Sewer Master Plan.
S2026	Challenge Boulevard 8-Inch Sewer Main Replacement	Cameron	25	34	(9)	136%	250	34	216	14%	Construction beginning 3/2012.
S2027	Rancho San Diego Pump Station Rehabilitation	Kennedy	100	-	100	0%	2,800	-	2,800	0%	County of San Diego driven project.
S2028	Explorer Way 8-Inch Sewer Main Replacement	Marchioro	20	4	16	20%	125	4	121	3%	progress.
S2029	Chase Avenue 8-Inch Sewer Main Replacement	Marchioro	20	5	15	25%	125	5	120	4%	see S2028
S2030	Avocado Boulevard 8-Inch Sewer Main Replacement	Marchioro	50	2	48	4%	325	2	323	1%	see S2028
S2031	Julianna Street 8-Inch Sewer Main Replacement	Marchioro	20	1	19	5%	150	1	149	1%	see S2028
S2032	Puebla Drive 8-Inch Sewer Main Replacement	Marchioro	20	1	19	5%	125	1	124	1%	see S2028
S2033	Sewer System Various Locations Rehabilitation	Marchioro	100	2	98	2%	800	2	798	0%	see S2028
S2034	Vista Grande and Paseo Grande 8-Inch Sewer Main Replacement	Marchioro	25	1	24	4%	250	1	249	0%	see S2028
	<b>Total Replacement/Renewal Projects</b>	<b>Total:</b>	<b>9,869</b>	<b>3,131</b>	<b>6,738</b>	<b>32%</b>	<b>53,418</b>	<b>19,851</b>	<b>33,567</b>	<b>37%</b>	
	<b>CAPITAL PURCHASE PROJECTS</b>										
P2282	Vehicle Capital Purchases	Rahders	395	26	369	7%	5,346	2,554	2,792	48%	100% of budget will be spent in FY 2012.
P2285	Office Equipment and Furniture Capital Purchases	Dobrawa	60	16	44	27%	571	486	85	85%	No additional expenditures for FY12.
P2286	Field Equipment Capital Purchases	Rahders	278	66	212	24%	1,668	964	704	58%	100% of budget will be spent in FY 2012.
P2443	Information Technology Mobile Services	Jenkins	250	6	244	2%	1,652	1,102	550	67%	Spending on hold due to re-prioritizing of projects.
P2461	Records Management System Upgrade	Stevens	100	33	67	33%	506	295	211	58%	Spending on target for budget.
P2469	Information Technology Network and Hardware	Jenkins	460	163	297	35%	2,173	1,317	856	61%	Spending on target for budget.
P2470	Application Systems Development and Integration	Stevens	430	183	247	43%	2,448	1,379	1,069	56%	Spending on target for budget.
	<b>Total Capital Purchase Projects</b>	<b>Total:</b>	<b>1,973</b>	<b>493</b>	<b>1,480</b>	<b>25%</b>	<b>14,364</b>	<b>8,097</b>	<b>6,267</b>	<b>56%</b>	
	<b>DEVELOPER REIMBURSEMENT PROJECTS</b>										
P2104	PL - 12-Inch, 711 Zone, La Media Road - Birch/Rock Mountain	Charles	-	-	-	0%	833	-	833	0%	No anticipated expenditures for this Fiscal Year.
P2107	PL - 12-Inch, 711 Zone, Rock Mountain Road - La Media/SR 125	Charles	-	-	-	0%	722	-	722	0%	No anticipated expenditures for this Fiscal Year.
P2325	PL - 10" to 12" Oversize, 1296 Zone, PB Road - Rolling Hills Hydro PS/PB Bndy	Charles	1	-	1	0%	50	-	50	0%	No anticipated expenditures for this Fiscal Year.
P2402	PL - 12-Inch, 624 Zone, La Media Road - Village 7/Otay Valley	Charles	-	-	-	0%	444	-	444	0%	No anticipated expenditures for this Fiscal Year.
P2403	PL - 12-Inch, 624 Zone, Heritage Road - Olympic/Otay Valley	Charles	-	-	-	0%	925	-	925	0%	No anticipated expenditures for this Fiscal Year.
R2028	RecPL - 8-Inch, 680 Zone, Heritage Road - Santa Victoria/Otay Valley	Charles	-	-	-	0%	600	-	600	0%	No anticipated expenditures for this Fiscal Year.
R2042	RecPL - 8-Inch, 927 Zone, Rock Mountain Road - SR-125/EastLake	Charles	-	-	-	0%	140	-	140	0%	No anticipated expenditures for this Fiscal Year.
R2047	RecPL - 12-Inch, 680 Zone, La Media Road - Birch/Rock Mountain	Charles	-	-	-	0%	450	-	450	0%	No anticipated expenditures for this Fiscal Year.
R2082	RecPL - 24-Inch, 680 Zone, Olympic Parkway - Village 2/Heritage	Charles	1	-	1	0%	1,747	-	1,747	0%	No anticipated expenditures for this Fiscal Year.
R2083	RecPL - 20-Inch, 680 Zone, Heritage Road - Village 2/Olympic	Charles	1	-	1	0%	400	-	400	0%	No anticipated expenditures for this Fiscal Year.
R2084	RecPL - 20-Inch, 680 Zone, Village 2 - Heritage/La Media	Charles	1	-	1	0%	971	1	970	0%	No anticipated expenditures for this Fiscal Year.
R2085	RecPL - 20-Inch, 680 Zone, La Media - State/Olympic	Charles	1	-	1	0%	600	-	600	0%	No anticipated expenditures for this Fiscal Year.
	<b>Total Developer Reimbursement Projects</b>	<b>Total:</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>0%</b>	<b>7,882</b>	<b>1</b>	<b>7,881</b>	<b>0%</b>	
	<b>GRAND TOTAL</b>		<b>\$ 22,842</b>	<b>\$ 7,190</b>	<b>\$ 15,652</b>	<b>31%</b>	<b>\$ 215,977</b>	<b>\$ 64,969</b>	<b>\$ 151,008</b>	<b>30%</b>	

# Otay Water District Capital Improvement Program

Fiscal Year 2012  
2<sup>nd</sup> Quarter Update  
(through December 31, 2011)



La Presa System Improvements

# Background

The approved CIP Budget for Fiscal Year 2012 consists of 75 projects that total \$22.8 million. These projects are broken down into four categories.

- |                            |                |
|----------------------------|----------------|
| 1. Capital Facilities      | \$11.0 million |
| 2. Replacement/Renewal     | \$ 9.8 million |
| 3. Capital Purchases       | \$ 2.0 million |
| 4. Developer Reimbursement | \$ 0.0 million |

Overall expenditures through the second quarter Fiscal Year 2012 totaled \$7.2 million which is 31% of our fiscal year budget.

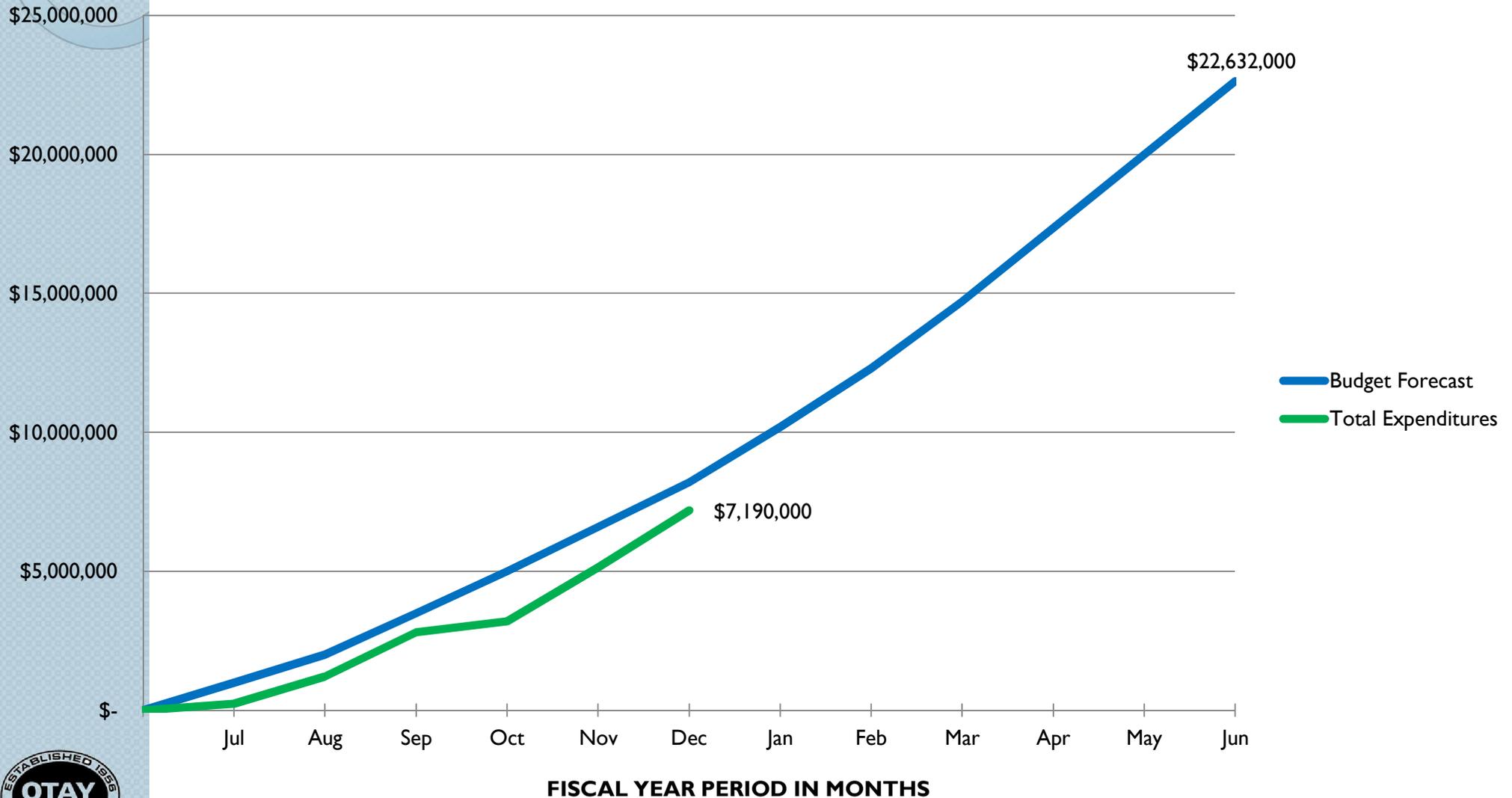
# Fiscal Year 2012

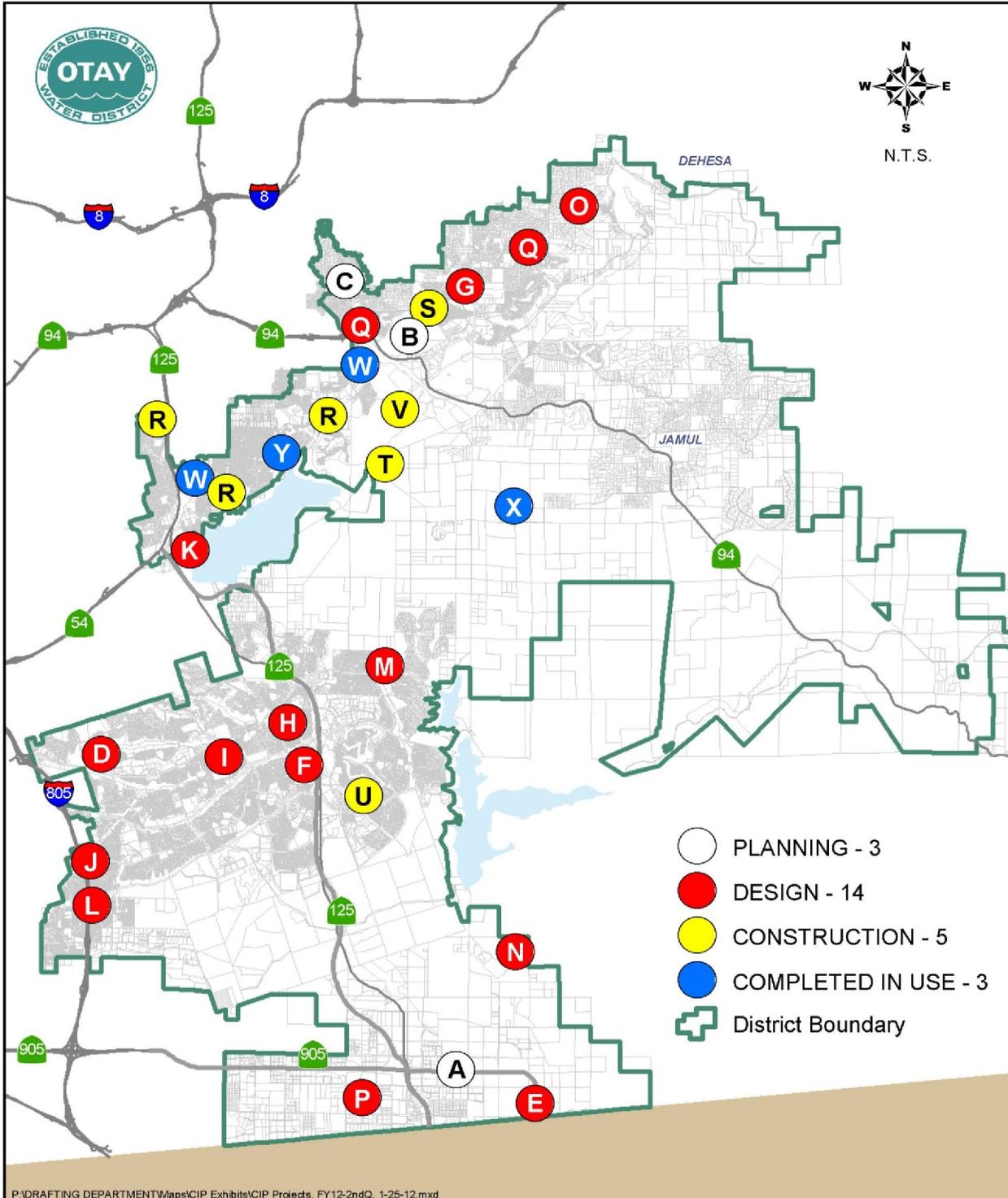
## 2<sup>nd</sup> Quarter Update

(\$1,000)

CIP CAT	Description	FY 2012 Budget	FY 2012 Expenditures	% FY 2012 Budget Spent	Total Life-to- Date Budget	Total Life-to-Date Expenditures	% Life-to- Date Budget Spent
1	Capital Facilities	\$10,995	\$3,566	32%	\$140,313	\$37,020	26%
2	Replacement/ Renewal	\$9,869	\$3,131	32%	\$53,418	\$19,851	37%
3	Capital Purchases	\$1,973	\$493	25%	\$14,364	\$8,097	56%
4	Developer Reimbursement	\$5	\$0	0%	\$7,882	\$1	0%
	<b>Total:</b>	<b>\$22,842</b>	<b>\$7,190</b>	<b>31%</b>	<b>\$215,977</b>	<b>\$64,969</b>	<b>30%</b>

# Fiscal Year 2012 2<sup>nd</sup> Quarter CIP Budget Forecast vs. Expenditures





## MAJOR CIP PROJECTS

- A** P2453 -- SR-11 Utility Relocations
- B** P2504 -- Regulatory Site Access Road & Pipe Relocation
- C** S1210 -- Wastewater Management Plan
- D** P2434 -- Rancho Del Rey Groundwater Well
- E** P2451 -- Otay Mesa Conveyance and Disinfection System
- F** P2477 -- 624-1 Reservoir Cover Replacement
- G** P2491 -- 850-3 Reservoir Coating Upgrades
- H** P2493 -- 624-2 Reservoir Interior Coating & Upgrades
- I** P2496 -- Otay Lakes Road Utility Relocations Phase II
- J** P2507 -- East Palomar Utility Relocation
- K** P2511 -- North District / South District Interconnection System
- L** P2513 -- East Orange Avenue Bridge Crossing
- M** P2514 -- PL-30", 980 Reservoirs to Hunte Parkway
- N** P2515 -- 870-1 Reservoir Paving
- O** P2518 -- 803-3 Reservoir Interior/Exterior Coating
- P** R2048 -- Otay Mesa Distribution Pipelines and Conversions
- Q** S2019, S2020, S2022 & S2026 -- Sanitary Sewer Replacement
- R** P2370 -- La Presa System Improvements
- S** P2502 & P2503 -- 803-1 and 850-2 Pump Station Modifications
- T** R1501 -- Recycled Water Force Main Access Road Repairs
- U** R2091 -- 944-1R Recycled Water Pump Station Upgrade
- V** R2096 -- Ralph W. Chapman Water Reclamation Facility - Upgrades and Modifications
- W** P2488 & P2489 -- Helix WD & Otay WD Agency Interconnections
- X** P2490 & P2492 -- 1296-1 & 2 Reservoir Coating
- Y** P2505 & P2506 -- 657-1 & 657-2 Reservoir Coating

- PLANNING - 3
- DESIGN - 14
- CONSTRUCTION - 5
- COMPLETED IN USE - 3
- District Boundary

# CIP Projects in Construction

- Phase I of 944-IR Recycled Water Pump Station Improvements
- Installation of New Pump
- New Instrumentation
- New Suction Header Piping
- Three (3) New Pressure Reducing Stations
- \$3.95M Budget



Above: Existing Pressure Reducing Valve to be Modified

Left: New Pump 3 and Discharge to be Installed. Pumps 1 and 2 in Background

# CIP Projects in Construction

- RWCRWF Upgrades
- New Aeration System, Blower System, and Electrical Instrumentation
- \$4.95M Budget



Above: Installing New Conduit for Instrumentation Around Aeration Basins

Left: New Air Scour Pad for Filter Backwash System

# CIP Projects in Construction

- La Presa System Improvements
- Demolition of 850-I and 657-I Pump Stations and Forebay Reservoir
- Multiple Interconnections Throughout Spring Valley
- Demolition of Dorchester Reservoir and Pressure Reducing Station
- \$1.21M Budget



Above: Above Ground Piping and Building Removed from La Presa Site

Left: Potholing for 16-Inch Disconnect at La Presa Site

# Construction Contract Status

CIP NO.	PROJECT TITLE	CONTRACTOR	BASE BID AMOUNT	CONTRACT AMOUNT W/ ALLOWANCES	NET CHANGE ORDERS*		CURRENT CONTRACT AMOUNT	TOTAL EARNED TO DATE	% CHANGE ORDERS W/ ALLOWANCE CREDIT**	% COMPLETE	EST. COMP. DATE
					PROJECT TOTAL	%					
P2505/ P2506	657-1 & 657-2 Reservoir Coating & Upgrades	Blastco Inc.	\$582,500	\$632,500	\$5,627	1.0%	\$607,912	\$607,912	-3.9%	100.0%	Comp Oct 2011
P2488/ P2489	Del Rio Road & Gillispie Drive Emergency Interconnections	LH Woods	\$339,000	\$379,000	\$9,699	2.9%	\$368,105	\$368,105	-2.9%	100.0%	Comp Aug 2011
R2091	944-1R Recycled Pump Station Upgrade & System Enhancements	Sepulveda	\$1,099,423	\$1,162,423	\$0	0.0%	\$1,099,423	\$172,071	0.0%	15.7%	May 2012
R2096	RWCWRF Upgrades	Newest	\$3,349,000	\$3,499,000	\$0	0.0%	\$3,349,000	\$150,748	0.0%	4.5%	May 2012
P2502/ P2503	HVAC Improvements at 803-1 & 850-2 Pump Stations	3-D Enterprises	\$53,500	\$58,500	\$0	0.0%	\$58,500	\$30,150	0.0%	51.5%	Feb 2012
P2370	Jamacha Rd. Meter Relocations	Pacific Meters	\$27,350	\$30,350	\$0	0.0%	\$30,350	\$30,350	0.0%	100.0%	Comp Dec 2011
P2370	La Presa System Improvements	TC Construction	\$938,995	\$978,995	\$0	0.0%	\$938,995	\$56,100	0.0%	6.0%	Aug 2012
<b>TOTALS:</b>			<b>\$6,389,768</b>	<b>\$6,740,768</b>	<b>\$15,326</b>	<b>0.2%</b>	<b>\$6,452,284</b>	<b>\$1,415,436</b>	<b>-4.3%</b>		

\*NET CHANGE ORDERS DO NOT INCLUDE ALLOWANCE ITEM CREDITS. IT'S A TRUE CHANGE ORDER PERCENTAGE FOR THE PROJECT

\*\*THIS CHANGE ORDER RATE INCLUDES THE CREDIT FOR UNUSED ALLOWANCES



# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
<b>PLANNING</b>										
ARCADIS U.S., INC.	Varies	WASTEWATER MANAGEMENT PLAN	\$ 349,979.36	\$ -	\$ 349,979.36	\$ 107,038.53	0.0%	30.6%	8/3/2011	6/30/2013
SALVADOR LOPEZ-CORDOVA	P2451	DESALINATION PROJECT	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 4,172.90	0.0%	9.3%	9/10/2010	8/31/2012
TRAN CONSULTING ENGINEERS	S1201	SANITARY SEWER CCTV INSPECTION AND CONDITION ASSESSMENT	\$ 560,025.00	\$ -	\$ 560,025.00	\$ 518,810.81	0.0%	92.6%	1/20/2010	6/30/2013
<b>DESIGN</b>										
AECOM	P2451	OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM	\$ 3,910,297.00	\$ -	\$ 3,910,297.00	\$ 33,215.00	0.0%	0.8%	1/3/2011	6/30/2016
ATKINS	Varies	DESIGN SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ -	0.0%	0.0%	10/25/2011	6/30/2013
BUSTAMANTE & ASSOCIATES	Varies	GOVERNMENT AFFAIRS ADVISOR	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 7,000.00	0.0%	14.0%	6/1/2011	5/31/2012
CPM PARTNERS	Varies	AS-NEEDED SCHEDULING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 160,147.50	0.0%	91.5%	5/18/2010	6/30/2012
DARNELL & ASSOCIATES	Varies	AS-NEEDED TRAFFIC ENGINEERING SERVICES FOR FY2010 AND FY2011	\$ 175,000.00	\$ 24,330.00	\$ 199,330.00	\$ 177,197.50	13.9%	88.9%	1/20/2010	6/30/2012
ENGINEERING PARTNERS INC, THE	Varies	AS-NEEDED ELECTRICAL DESIGN SERVICES	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 81,540.00	0.0%	81.5%	10/7/2009	6/30/2012
HECTOR MARES-COSSIO	P2451	BINATIONAL WATER AND RELATED ISSUES	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 43,200.00	0.0%	96.0%	2/9/2011	12/31/2011
HVAC ENGINEERING INC	P2502, P2503	HVAC SERVICES FOR 850-2 PS & 803-1 PS	\$ 19,421.00	\$ -	\$ 19,421.00	\$ 16,426.00	0.0%	84.6%	9/17/2010	NO END DATE
LEE & RO INC	Varies	AS-NEEDED ENGINEERING DESIGN SERVICES	\$ 175,000.00	\$ 13,754.00	\$ 188,754.00	\$ 146,523.51	7.9%	77.6%	6/30/2010	6/30/2012
LEE & RO INC	P2511	NORTH DISTRICT/SOUTH DISTRICT INTERCONNECTION	\$ 2,769,119.00	\$ -	\$ 2,769,119.00	\$ 828,721.30	0.0%	29.9%	11/4/2010	12/31/2015
MTGL INC.	Varies	AS-NEEDED GEOTECHNICAL CONSULTING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 48,315.00	0.0%	27.6%	6/23/2010	6/30/2012



# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
MWH AMERICAS INC.	R2096, R2095, S2018	RWCWRF UPGRADE PROJECT	\$ 458,813.00	\$ 122,048.00	\$ 580,861.00	\$ 609,618.67	26.6%	105.0%	10/14/2009	6/30/2013
NARASIMHAN CONSULTING	Varies	HYDRAULIC MODELING SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 33,719.50	0.0%	19.3%	5/2/2011	6/30/2013
SILVA SILVA CONSULTING	P2451	BINATIONAL DESAL PROJECT	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 28,000.00	0.0%	56.0%	7/1/2011	3/31/2012
TETRA TECH, INC	P2434	RANCHO DEL REY WELL - PHASE 2	\$ 724,493.50	\$ -	\$ 724,493.50	\$ 325,844.27	0.0%	45.0%	4/21/2011	12/31/2014
V & A CONSULTING	Varies	PROFESSIONAL CORROSION SERVICES	\$ 392,729.00	\$ -	\$ 392,729.00	\$ 20,710.50	0.0%	5.3%	6/23/2011	6/30/2013
<b>CONSTRUCTION SERVICES</b>										
ALTA LAND SURVEYING, INC.	Varies	ALTA LAND SURVEYING	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 18,836.25	0.0%	41.9%	6/1/2011	8/31/2011 COMPLETE
ALTA LAND SURVEYING, INC.	Varies	SURVEYING SERVICES FY12-FY13	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 34,348.75	0.0%	19.6%	8/15/2011	6/30/2013
RBF CONSULTING	R2058, R2077, R2087	CONSTRUCTION MANAGEMENT SERVICES FOR THE OTAY MESA RECYCLED WATER SUPPLY LINK	\$ 708,560.00		\$ 708,560.00	\$ 13,960.00	0.0%	2.0%	3/24/2010	12/31/2012
SAIC ENERGY, ENVIRONMENT & INFRASTRUCTURES, LLC	R2096	CONSTRUCTION MANAGEMENT	\$ 359,013.32	\$ -	\$ 359,013.32	\$ 151,498.00	0.0%	42.2%	8/15/2011	6/30/2012
VALLEY CONSTRUCTION MANAGEMENT	Varies	AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES	\$ 175,000.00		\$ 175,000.00	\$ 113,260.00	0.0%	64.7%	3/17/2010	6/30/2012
VALLEY CONSTRUCTION MANAGEMENT	Varies	AS-NEEDED CONSTRUCTION MANAGEMENT SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ -	0.0%	0.0%	10/25/2011	6/30/2013
<b>ENVIRONMENTAL</b>										
A.D. HINSHAW	Varies	CONSULTING SERVICES FOR JWA's CEQA	\$ 34,625.25	\$ -	\$ 34,625.25	\$ 8,500.51	0.0%	24.6%	3/25/2010	6/30/2012
ICF INTERNATIONAL (aka JONES & STOKES ASSOCIATES)	P1253	SAN MIGUEL HABITAT MANAGEMENT AREA	\$ 987,807.00	\$ -	\$ 987,807.00	\$ 931,817.19	0.0%	94.3%	2/3/2009	12/31/2011 COMPLETE
ICF INTERNATIONAL (aka JONES & STOKES ASSOCIATES)	Varies	AS-NEEDED ENVIRONMENTAL CONSULTING SERVICES	\$ 375,000.00	\$ -	\$ 375,000.00	\$ 132,081.42	0.0%	35.2%	9/9/2010	6/30/2013



# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
MERKEL & ASSOCIATES	Varies	SAN MIGUEL HABITAT MANAGEMENT AREA AND CIP-ASSOCIATED MITIGATION PROJECTS	\$ 359,079.00	\$ -	\$ 359,079.00	\$ -	0.0%	0.0%	12/14/2011	12/31/2014
RECON	P2494	PREPARATION OF THE SUBAREA PLAN	\$ 270,853.00	\$ -	\$ 270,853.00	\$ 190,221.86	0.0%	70.2%	3/28/2008	6/30/2015
TECHNOLOGY ASSOCIATES	P2494	CONSULTING SERVICES FOR JWA's NCCP	\$ 34,625.25	\$ 41,825.26	\$ 76,450.51	\$ 42,422.49	120.8%	55.5%	4/5/2010	6/30/2013
THE RICK ALEXANDAR COMPANY (TRAC)	P2494	CONSULTING SERVICES FOR JWA's NCCP	\$ 20,201.75	\$ -	\$ 20,201.75	\$ 12,990.62	0.0%	64.3%	3/17/2010	6/30/2013
<b>WATER RESOURCES</b>										
CITY OF CHULA VISTA	R2093	WASTEWATER RECLAMATION FACILITY STUDY	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 109,302.18	0.0%	72.9%	9/24/2009	12/31/2012
MICHAEL R. WELCH	P2481	ENGINEERING PLANNING SVCS.	\$ 40,000.00	\$ -	\$ 40,000.00	\$ 24,975.00	0.0%	62.4%	3/25/2009	6/30/2013
<b>PUBLIC SERVICES</b>										
AEGIS ENGINEERING MANAGEMENT	Varies	RECYCLED WATER PLAN CHECKING, RETROFIT, AND INSPECTION SERVICES FOR DEVELOPER PROJECTS	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 219,617.11	0.0%	73.2%	1/20/2010	6/30/2012
AEGIS ENGINEERING MANAGEMENT	Varies	RECYCLED WATER PLAN CHECKING, RETROFIT, AND INSPECTION SERVICES FOR DEVELOPER PROJECTS	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 86,914.50	0.0%	29.0%	11/24/2010	6/30/2013
<b>TOTALS:</b>			\$ 15,034,641.43	\$ 201,957.26	\$ 15,236,598.69	\$ 5,280,946.87	1.3%			



QUESTIONS?





### STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	March 1, 2012
		PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:	Geoffrey Stevens, Chief Information Officer		
APPROVED BY:	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager, Administration and Finance <input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Update - Records Retention Policy		

#### GENERAL MANAGER'S RECOMMENDATION:

This is an informational item only.

#### COMMITTEE ACTION:

See "Attachment A".

#### PURPOSE:

To provide an informational update on changes to the District's records retention policy.

#### ANALYSIS:

In February 2010 the Board approved policy **5-A Records Policies and Procedures - Records Retention and Destruction**. The policy established a revised records retention policy. In addition the policy allows the General Manager to make minor ongoing changes to the Records Retention Schedule if necessary.

One area where change has occurred since the policy was adopted in 2010 is in the area of electronic records. In researching the best way to handle items like email and computer back-up tapes, staff learned that both CWA and the State of California delete this type of information more rapidly than does the District. For example CWA uses a four month timeframe. State policies vary somewhat but require each agency to have a specific policy. Because of this your staff is

implementing a thirteen month period (reduced from 36 months in the original policy) for both emails and computer backup tapes. While our policy does not require Board approval for minor changes, the General Manager wishes to inform the Board because of the significant interest in electronic document policy and also that this is the first time we have made a minor change to the policy. This 13 month timeframe will allow us to recover any item we received electronically in the last year and also allow us to manage the immense storage requirements of electronic communications.

From a legal perspective, email is considered to be transitory communication and not in and of itself a "record." Sometimes, however, email contains specific content or attachments that should be retained as a record, for example, the final version of a contract. In this case, the individual who receives the email will be responsible for transferring the record into the correct category in the TRIM records system. The records system is designed to make this electronic transfer function easy.

As this item is an informational item, it is relevant to take this opportunity to also inform the Board that significant improvements have been completed in our records management systems as well. During the last year staff has upgraded our existing TRIM records system with a new version now provided and supported by HP. This enhanced product is a scalable enterprise document and records management solution that simplifies the capture, management, security, and access to information—in a business context. It is also compliant with a number of government recommended standards, for example Records Management—Part 1 and 2 ISO 15489-1:2001 and ISO/TR 15489-2:2001. This system enables the District to more easily comply with regulations and corporate policies, and it helps the District secure information from inappropriate access and misuse. TRIM has been implemented with significant staff input and serves as the official repository for District records.

**FISCAL IMPACT:**

None at this time.

**STRATEGIC GOAL:**

Item 3.B.7 **Update the District-wide Records Management Program.**

**LEGAL IMPACT:**

None. This recommendation has been reviewed and approved by the District's legal staff.

Attachments: Attachment A - Committee Action  
Attachment B - Policy 5A

## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Update - Records Retention Policy
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on February 14, 2012. The following comments were made:

- Staff has implemented a new Records System over the past year and a half and as part of the implementation process, staff reviewed the retention policies of other agencies to assure that the District's retention policy (adopted in February 2010) is in-line with other agencies.
- Staff indicated that an area where change has occurred from the original adopted retention policy is the management of electronic documents. In discussion with the District's attorney, it was indicated that email is treated as transitory communication; it is not a record in and of itself. Email communications become a record when some content or aspect of the document makes it a record, i.e., a contract is attached to the email communication.
- In researching CWA and the State of California's policy on the handling of electronic information, particularly emails and computer back-up tapes, CWA's policy indicates that emails are retained for four (4) months; the State of California statutes does not indicate a specific time, but does require that the agency determine a policy. Staff is recommending that such electronic information be retained for 13 months as it would make sense that the recipient may wish to have reference to it for a period of time.
- This would also reduce the volume of electronic documents that must be destroyed or maintained.
- It was noted that the recipient of an email would be responsible to place electronic communications in the records system if it has the characteristics of a *record*.
- The General Manager has the authority to make minor changes to the District's Records Retention Policy, but because this affects an issue that is important (the handling of electronic information), the General Manager wished the

board to be aware of the change in the retention of such records.

- The committee indicated interest in the cost savings aspect of the change and requested that staff provide an estimate of the cost savings to the District through the implementation of this change.

Staff has examined the savings and there are both hardware and labor savings associated with implementing this policy. First, on the hardware side we believe we will reduce future hardware purchases by \$15,000 to \$20,000. The real savings however are from automating a search process, using a records system that ensures that required documents are properly organized, accessible, and consistent with our records retention policy. While hard to quantify, there should be several hundred hours' savings by allowing electronic, rather than paper documents, to be the source. Likewise, indexing and keyword accuracy are more efficient in finding documents, and making the transmission of information requests via electronic documents rather than paper will all save time and money.

Following the discussion, the committee was supportive of staffs' recommendation and presentation to the full board as an informational item.

**OTAY WATER DISTRICT  
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECORDS POLICY AND PROCEDURES - RECORDS RETENTION AND DESTRUCTION	05-A	2/3/10	

I. PURPOSE

To ensure that necessary records and documents of the Otay Water District are adequately protected and maintained and to ensure that records that are no longer needed or are of no value are discarded at the proper time. This Policy is also for the purpose of aiding District employees in understanding their obligations in retaining electronic documents, including e-mail, Web files, text files, sound and movie files, PDF documents, and all Microsoft Office or other formatted files.

II. SCOPE

This policy is applicable to all District departments and offices directly responsible to the General Manager.

III. POLICY

This Policy represents the District's policy regarding the retention and disposal of records, including electronic documents. Attached as **Appendix 1** is a Record Retention Schedule that is approved as the District's maintenance, retention and disposal schedule for physical records and the retention and disposal of electronic documents.

IV. ADMINISTRATION

A. General

1. The District's Chief Information Officer (the "Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed.

2. The Administrator is also authorized to, in consultation with the General Manager: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for the District; work with the District's General Counsel to monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

B. Suspension of Record Disposal due to Litigation or Claims

In the event the District is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit or the commencement of any litigation against or

**OTAY WATER DISTRICT  
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECORDS POLICY AND PROCEDURES - RECORDS RETENTION AND DESTRUCTION	05-A	2/3/10	

concerning the District, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator shall take steps to promptly inform all staff of any suspension in the further disposal of documents.

C. Records Retention Schedule Organization

The Record Retention Schedule is organized by type of records and reflects each department's responsibility.

D. Records Management, Filing and Destruction

If deemed necessary by the Administrator and the General Manager, a person, firm or service may be retained to assist the District with the management, filing, retention and destruction of records. If the aggregate payments under the contract do not exceed the General Manager's contracting authority, the General Manager is authorized to determine the terms and conditions of such contract in consultation with the General Counsel.



## STAFF REPORT

TYPE	MEETING
MEETING: Regular Board	DATE: March 7, 2012
SUBMITTED Mark Watton	W.O./G.F. N/A DIV. N/A
BY: General Manager	NO: NO.
APPROVED BY: <input checked="" type="checkbox"/> Mark Watton, General Manager	
SUBJECT: General Manager's Report	

**GENERAL MANAGER:**

Social Media:

- **Facebook, Twitter, and YouTube** - In February, the District launched Facebook and Twitter pages, and in the coming months will promote the social media sites via the customer newsletter. Staff continues to add video content to the District's YouTube page and the District's web site, and promoting the video content it has developed via Facebook and Twitter.

**ADMINISTRATIVE SERVICES:**

Human Resources:

- **New Hires/Promotions** - There were no new hires in the month of February.

Water Conservation and School Education:

- **Water Smart Gardening Class for Homeowners** - A class was held from 1:00 - 4:00 p.m. on Saturday, February 18<sup>th</sup>, at the Rancho San Diego Library, and was taught by local gardening expert and Otay newsletter columnist Nan Sterman, and Ray Herrera from Ewing Irrigation. Twenty-five (25) people attended the workshop and it received rave reviews from workshop attendees.
- **Student Poster Contest Display** - The winning MET posters highlighted in their 2012 calendar, including one from a Clearview Elementary student who resides within the District, were on display at the District between February 14<sup>th</sup> and 22<sup>nd</sup>. The posters were favorably received by

customers who walked in to pay their bill and walk-ins who came in specifically to see the posters. The poster images can be found online by going to the District's website, [www.otaywater.gov](http://www.otaywater.gov), then selecting the "Education" tab, then "Student Poster Contest."

- **San Diego County Garden Friendly Plant Fairs** - Customers are currently receiving, through the end of March, a bill insert promoting the upcoming plant fairs. The District will be staffing a booth at the Plant Fair on April 14<sup>th</sup> located at the Home Depot just off "H" Street in Chula Vista.

Safety and Security:

- **Claims** - The District processed the following claim:
  - Donald Kleine - Mr. Kleine is requesting reimbursement of \$583 for a water leak that occurred on his side of the meter over a period of months. Staff had provided Mr. Kleine a credit adjustment, consistent with the history of water use at his residence, prior to the receipt of Mr. Kleine's claim. Mr. Kleine is requesting further adjustment of \$583 and it has been determined that an additional credit was not merited. Mr. Kleine's claim has been referred to the District's property & liability carrier, Special District Risk Management Authority (SDRMA). SDRMA will coordinate any further inquiry from Mr. Kleine with District staff.
- **SDRMA Longevity Distribution** - For the third year in a row, the District received two longevity distribution checks (totaling \$15,048) for participating in the Property/Liability and Workers' Compensation programs. The Longevity Distribution Policy, approved by SDRMA's Board, is to recognize and reward members for their loyalty and commitment to SDRMA programs.
- **InfraGard (FBI)** - Jerry Muñoz has been accepted to the FBI's InfraGard Program. As a member, Jerry now has access to sensitive information to help protect District assets, as well as attend forums for education and training on cyber crime, counterterrorism, counterintelligence, and other important topics.

Purchasing and Facilities:

- **Purchase Orders** - There were 71 purchase orders processed in February 2012, for a total of \$3,600,800.99:
  - o The total includes purchase order #715769 for a total amount of \$2,316,275.00, for the sanitary sewer replacement project.

**INFORMATION TECHNOLOGY AND STRATEGIC PLANNING:**

- **Work Order System** - Staff will be conducting a workshop with Azteca Systems this month as the first step in implementing a GIS-centric work order system. This Strategic Plan item will allow the District to better manage assets and improve/optimize work processes related to assets.
- **Finance Business Process Improvements** - Finance staff identified and prepared a list of processes for improvement. Business Analysts met with Finance Managers to review and prioritize their business process improvement list. The top three business processes are related to Rate Model business process improvement. The work has begun to implement these changes.
- **Special Assessment** - Providing an accurate tax bill for our customers is a critical task each year for Otay. IT Staff, including GIS and programming support, along with Customer Service, have started working on the "2012 Special Assessment" or the county tax bill report. This effort requires a careful analysis of any changes to either water, sewer, or parcel boundaries over the last year. Since all three need to be correct, and they can all change over the course of a year, we compare past and present information among both the GIS and the Customer Billing System (IG-Eden). While it always will need careful manual quality control efforts, the bulk of the work in identifying any changes is automated. What was once a highly manual and very intense effort is significantly more accurate and faster than in the past. While errors do occur, each year the process is also reviewed to see how any mistakes that we encounter can be added to our new checklist to prevent them happening again in the future.

**FINANCE:**

- **Automation of Late Notices for Closed Accounts** - Staff has put into production an automated process to send reminder bills to customers who have moved out of our area and who failed to pay their final bill. This not only automates a manual process, saving approximately 15 hours per month of

staff time, but also improves customer service through earlier notices and improved billing format.

- **Continued Meter Reading Efficiencies** - Through the continued implementation of AMR meters throughout the District, the Finance Department was able to reduce the Meter Reading team by one member (down to four FTEs). This fiscal year's meter change-outs saved 130 hours of meter reading per month.
- **FY 13 Sales Projection Workshop** - The Finance Department will hold a Budget Workshop on March 19, 2012 to discuss how water sales forecasting is developed. This includes examining historical trends, rainfall, temperature, price elasticity, meter sales and other economic activity. There are experts in each of these areas who could be used in order to "fine tune" the projections. This workshop will not only review how the forecast is developed, but also how it may be improved.
- **Financial Reporting:**
  - **For January 31, 2012 is as follows** - For the seven months ended January 31, 2012, there are total revenues of \$45,623,422 and total expenses of \$45,092,118. The revenues exceeded expenses by \$531,304.
  - **For investments for January 31, 2012 is as follows** - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of January 31, 2012, total \$93,676,039.63 with an average yield to maturity of 0.584%. The total earnings year-to-date are \$380,544.03.

#### **ENGINEERING AND WATER OPERATIONS:**

##### ***Engineering:***

- **Rancho del Rey Groundwater Well Development:** Tetra Tech is wrapping up the 90% construction drawing submittal based on architectural elevations that were approved by the Board on February 1<sup>st</sup>. A Sewer Agreement Update Meeting was held with the City of Chula Vista on February 14<sup>th</sup>. Activities are underway to secure an Industrial User Discharge Permit from Metro, power supply from SDG&E, and other components. The design is anticipated to be completed in the fourth quarter of Fiscal Year 2012, with construction completed in the first quarter of Fiscal Year 2014. (P2434)
- **North District - South District Interconnections System:** This project consists of installing approximately 5.2 miles of 30-inch diameter pipe from H Street in Chula Vista to Paradise

Valley Road in Spring Valley. The project is currently in the early design phase with Lee & Ro, Inc. working on finalizing the alignment study with two preferred alignments (Proctor Valley Road and Corral Canyon Road). The Proctor Valley Road alignment was presented to the SDCWA on February 7<sup>th</sup>. A meeting with U.S. Fish and Wildlife was held on February 16<sup>th</sup>. (P2511)

- **944-1R Recycled Water Pump Station Upgrades & Enhancements:**

This project consists of upgrading the 944-1R Pump Station with new pumps, new pipe configurations, and electrical upgrades to keep up with current and future recycled water demands. The contractor, Sepulveda Construction, Inc., continues to install the new piping configuration inside the pump station and began the construction of three (3) pressure reducing stations. Project is scheduled to be completed in June 2012. (R2091)

- **Ralph W. Chapman Water Reclamation Facility Upgrade:** This project consists of an upgrade to the treatment plant to reduce the nitrogen levels in the plant effluent. The upgrade includes modifications to the aeration basins, the addition of energy-efficient turbo blowers and replacement of corroded air piping, a new cover for the filter backwash storage tank, a new filter air scour system, and automation enhancements. The treatment plant was shut down on January 14, 2012 and is scheduled to come back on-line by early May. With the plant shutdown, the contractor, NEWest Construction Company, Inc., continues the major upgrades and modifications to the site. Construction is anticipated to be completed in June 2012. (R2096)

- **30-Inch, 980 Zone, Hunte Parkway - Proctor Valley/Use Area:**

This project consists of the installation of approximately 2,399 linear feet of 30-inch steel pipe and appurtenances on Hunte Parkway between Proctor Valley Road and the entrance to the Salt Creek Golf Course in the City of Chula Vista. The pipeline will increase total water delivery to reduce pressure losses experienced during periods of high demand. This project was re-bid in January and Sepulveda construction was the low bidder. Staff is recommending them to the March 7, 2012 Board for award. Construction will begin soon after and the project will take approximately seven months to complete. (P2514)

- **Avocado, Louisa, Calavo, Challenge, Hidden Mesa Sanitary Sewer Replacement:** This project consists of replacing approximately 4,500 ft. of sewer pipeline in Avocado Blvd. and neighboring residential streets. The Board approved the award of a construction contract to Garcia Juarez Construction, Inc. at the February Board Meeting. Staff sent out flyers notifying local residents of the upcoming construction effort. Garcia Juarez mobilized on site on February 21, 2012. Construction is

scheduled to take approximately one year. (S2019, S2020, S2022, S2023, S2026)

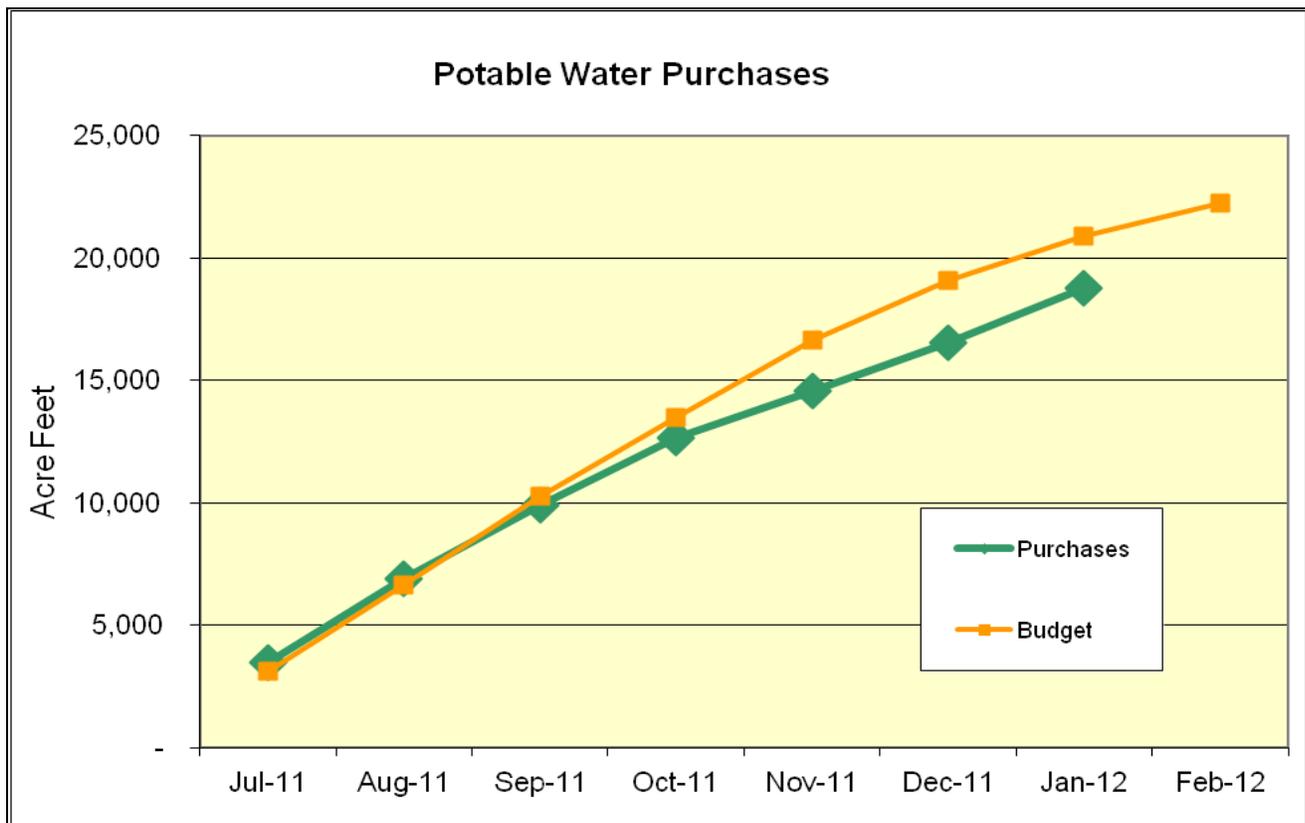
- 850-3 Reservoir Exterior Coating & Upgrades:** This project consists of replacing the exterior coating of the 3.0 MG 850-3 Reservoir, along with providing structural upgrades to ensure the tank complies with both State and Federal OSHA standards, as well as AWWA and County Health Department standards. Bids were opened on February 2, 2012, with Advanced Industrial Services, Inc. submitting the lowest bid at \$293,300. The project is anticipated to be awarded in March 2012 with construction to start soon thereafter. The project will take approximately three months to complete. (P2491)
- For the month of January 2012, the District sold 12 meters (15 EDUs) generating \$28,077 in revenue; which is 90% below projection. Projection for this period was 23 meters (36.7 EDUs) with budgeted revenue of \$281,350. Projected revenue from July 1, 2011 through June 30, 2012 is \$3,376,200 against a budget of \$2,224,329.
- For the month of January 2012, staff reviewed 3 potential easement encroachments and will be gathering all the necessary information prior to informing customers of the removal of the encroachments. The above is part of an on-going program of easement monitoring.
- Approximately 2,597 linear feet of both CIP and developer project pipeline was installed in January 2012. The Construction Division performed quality control for these pipelines.

The following table summarizes Engineering's project purchases and Change Orders issued during the period of January 13, 2012 through February 14, 2012 that were within staff signatory authority:

<b>Date</b>	<b>Action</b>	<b>Amount</b>	<b>Contractor/ Consultant</b>	<b>Project</b>
2/07/12	C.O. #1	\$2,918.77	3-D Enterprises	803-1 & 850-2 Pump Station (P2502)
2/07/12	P.O.	\$2,870.71	Mayer Reprographics	30-Inch Potable Pipeline (P2514)
2/14/12	C.O. #1	\$28,715.75	TC Construction	La Presa System Improvements (P2370)

**Water Operations:**

- The Treatment Plant has been offline since January 14, 2012 for facility upgrades. The restart date has been tentatively set for May 1, 2012.
- Total number of potable water meters is 48,640.
- The January water purchases were 2,219.9 acre feet which is 24.9% above the budget of 1,777.3 acre feet. The cumulative purchases through January is 18,752.4 acre feet which is 10.1% below the cumulative budget of 20,864.5 acre feet.



- Recycled water consumption for the month of January is as follows:

Total consumption was 208.1 acre-feet or 67,798,720 gallons and the average daily consumption was 2,187,055 gallons per day.

Total number of recycled water meters is 695.

Total recycled water consumption as of December for FY 2012 is 2,620.1 acre-feet.

- Wastewater flows for the month of January were as follows:
  - Total basin flow, gallons per day: 1,748,008.
  - Spring Valley Sanitation District Flow to Metro, gallons per day: 578,390.
  - Total Otay flow, gallons per day: 1,167,143.
  - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 320,859.
  - Flow to Metro from Otay Water District, gallons per day: 848,758.
  - By the end of January there were 6082 wastewater connections/EDUs.

OTAY WATER DISTRICT  
**COMPARATIVE BUDGET SUMMARY**  
 FOR SEVEN MONTHS ENDED JANUARY 31, 2012

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
<b>REVENUES:</b>					
Water Sales	\$ 36,598,100	\$ 21,662,209	\$ 25,253,000	\$ (3,590,791)	(14.2%)
Energy Charges	1,874,000	1,200,856	1,278,200	(77,344)	(6.1%)
System Charges	9,542,100	5,588,077	5,565,000	23,077	0.4%
MWD & CWA Fixed Charges	8,981,500	4,864,826	4,844,900	19,926	0.4%
Penalties	913,100	427,885	547,900	(120,015)	(21.9%)
Total Water Sales	<u>57,908,800</u>	<u>33,743,854</u>	<u>37,489,000</u>	<u>(3,745,146)</u>	<u>(10.0%)</u>
Reclamation Sales	7,395,500	4,495,298	5,118,800	(623,502)	(12.2%)
Sewer Charges	2,336,000	1,361,145	1,356,600	4,545	0.3%
Meter Fees	82,000	69,438	47,800	21,638	45.3%
Capacity Fee Revenues	1,044,000	723,046	644,000	79,046	12.3%
Betterment Fees for Maintenance	628,600	472,061	366,700	105,361	28.7%
Non-Operating Revenues	2,021,600	1,142,659	1,120,300	22,359	2.0%
Tax Revenues	3,839,600	2,022,838	2,089,300	(66,462)	(3.2%)
Interest	158,300	48,483	72,300	(23,817)	(32.9%)
Transfer from OPEB	1,380,000	805,000	805,000	-	0.0%
Transfer from Betterment Reserve	30,000	17,500	17,500	-	0.0%
Transfer from Replacement	120,000	70,000	70,000	-	0.0%
General Fund Draw Down	522,800	305,000	305,000	-	0.0%
Transfer from General Fund	595,000	347,100	347,100	-	0.0%
Total Revenues	<u>\$ 78,062,200</u>	<u>\$ 45,623,422</u>	<u>\$ 49,849,400</u>	<u>\$ (4,225,978)</u>	<u>(8.5%)</u>
<b>EXPENSES:</b>					
Potable Water Purchases	\$ 27,793,100	\$ 16,674,157	\$ 18,631,400	\$ 1,957,243	10.5%
Recycled Water Purchases	1,452,800	1,189,145	1,014,950	(174,195)	(17.2%)
CWA-Infrastructure Access Charge	1,756,900	1,008,091	1,008,300	209	0.0%
CWA-Customer Service Charge	1,562,600	865,026	866,400	1,374	0.2%
CWA-Emergency Storage Charge	3,585,800	1,912,350	1,925,600	13,250	0.7%
MWD-Capacity Res Charge	603,900	372,861	377,600	4,739	1.3%
MWD-Readiness to Serve Charge	1,488,600	864,040	868,100	4,060	0.5%
Subtotal Water Purchases	<u>38,243,700</u>	<u>22,885,669</u>	<u>24,692,350</u>	<u>1,806,681</u>	<u>7.3%</u>
Power Charges	2,440,900	1,431,099	1,527,600	96,501	6.3%
Payroll & Related Costs	18,119,600	10,182,444	10,472,487	290,043	2.8%
Material & Maintenance	4,300,000	2,102,773	2,222,370	119,597	5.4%
Administrative Expenses	4,180,700	2,148,016	2,449,275	301,259	12.3%
Legal Fees	380,000	276,917	221,667	(55,250)	(24.9%)
Expansion Reserve	555,000	323,800	323,800	-	0.0%
Replacement Reserve	3,330,000	1,942,500	1,942,500	-	0.0%
Transfer to Sewer Fund Reserve	786,800	459,000	459,000	-	0.0%
Transfer to General Fund Reserve	2,420,500	1,412,000	1,412,000	-	0.0%
Transfer to Sewer Replacement	1,720,000	1,003,300	1,003,300	-	0.0%
Transfer to New Supply Reserve	1,585,000	924,600	924,600	-	0.0%
Total Expenses	<u>\$ 78,062,200</u>	<u>\$ 45,092,118</u>	<u>\$ 47,650,948</u>	<u>\$ 2,558,830</u>	<u>5.4%</u>
<b>EXCESS REVENUES(EXPENSE)</b>	<u>\$ -</u>	<u>\$ 531,304</u>	<u>\$ 2,198,452</u>	<u>\$ (1,667,148)</u>	

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
JANUARY 31, 2012**

**INVESTMENT OVERVIEW & MARKET STATUS:**

The federal funds rate has remained constant now for over 37-months. On December 16, 2008, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was lowered from 1.00% to "a target range of between Zero and 0.25%" in response to the nation's ongoing financial crisis, as well as banking industry pressure to ease credit and stimulate the economy. This marked the ninth reduction in a row since September 18, 2007, when the rate was 5.25%. There have been no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meetings, the most recent of which was held on January 25, 2012. They went on to say: "The Committee currently anticipates that economic conditions--including low rates of resource utilization and a subdued outlook for inflation over the medium run--are likely to warrant exceptionally low levels for the federal funds rate at least through late-2014.

Despite the large drop in available interest rates, the District's overall effective rate of return at January 31st was 0.59%, which was a decrease of 1 basis point (0.01%) from the prior month. At the same time the LAIF return on deposits has fluctuated slightly over the last several months, reaching an average effective yield of 0.39% for the month of January 2012. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of interest rate declines, no changes in investment strategy are being considered at this time.

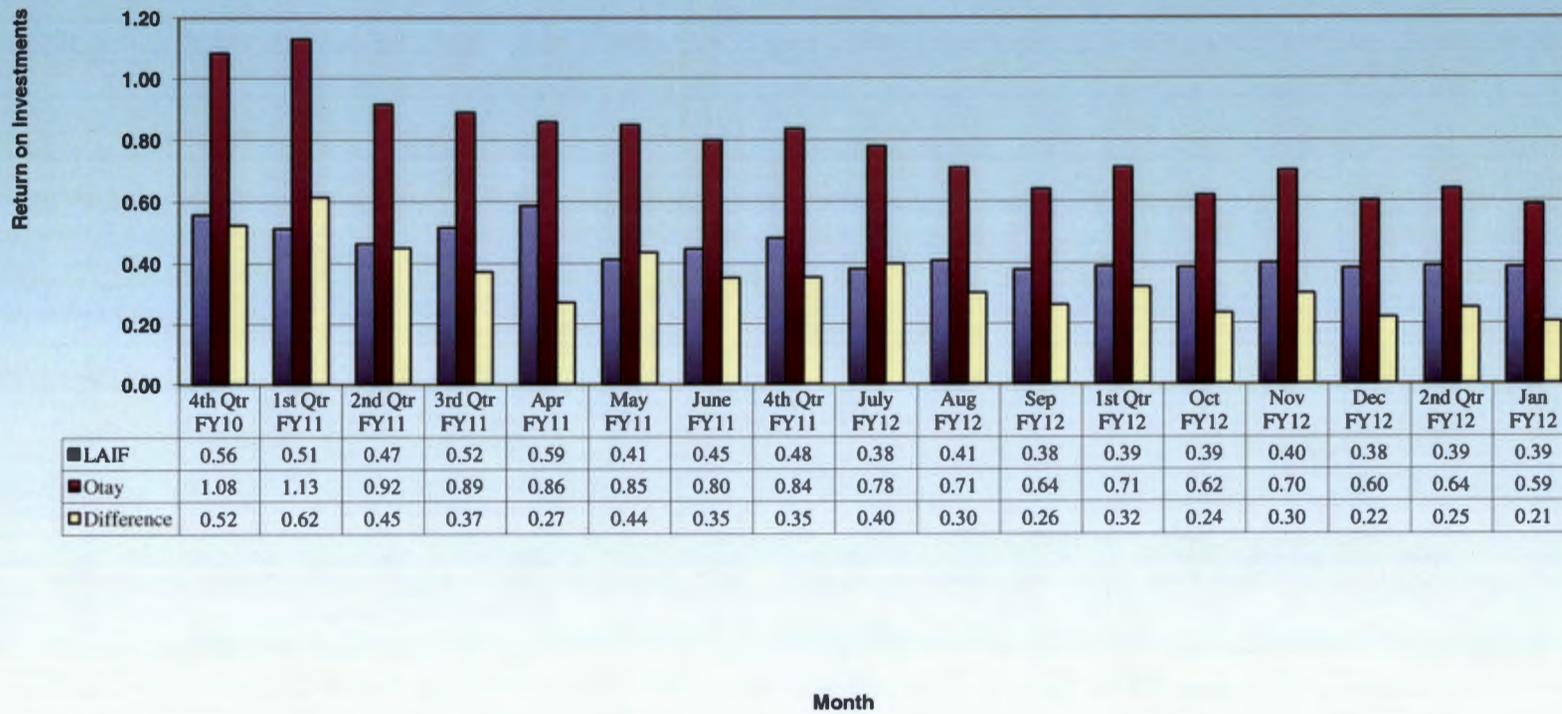
In accordance with the District's Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

**PORTFOLIO COMPLIANCE: January 31, 2012**

	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	0
8.02:	Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$10.34 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	4.34%
8.03:	Federal Agency Issues	100%	100%	59.57%
8.04:	Certificates of Deposit	30%	15%	0.09%
8.05:	Short-Term Commercial Notes	25%	15%	0
8.06:	Medium-Term Commercial Debt	30%	15%	0
8.07:	Money Market Mutual Funds	20%	15%	0
8.08:	San Diego County Pool	100%	100%	23.61%
12.0:	Maximum Single Financial Institution	100%	50%	1.34%

## Performance Measure F-12 Return on Investment

Target: Meet or Exceed 100% of LAIF



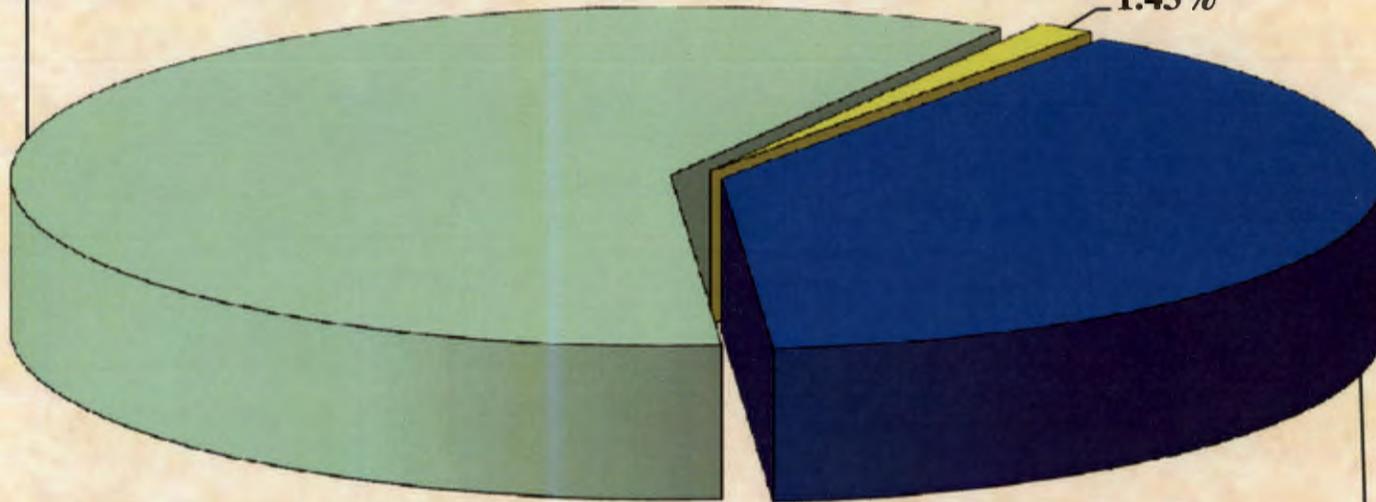
LAIF
  Otay
  Difference

## Otay Water District Investment Portfolio: 1/31/12

\$55,736,152  
59.57%

\$1,334,180  
1.43%

\$36,494,507  
39.00%



■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

**OTAY  
Portfolio Management  
Portfolio Summary  
January 31, 2012**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	55,737,000.00	55,771,686.53	55,736,151.63	60.38	794	616	0.678	0.688
Certificates of Deposit - Bank	81,326.80	81,326.80	81,326.80	0.09	731	721	0.280	0.284
Local Agency Investment Fund (LAIF)	14,406,373.88	14,430,173.16	14,406,373.88	15.61	1	1	0.380	0.385
San Diego County Pool	22,088,133.03	22,140,000.00	22,088,133.03	23.93	1	1	0.480	0.487
<b>Investments</b>	<b>92,312,833.71</b>	<b>92,423,186.49</b>	<b>92,311,985.34</b>	<b>100.00%</b>	<b>481</b>	<b>373</b>	<b>0.584</b>	<b>0.592</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,252,853.14	1,252,853.14	1,252,853.14		1	1	0.225	0.228
<b>Total Cash and Investments</b>	<b>93,565,686.85</b>	<b>93,676,039.63</b>	<b>93,564,838.48</b>		<b>481</b>	<b>373</b>	<b>0.584</b>	<b>0.592</b>

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	48,538.14	380,544.03
Average Daily Balance	97,025,448.71	98,935,605.33
Effective Rate of Return	0.59%	0.65%

I hereby certify that the investments contained in this report are made in accordance with the District Investment Policy Number 27 adopted by the Board of Directors on September 6, 2006. The market value information provided by Interactive Data Corporation. The investments provide sufficient liquidity to meet the cash flow requirements of the District for the next six months of expenditures.

\_\_\_\_\_  
Joseph Beachem, Chief Financial Officer

2-21-12

Reporting period 01/01/2012-01/31/2012

Run Date: 02/16/2012 - 17:31

Portfolio OTAY  
AP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.2

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
31331KZF0	2219	Federal Farm Credit Bank		09/23/2011	3,000,000.00	3,000,060.00	2,999,368.52	0.481	AA	0.486	691	12/23/2013
31331KG79	2222	Federal Farm Credit Bank		10/24/2011	2,000,000.00	2,000,020.00	2,000,000.00	0.625	AA	0.616	723	01/24/2014
313374ELO	2201	Federal Home Loan Bank		06/30/2011	2,000,000.00	2,001,200.00	2,000,000.00	0.875		0.863	698	12/30/2013
3133755W3	2210	Federal Home Loan Bank		08/23/2011	2,000,000.00	2,000,300.00	2,000,000.00	0.700	AAA	0.693	569	08/23/2013
313375E29	2212	Federal Home Loan Bank		09/07/2011	2,000,000.00	1,999,480.00	2,000,000.00	0.625	AA	0.616	765	03/07/2014
313375H59	2213	Federal Home Loan Bank		09/16/2011	2,000,000.00	1,999,080.00	2,000,000.00	0.550		0.542	593	09/16/2013
313375HZ3	2216	Federal Home Loan Bank		09/19/2011	2,000,000.00	2,000,040.00	2,000,000.00	0.650		0.641	777	03/19/2014
313375ZS9	2224	Federal Home Loan Bank		11/07/2011	2,000,000.00	2,000,080.00	2,000,000.00	0.625	AA	0.616	645	11/07/2013
3137EACK3	2146	Federal Home Loan Mortgage		05/28/2010	2,000,000.00	2,009,380.00	1,999,783.11	1.147	AAA	1.154	177	07/27/2012
3137EACK3A	2148	Federal Home Loan Mortgage		05/27/2010	1,030,000.00	1,034,830.70	1,030,000.00	1.125	AAA	1.109	177	07/27/2012
3137EACK3B	2149	Federal Home Loan Mortgage		05/27/2010	2,707,000.00	2,719,695.83	2,707,000.00	1.125	AAA	1.109	177	07/27/2012
3134G1Y40	2183	Federal Home Loan Mortgage		02/15/2011	2,000,000.00	2,000,540.00	2,000,000.00	1.100	AAA	1.085	561	08/15/2013
3134G2VD1	2211	Federal Home Loan Mortgage		08/24/2011	2,000,000.00	2,000,480.00	2,000,000.00	0.750	AA	0.740	754	02/24/2014
3134G2B92	2217	Federal Home Loan Mortgage		09/13/2011	2,000,000.00	2,000,800.00	2,000,000.00	0.500		0.493	406	03/13/2013
3134G22H4	2223	Federal Home Loan Mortgage		11/04/2011	2,000,000.00	2,001,060.00	2,000,000.00	0.700	AA	0.690	642	11/04/2013
3134G23NO	2225	Federal Home Loan Mortgage		11/02/2011	3,000,000.00	2,999,100.00	3,000,000.00	0.700	AA	0.690	820	05/01/2014
3134G3AC4	2226	Federal Home Loan Mortgage		12/06/2011	3,000,000.00	2,998,680.00	3,000,000.00	0.600		0.592	674	12/06/2013
3134G3AQ3	2227	Federal Home Loan Mortgage		11/30/2011	2,000,000.00	2,003,240.00	2,000,000.00	0.710	AA	0.700	849	05/30/2014
3134G3BN9	2228	Federal Home Loan Mortgage		12/05/2011	2,000,000.00	2,005,380.00	2,000,000.00	0.770	AA	0.759	855	06/05/2014
3135GOCW1	2214	Federal National Mortgage Assoc		09/06/2011	2,000,000.00	2,000,300.00	2,000,000.00	0.500	AA	0.493	583	09/06/2013
3135GODB6	2215	Federal National Mortgage Assoc		09/12/2011	2,000,000.00	2,000,420.00	2,000,000.00	0.600		0.592	589	09/12/2013
3135GODK6	2218	Federal National Mortgage Assoc		09/27/2011	2,000,000.00	2,000,520.00	2,000,000.00	0.600	AA	0.592	604	09/27/2013
3135GODN0	2220	Federal National Mortgage Assoc		09/26/2011	3,000,000.00	2,997,000.00	3,000,000.00	0.500	AAA	0.493	603	09/26/2013
3135GODR1	2221	Federal National Mortgage Assoc		10/03/2011	3,000,000.00	2,998,620.00	3,000,000.00	0.500	AAA	0.493	610	10/03/2013
3135GODV2	2275	Federal National Mortgage Assoc		10/18/2011	3,000,000.00	3,001,380.00	3,000,000.00	0.550	AA	0.542	625	10/18/2013
<b>Subtotal and Average</b>			<b>59,284,508.44</b>		<b>55,737,000.00</b>	<b>55,771,686.53</b>	<b>55,736,151.63</b>			<b>0.678</b>	<b>616</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183-5	2229	California Bank & Trust		01/22/2012	81,326.80	81,326.80	81,326.80	0.280		0.280	721	01/22/2014
<b>Subtotal and Average</b>			<b>79,823.74</b>		<b>81,326.80</b>	<b>81,326.80</b>	<b>81,326.80</b>			<b>0.280</b>	<b>721</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	10,342,617.15	10,359,703.12	10,342,617.15	0.385		0.380	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		04/21/2010	4,063,756.73	4,070,470.04	4,063,756.73	0.385		0.380	1	

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Subtotal and Average</b>			<b>14,090,450.55</b>		<b>14,406,373.88</b>	<b>14,430,173.16</b>	<b>14,406,373.88</b>			<b>0.380</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	San Diego County		07/01/2004	22,088,133.03	22,140,000.00	22,088,133.03	0.487		0.480	1	
<b>Subtotal and Average</b>			<b>22,071,292.74</b>		<b>22,088,133.03</b>	<b>22,140,000.00</b>	<b>22,088,133.03</b>			<b>0.480</b>	<b>1</b>	
<b>Total and Average</b>			<b>97,025,448.71</b>		<b>92,312,833.71</b>	<b>92,423,186.49</b>	<b>92,311,985.34</b>			<b>0.584</b>	<b>373</b>	

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**January 31, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	16,211.21	16,211.21	16,211.21	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	1,114,528.87	1,114,528.87	1,114,528.87	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	24,100.32	24,100.32	24,100.32			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA		04/20/2010	688.02	688.02	688.02			0.000	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA		04/20/2010	417.23	417.23	417.23	0.001		0.001	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		04/20/2010	48,994.10	48,994.10	48,994.10	0.147		0.145	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		01/01/2011	44,963.39	44,963.39	44,963.39			0.000	1
<b>Average Balance</b>			<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>97,025,448.71</b>		<b>93,565,686.85</b>	<b>93,676,039.63</b>	<b>93,564,838.48</b>			<b>0.584</b>	<b>373</b>

**OTAY**  
**Portfolio Management**  
**Interest Earnings Summary**  
**January 31, 2012**

	January 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	32,804.91	263,832.90
Plus Accrued Interest at End of Period	113,195.56	89,214.24
Less Accrued Interest at Beginning of Period	( 111,561.99)	( 100,348.95)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	34,438.48	252,698.19
Adjusted by Premiums and Discounts	64.75	377.32
Adjusted by Capital Gains or Losses	0.00	400.00
Earnings during Periods	34,503.23	253,475.51
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	47,461.04	168,638.69
Plus Accrued Interest at End of Period	431,864.35	431,864.35
Less Accrued Interest at Beginning of Period	( 465,290.48)	( 473,434.52)
Interest Earned during Period	14,034.91	127,068.52
<b>Total Interest Earned during Period</b>	<b>48,473.39</b>	<b>379,766.71</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>64.75</b>	<b>377.32</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>400.00</b>
<b>Total Earnings during Period</b>	<b>48,538.14</b>	<b>380,544.03</b>

**OTAY  
Activity Report  
Sorted By Issuer  
July 1, 2011 - January 31, 2012**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		72,490,974.39	72,484,819.67	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		5,407,807.91	5,179,920.74	
PAYROLL	9005	STATE OF CALIFORNIA					678,209.06	677,893.45	
RESERVE-10 COPS	9010	STATE OF CALIFORNIA					5,793.75	13,489.32	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.001		15,228.09	35,453.80	
UBNA-2010 BOND	9013	STATE OF CALIFORNIA			0.147		48,942.21	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					100,096.15	66,875.52	
<b>Subtotal and Balance</b>				<b>964,254.08</b>			<b>78,747,051.56</b>	<b>78,458,452.50</b>	<b>1,252,853.14</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			0.385		33,774,303.76	55,200,672.73	
LAIF BABS 2010	9012	STATE OF CALIFORNIA			0.385		12,681.09	88.59	
<b>Subtotal and Balance</b>				<b>35,820,150.35</b>			<b>33,786,984.85</b>	<b>55,200,761.32</b>	<b>14,406,373.88</b>
<b>Issuer Subtotal</b>				<b>16.736%</b>			<b>112,534,036.41</b>	<b>133,659,213.82</b>	<b>15,659,227.02</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
2050003183-4	2121	California Bank & Trust			1.380	01/22/2012	0.00	79,108.00	
2050003183-5	2229	California Bank & Trust			0.280	01/22/2012	81,326.80	0.00	
<b>Subtotal and Balance</b>				<b>79,108.00</b>			<b>81,326.80</b>	<b>79,108.00</b>	<b>81,326.80</b>
<b>Issuer Subtotal</b>				<b>0.087%</b>			<b>81,326.80</b>	<b>79,108.00</b>	<b>81,326.80</b>
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues- Callable</b>									
31331KZF0	2219	Federal Farm Credit Bank			0.481	09/23/2011	3,000,000.00	0.00	
31331KG79	2222	Federal Farm Credit Bank			0.625	10/24/2011	2,000,000.00	0.00	

OTAY  
Activity Report  
July 1, 2011 - January 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Subtotal and Balance				0.00			5,000,000.00	0.00	5,000,000.00
Issuer Subtotal				5.344%	0.00		5,000,000.00	0.00	5,000,000.00

**Issuer: Federal Home Loan Bank**

**Federal Agency Issues- Callable**

313371MR4	2174	Federal Home Loan Bank		0.700	08/22/2011		0.00	2,000,000.00	
313373CW0	2193	Federal Home Loan Bank		1.375	07/25/2011		0.00	2,000,000.00	
313373K27	2194	Federal Home Loan Bank		1.200	08/12/2011		0.00	2,000,000.00	
313373MC3	2195	Federal Home Loan Bank		1.200	08/12/2011		0.00	1,775,000.00	
313373QJ4	2196	Federal Home Loan Bank		1.125	11/25/2011		0.00	2,000,000.00	
313373UD2	2197	Federal Home Loan Bank		1.050	12/12/2011		0.00	2,000,000.00	
313373V25	2198	Federal Home Loan Bank		0.875	09/06/2011		0.00	2,000,000.00	
313373VV0	2199	Federal Home Loan Bank		1.100	07/06/2011		0.00	2,000,000.00	
3133747H7	2202	Federal Home Loan Bank		0.875	09/27/2011		0.00	2,000,000.00	
313374G46	2203	Federal Home Loan Bank		1.000	07/08/2011	2,000,000.00		0.00	
313374G46	2203	Federal Home Loan Bank			08/08/2011		0.00	2,000,000.00	
313374T83	2208	Federal Home Loan Bank		0.900	07/28/2011	2,000,000.00		0.00	
313374T83	2208	Federal Home Loan Bank			10/28/2011		0.00	2,000,000.00	
313374ZW3	2209	Federal Home Loan Bank		0.650	08/08/2011	2,000,000.00		0.00	
313374ZW3	2209	Federal Home Loan Bank			01/30/2012		0.00	2,000,000.00	
3133755W3	2210	Federal Home Loan Bank		0.700	08/23/2011	2,000,000.00		0.00	
313375E29	2212	Federal Home Loan Bank		0.625	09/07/2011	2,000,000.00		0.00	
313375H59	2213	Federal Home Loan Bank		0.550	09/16/2011	2,000,000.00		0.00	
313375HZ3	2216	Federal Home Loan Bank		0.650	09/19/2011	2,000,000.00		0.00	
313375ZS9	2224	Federal Home Loan Bank		0.625	11/07/2011	2,000,000.00		0.00	
Subtotal and Balance				19,775,000.00			16,000,000.00	23,775,000.00	12,000,000.00
Issuer Subtotal				12.825%	19,775,000.00		16,000,000.00	23,775,000.00	12,000,000.00

**Issuer: Federal Home Loan Mortgage**

**Federal Agency Issues- Callable**

3134G1MD3	2153	Federal Home Loan Mortgage		1.100	07/22/2011		0.00	2,000,000.00	
3134G1PK4	2158	Federal Home Loan Mortgage		1.000	08/11/2011		0.00	2,000,000.00	
3134G13K8	2185	Federal Home Loan Mortgage		1.000	08/24/2011		0.00	2,000,000.00	
3134G12U7	2186	Federal Home Loan Mortgage		0.750	08/23/2011		0.00	2,000,000.00	
3134G14B7	2187	Federal Home Loan Mortgage		1.350	08/23/2011		0.00	2,000,000.00	

OTAY  
Activity Report  
July 1, 2011 - January 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal Home Loan Mortgage</b>									
<b>Federal Agency Issues- Callable</b>									
3134G15C4	2188	Federal Home Loan Mortgage			1.250	09/07/2011	0.00	2,000,000.00	
3134G17L2	2190	Federal Home Loan Mortgage			1.350	09/23/2011	0.00	2,000,000.00	
3134G2MC3	2200	Federal Home Loan Mortgage			0.800	09/27/2011	0.00	2,000,000.00	
3134G2PE6	2204	Federal Home Loan Mortgage			1.000	07/08/2011	2,000,000.00	0.00	
3134G2PE6	2204	Federal Home Loan Mortgage				09/08/2011	0.00	2,000,000.00	
3134G2QP0	2205	Federal Home Loan Mortgage			1.000	07/27/2011	2,000,000.00	0.00	
3134G2QP0	2205	Federal Home Loan Mortgage				01/27/2012	0.00	2,000,000.00	
3134G2RK0	2206	Federal Home Loan Mortgage			1.000	07/28/2011	2,000,000.00	0.00	
3134G2RK0	2206	Federal Home Loan Mortgage				10/28/2011	0.00	2,000,000.00	
3134G2NR9	2207	Federal Home Loan Mortgage			0.750	07/13/2011	2,000,000.00	0.00	
3134G2NR9	2207	Federal Home Loan Mortgage				09/06/2011	0.00	2,000,000.00	
3134G2VD1	2211	Federal Home Loan Mortgage			0.750	08/24/2011	2,000,000.00	0.00	
3134G2B92	2217	Federal Home Loan Mortgage			0.500	09/13/2011	2,000,000.00	0.00	
3134G22H4	2223	Federal Home Loan Mortgage			0.700	11/04/2011	2,000,000.00	0.00	
3134G23NO	2225	Federal Home Loan Mortgage			0.700	11/02/2011	3,000,000.00	0.00	
3134G3AC4	2226	Federal Home Loan Mortgage			0.600	12/06/2011	3,000,000.00	0.00	
3134G3AQ3	2227	Federal Home Loan Mortgage			0.710	11/30/2011	2,000,000.00	0.00	
3134G3BN9	2228	Federal Home Loan Mortgage			0.770	12/05/2011	2,000,000.00	0.00	
<b>Subtotal and Balance</b>				<b>23,737,000.00</b>			<b>24,000,000.00</b>	<b>24,000,000.00</b>	<b>23,737,000.00</b>
<b>Issuer Subtotal</b>			<b>25.369%</b>	<b>23,737,000.00</b>			<b>24,000,000.00</b>	<b>24,000,000.00</b>	<b>23,737,000.00</b>

**Issuer: Federal National Mortgage Assoc**

**Federal Agency Issues- Callable**

3136FPQG5	2171	Federal National Mortgage Assoc			0.850	10/26/2011	0.00	635,000.00	
3136FPSK4	2172	Federal National Mortgage Assoc			0.675	07/29/2011	0.00	2,000,000.00	
3136FP5X1	2182	Federal National Mortgage Assoc			0.860	07/28/2011	0.00	2,000,000.00	
3136FRFMO	2192	Federal National Mortgage Assoc			2.000	10/27/2011	0.00	1,000,000.00	
3135GOCW1	2214	Federal National Mortgage Assoc			0.500	09/06/2011	2,000,000.00	0.00	
3135GODB6	2215	Federal National Mortgage Assoc			0.600	09/12/2011	2,000,000.00	0.00	
3135GODK6	2218	Federal National Mortgage Assoc			0.600	09/27/2011	2,000,000.00	0.00	
3135GODN0	2220	Federal National Mortgage Assoc			0.500	09/26/2011	3,000,000.00	0.00	
3135GODR1	2221	Federal National Mortgage Assoc			0.500	10/03/2011	3,000,000.00	0.00	
3135GODV2	2275	Federal National Mortgage Assoc			0.550	10/18/2011	3,000,000.00	0.00	

OTAY  
Activity Report  
July 1, 2011 - January 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Subtotal and Balance</b>				<u>5,635,000.00</u>			<u>15,000,000.00</u>	<u>5,635,000.00</u>	<u>15,000,000.00</u>
<b>Issuer Subtotal</b>			<b>16.032%</b>	<u>5,635,000.00</u>			<u>15,000,000.00</u>	<u>5,635,000.00</u>	<u>15,000,000.00</u>
<b>Issuer: San Diego County</b>									
<b>San Diego County Pool</b>									
SD COUNTY POOL	9007	San Diego County			0.487		<u>5,080,244.29</u>	<u>5,282.83</u>	
<b>Subtotal and Balance</b>				<u>17,013,171.57</u>			<u>5,080,244.29</u>	<u>5,282.83</u>	<u>22,088,133.03</u>
<b>Issuer Subtotal</b>			<b>23.607%</b>	<u>17,013,171.57</u>			<u>5,080,244.29</u>	<u>5,282.83</u>	<u>22,088,133.03</u>
<b>Total</b>			<b>100.000%</b>	<u>103,023,684.00</u>			<u>177,695,607.50</u>	<u>187,153,604.65</u>	<u>93,565,686.85</u>

**OTAY**  
**GASB 31 Compliance Detail**  
**Sorted by Fund - Fund**  
**July 1, 2011 - January 31, 2012**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
LAIF	9001	99	Fair Value		31,819,068.97	0.00	33,774,303.76	55,200,672.73	0.00	-32,996.88	10,359,703.12
UNION MONEY	9002	99	Amortized		10,056.49	0.00	72,490,974.39	72,484,819.67	0.00	0.00	16,211.21
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00
UNION OPERATING	9004	99	Amortized		886,641.70	0.00	5,407,807.91	5,179,920.74	0.00	0.00	1,114,528.87
PAYROLL	9005	99	Amortized		23,784.71	0.00	678,209.06	677,893.45	0.00	0.00	24,100.32
SD COUNTY POOL	9007	99	Fair Value		16,992,478.65	0.00	5,080,244.29	5,282.83	0.00	72,559.89	22,140,000.00
2050003183-4	2121	99	Amortized	01/22/2012	79,108.00	0.00	0.00	79,108.00	0.00	0.00	0.00
RESERVE-10 COPS	9010	99	Amortized		8,383.59	0.00	5,793.75	13,489.32	0.00	0.00	688.02
RESERVE-10 BABS	9011	99	Amortized		20,642.94	0.00	15,228.09	35,453.80	0.00	0.00	417.23
LAIF BABS 2010	9012	99	Fair Value		4,057,550.77	0.00	12,681.09	88.59	0.00	326.78	4,070,470.04
UBNA-2010 BOND	9013	99	Amortized		51.89	0.00	48,942.21	0.00	0.00	0.00	48,994.10
3137EACK3	2146	99	Fair Value	07/27/2012	2,015,920.00	0.00	0.00	0.00	0.00	-6,540.00	2,009,380.00
3137EACK3A	2148	99	Fair Value	07/27/2012	1,038,198.80	0.00	0.00	0.00	0.00	-3,368.10	1,034,830.70
3137EACK3B	2149	99	Fair Value	07/27/2012	2,728,547.72	0.00	0.00	0.00	0.00	-8,851.89	2,719,695.83
3134G1MD3	2153	99	Fair Value	01/22/2013	2,000,960.00	0.00	0.00	2,000,000.00	0.00	-960.00	0.00
3134G1PK4	2158	99	Fair Value	02/11/2013	2,001,820.00	0.00	0.00	2,000,000.00	0.00	-1,820.00	0.00
3136FPQG5	2171	99	Fair Value	07/26/2013	636,270.00	0.00	0.00	635,000.00	0.00	-1,270.00	0.00
3136FPSK4	2172	99	Fair Value	04/29/2013	2,000,780.00	0.00	0.00	2,000,000.00	0.00	-780.00	0.00
313371MR4	2174	99	Fair Value	05/22/2013	1,998,980.00	0.00	0.00	2,000,000.00	0.00	1,020.00	0.00
3136FP5X1	2182	99	Fair Value	01/28/2013	2,000,760.00	0.00	0.00	2,000,000.00	0.00	-760.00	0.00
3134G1Y40	2183	99	Fair Value	08/15/2013	2,009,100.00	0.00	0.00	0.00	0.00	-8,560.00	2,000,540.00
3134G13K8	2185	99	Fair Value	05/24/2013	2,002,200.00	0.00	0.00	2,000,000.00	0.00	-2,200.00	0.00
3134G12U7	2186	99	Fair Value	11/23/2012	2,001,040.00	0.00	0.00	2,000,000.00	0.00	-1,040.00	0.00
3134G14B7	2187	99	Fair Value	08/23/2013	2,002,820.00	0.00	0.00	2,000,000.00	0.00	-2,820.00	0.00
3134G15C4	2188	99	Fair Value	06/07/2013	2,003,600.00	0.00	0.00	2,000,000.00	0.00	-3,600.00	0.00
UBNA-FLEX ACCT	9014	99	Amortized		11,742.76	0.00	100,096.15	66,875.52	0.00	0.00	44,963.39
3134G17L2	2190	99	Fair Value	09/23/2013	2,004,420.00	0.00	0.00	2,000,000.00	0.00	-4,420.00	0.00
3136FRFMO	2192	99	Fair Value	04/27/2016	1,006,570.00	0.00	0.00	1,000,000.00	0.00	-6,570.00	0.00
313373CW0	2193	99	Fair Value	10/25/2013	2,001,520.00	0.00	0.00	2,000,000.00	0.00	-1,520.00	0.00
313373K27	2194	99	Fair Value	08/12/2013	2,001,920.00	0.00	0.00	2,000,000.00	0.00	-1,920.00	0.00

Portfolio OTAY  
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OTAY  
 GASB 31 Compliance Detail  
 Sorted by Fund - Fund

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
313373MC3	2195	99	Fair Value	11/12/2013	1,776,810.50	0.00	0.00	1,775,000.00	0.00	-1,810.50	0.00
313373QJ4	2196	99	Fair Value	11/25/2013	2,006,360.00	0.00	0.00	2,000,000.00	0.00	-6,360.00	0.00
313373UD2	2197	99	Fair Value	12/09/2013	2,005,440.00	0.00	0.00	2,000,000.00	0.00	-5,440.00	0.00
313373V25	2198	99	Fair Value	09/06/2013	2,002,080.00	0.00	0.00	2,000,000.00	0.00	-2,080.00	0.00
313373WV0	2199	99	Fair Value	12/06/2013	2,000,220.00	0.00	0.00	2,000,000.00	0.00	-220.00	0.00
3134G2MC3	2200	99	Fair Value	09/27/2013	1,996,780.00	0.00	0.00	2,000,000.00	0.00	3,220.00	0.00
313374EL0	2201	99	Fair Value	12/30/2013	1,993,300.00	0.00	0.00	0.00	0.00	7,900.00	2,001,200.00
313374G46	2203	99	Fair Value	01/08/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2PE6	2204	99	Fair Value	01/08/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2QP0	2205	99	Fair Value	01/27/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2RK0	2206	99	Fair Value	01/27/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313374T83	2208	99	Fair Value	01/28/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313374ZW3	2209	99	Fair Value	08/08/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3133755W3	2210	99	Fair Value	08/23/2013	0.00	2,000,000.00	0.00	0.00	0.00	300.00	2,000,300.00
3134G2VD1	2211	99	Fair Value	02/24/2014	0.00	2,000,000.00	0.00	0.00	0.00	480.00	2,000,480.00
313375E29	2212	99	Fair Value	03/07/2014	0.00	2,000,000.00	0.00	0.00	0.00	-520.00	1,999,480.00
313375H59	2213	99	Fair Value	09/16/2013	0.00	2,000,000.00	0.00	0.00	0.00	-920.00	1,999,080.00
3135GOCW1	2214	99	Fair Value	09/06/2013	0.00	2,000,000.00	0.00	0.00	0.00	300.00	2,000,300.00
3135GODB6	2215	99	Fair Value	09/12/2013	0.00	2,000,000.00	0.00	0.00	0.00	420.00	2,000,420.00
313375HZ3	2216	99	Fair Value	03/19/2014	0.00	2,000,000.00	0.00	0.00	0.00	40.00	2,000,040.00
3134G2B92	2217	99	Fair Value	03/13/2013	0.00	2,000,000.00	0.00	0.00	0.00	800.00	2,000,800.00
3135GODK6	2218	99	Fair Value	09/27/2013	0.00	2,000,000.00	0.00	0.00	0.00	520.00	2,000,520.00
31331KZF0	2219	99	Fair Value	12/23/2013	0.00	2,999,250.00	0.00	0.00	0.00	810.00	3,000,060.00
3135GODN0	2220	99	Fair Value	09/26/2013	0.00	3,000,000.00	0.00	0.00	0.00	-3,000.00	2,997,000.00
3135GODR1	2221	99	Fair Value	10/03/2013	0.00	3,000,000.00	0.00	0.00	0.00	-1,380.00	2,998,620.00
3135GODV2	2275	99	Fair Value	10/18/2013	0.00	3,000,000.00	0.00	0.00	0.00	1,380.00	3,001,380.00
31331KG79	2222	99	Fair Value	01/24/2014	0.00	2,000,000.00	0.00	0.00	0.00	20.00	2,000,020.00
3134G22H4	2223	99	Fair Value	11/04/2013	0.00	2,000,000.00	0.00	0.00	0.00	1,060.00	2,001,060.00
313375ZS9	2224	99	Fair Value	11/07/2013	0.00	2,000,000.00	0.00	0.00	0.00	80.00	2,000,080.00
3133747H7	2202	99	Fair Value	12/27/2013	2,000,000.00	0.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2NR9	2207	99	Fair Value	07/05/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G23NO	2225	99	Fair Value	05/01/2014	0.00	3,000,000.00	0.00	0.00	0.00	-900.00	2,999,100.00
3134G3AC4	2226	99	Fair Value	12/06/2013	0.00	3,000,000.00	0.00	0.00	0.00	-1,320.00	2,998,680.00
3134G3AQ3	2227	99	Fair Value	05/30/2014	0.00	2,000,000.00	0.00	0.00	0.00	3,240.00	2,003,240.00
3134G3BN9	2228	99	Fair Value	06/05/2014	0.00	2,000,000.00	0.00	0.00	0.00	5,380.00	2,005,380.00
2050003183-5	2229	99	Amortized	01/22/2014	0.00	81,326.80	0.00	0.00	0.00	0.00	81,326.80

OTAY  
 GASB 31 Compliance Detail  
 Sorted by Fund - Fund

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
				Subtotal	103,148,877.49	60,080,576.80	117,614,280.70	187,153,604.65	0.00	-14,090.70	93,676,039.63
				Total	103,148,877.49	60,080,576.80	117,614,280.70	187,153,604.65	0.00	-14,090.70	93,676,039.63

**OTAY**  
**Duration Report**  
**Sorted by Investment Type - Investment Type**  
**Through 01/31/2012**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3137EACK3A	2148	99	Federal Home Loan Mortgage	Fair	1,030,000.00	1,030,000.00	1,034,830.70	1.125000	1.109	0.165	07/27/2012	0.487
3134G2B92	2217	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,800.00	.5000000	0.493	0.464	03/13/2013	1.109
3137EACK3	2146	99	Federal Home Loan Mortgage	Fair	1,999,783.11	2,000,000.00	2,009,380.00	1.147196	1.154	0.208	07/27/2012	0.484
3134G3AQ3	2227	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,003,240.00	.7100000	0.700	0.640	05/30/2014	2.305
3134G3BN9	2228	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,005,380.00	.7700000	0.759	0.654	06/05/2014	2.317
3134G1Y40	2183	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,540.00	1.100000	1.085	1.082	08/15/2013	1.514
3134G22H4	2223	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,060.00	.7000000	0.690	0.670	11/04/2013	1.741
3137EACK3B	2149	99	Federal Home Loan Mortgage	Fair	2,707,000.00	2,707,000.00	2,719,695.83	1.125000	1.109	0.165	07/27/2012	0.487
3134G3AC4	2226	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	2,998,680.00	.6000000	0.592	0.624	12/06/2013	1.832
3134G23NO	2225	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	2,999,100.00	.7000000	0.690	0.714	05/01/2014	2.224
3134G2VD1	2211	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,480.00	.7500000	0.740	0.738	02/24/2014	2.037
3135GOCW1	2214	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,000,300.00	.5000000	0.493	0.491	09/06/2013	1.585
3135GODR1	2221	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,998,620.00	.5000000	0.493	0.528	10/03/2013	1.660
3135GODN0	2220	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,997,000.00	.5000000	0.493	0.561	09/26/2013	1.640
3135GODK6	2218	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,000,520.00	.6000000	0.592	0.584	09/27/2013	1.641
3135GODB6	2215	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,000,420.00	.6000000	0.592	0.587	09/12/2013	1.599
3135GODV2	2275	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	3,001,380.00	.5500000	0.542	0.523	10/18/2013	1.701
313375ZS9	2224	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,080.00	.6250000	0.616	0.623	11/07/2013	1.752
313375H59	2213	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,999,080.00	.5500000	0.542	0.579	09/16/2013	1.611
313374EL0	2201	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,200.00	.8750000	0.863	0.843	12/30/2013	1.892
313375HZ3	2216	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,040.00	.6500000	0.641	0.649	03/19/2014	2.110
3133755W3	2210	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,300.00	.7000000	0.693	0.690	08/23/2013	1.545
313375E29	2212	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,999,480.00	.6250000	0.616	0.638	03/07/2014	2.077
31331KG79	2222	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,020.00	.6250000	0.618	0.625	01/24/2014	1.965
31331KZF0	2219	99	Federal Farm Credit Bank	Fair	2,999,368.52	3,000,000.00	3,000,060.00	.4812180	0.486	0.480	12/23/2013	1.882

Duration Report  
Sorted by Investment Type - Investment Type  
Through 01/31/2012

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
2050003183-5	2229	99	California Bank & Trust	Amort	81,326.80	81,326.80	81,326.80	.2800000	0.280	0.280	01/22/2014	1.970
LAIF COPS07	9009	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	1.5300000	1.509	1.530		0.000
LAIF	9001	99	STATE OF CALIFORNIA	Fair	10,342,617.15	10,342,617.15	10,359,703.12	.3850000	0.380	0.385		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	4,063,756.73	4,063,756.73	4,070,470.04	.3850000	0.380	0.385		0.000
SD COUNTY	9007	99	San Diego County	Fair	22,068,133.03	22,088,133.03	22,140,000.00	.4870000	0.480	0.487		0.000
<b>Report Total</b>					<b>92,311,985.34</b>	<b>92,312,833.71</b>	<b>92,423,186.49</b>			<b>0.528</b>		<b>1.010</b>



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	March 7, 2012
SUBMITTED BY:	Sean Prendergast, Finance Supervisor, Payroll & AP	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Joseph Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Accounts Payable Demand List		

### PURPOSE:

Attached is the list of demands for the Board's information.

### FISCAL IMPACT:

<u>SUMMARY</u>	<u>NET DEMANDS</u>
CHECKS (2032023-2032410)	\$ 2,096,878.19
VOID CHECK (4)	\$ (4,639.50)
TOTAL CHECKS	\$ 2,092,238.69
WIRE TO:	
BANK OF NEW YORK MELLON (ONE TIME COST)	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 326,000.00
CITY TREASURER - METROPOLITAN SEWERAGE SYSTEM (QUARTERLY)	\$ 291,708.00
DELTA HEALTH SYSTEMS - DENTAL & COBRA CLAIMS (MONTHLY)	\$ 46,033.29
SAN DIEGO COUNTY WATER - WATER DELIVERIES (MONTHLY)	\$ 2,209,746.23
SPECIAL DIST RISK MGMT AUTH - INSURANCE PREM (MONTHLY)	\$ 233,073.98
UNION BANK - CERT OF PARTICIPATION 1996 (QUARTERLY)	\$ 663.96
UNION BANK - CERT OF PARTICIPATION 2004 (SEMI-ANNUAL)	\$ 179,711.89
UNION BANK - CERT OF PARTICIPATION 2007 (SEMI-ANNUAL)	\$ 803,131.60
UNION BANK - CERT OF PARTICIPATION 2010 (SEMI-ANNUAL)	\$ 1,051,775.97
UNION BANK - ID 27 SERIES 2009 BONDS (SEMI-ANNUAL)	\$ 122,031.25
UNION BANK - PAYROLL TAXES (MONTHLY)	\$ 428,972.98
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 7,785,087.84</b>

### RECOMMENDED ACTION:

That the Board receive the attached list of demands.

Jb/Attachment

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2032023 THROUGH 2032410  
RUN DATES 2/1/2012 TO 2/29/2012

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2032023	02/01/12	11803	AEROTEK ENVIRONMENTAL	OE00785766	12/15/11	TEMPORARY EMPLOYMENT (11/28/11-12/2/11)	1,716.00	1,716.00
2032024	02/01/12	03652	ANDERSON, DONALD	003455	01/26/12	COMPUTER LOAN	1,549.20	1,549.20
2032025	02/01/12	05758	AT&T	082164572801251	01/31/12	INTERNET BANDWIDTH (1/25/12-2/24/12)	2,322.63	2,322.63
2032026	02/01/12	05758	AT&T	61942256050112	01/20/12	PHONE SERVICE (1/20/12-2/19/12)	56.13	
				33784130450112	01/07/12	PHONE SERVICE (1/7/12-2/6/12)	31.43	87.56
2032027	02/01/12	05758	AT&T	61969851400112	01/24/12	PHONE SERVICE (THRU 1/24/12)	32.52	32.52
2032028	02/01/12	07785	AT&T	000002929279	01/02/12	PHONE SERVICES (12/2/11-1/1/12)	6,019.93	
				000002931497	01/02/12	PHONE SERVICES (12/2/11-1/1/12)	15.30	6,035.23
2032029	02/01/12	08330	AT&T INTERNET SERVICES	8547826250112	01/22/12	INTERNET BANDWIDTH (1/21/12-2/20/12)	1,560.00	1,560.00
2032030	02/01/12	01004	CALOLYMPIC SAFETY	095969	12/22/11	BATTERY & CAL-GAS	552.60	552.60
2032031	02/01/12	13709	CANTERBURY HILLS HOA	003458	01/20/12	WATERSMART IRRIGATION UPGRADE	4,898.11	4,898.11
2032032	02/01/12	00446	CITY OF CHULA VISTA	003462	01/30/12	UTILITY PERMIT FOR INSP FEES	3,000.00	3,000.00
2032033	02/01/12	13651	CORINA MITCHELL	Ref002419487	01/30/12	UB Refund Cst #0000169134	80.96	80.96
2032034	02/01/12	00319	DEPARTMENT OF PUBLIC HEALTH	67390112	01/26/12	CERTIFICATE RENEWAL	90.00	
				209230112	01/26/12	CERTIFICATE RENEWAL	70.00	160.00
2032035	02/01/12	03417	DIRECTV	16937748258	01/19/12	SATELLITE TV (ANNUAL & MONTHLY)	509.88	509.88
2032036	02/01/12	01612	FRANCHISE TAX BOARD	Ben2419537	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032037	02/01/12	02344	FRANCHISE TAX BOARD	Ben2419547	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2032038	02/01/12	13704	INMOBILIARIA AGAVACEAE LLC	Ref002419496	01/30/12	UB Refund Cst #0000184982	17.38	17.38
2032039	02/01/12	13696	JULIO ORTIZ	Ref002419488	01/30/12	UB Refund Cst #0000172046	146.08	146.08
2032040	02/01/12	13699	KYLE BRANDON	Ref002419491	01/30/12	UB Refund Cst #0000177622	31.50	31.50
2032041	02/01/12	13693	LINDA FARKAS	Ref002419484	01/30/12	UB Refund Cst #0000026401	37.75	37.75
2032042	02/01/12	13697	LORAIN WALLACE	Ref002419489	01/30/12	UB Refund Cst #0000173579	75.00	75.00
2032043	02/01/12	13695	MANUEL CAMACHO	Ref002419486	01/30/12	UB Refund Cst #0000141375	14.09	14.09
2032044	02/01/12	13703	MITCHELL GOTTLIEB	Ref002419495	01/30/12	UB Refund Cst #0000184003	40.40	40.40
2032045	02/01/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2419531	02/02/12	BI-WEEKLY DEFERRED COMP PLAN	13,980.82	13,980.82
2032046	02/01/12	13707	NILDA R ZIETLOW	003454	01/25/12	CUSTOMER REFUND	58.38	58.38

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2032047	02/01/12	03101	OTAY WATER DISTRICT	Ben2419533	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032048	02/01/12	13706	PERLITO TORRES	003459	01/30/12	CUSTOMER REFUND	802.83	802.83
2032049	02/01/12	13708	REBECCA SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032050	02/01/12	13701	ROSA EMMA HERRO	Ref002419493	01/30/12	UB Refund Cst #0000182688	26.44	26.44
2032051	02/01/12	13692	SALVADOR ESPIRITU	Ref002419483	01/30/12	UB Refund Cst #0000020194	45.96	45.96
2032052	02/01/12	00121	SAN DIEGO GAS & ELECTRIC	003452	01/19/12	UTILITY EXPENSES	7,802.17	7,802.17
2032053	02/01/12	13702	SANDY MILLER	Ref002419494	01/30/12	UB Refund Cst #0000183739	67.62	67.62
2032054	02/01/12	06262	SARIPALLI, SHAMALA	003460	01/30/12	COMPUTER LOAN	1,058.47	1,058.47
2032055	02/01/12	13698	SHARMAINE SAVAGE	Ref002419490	01/30/12	UB Refund Cst #0000174559	7.69	7.69
2032056	02/01/12	01651	SHARP REES-STEALY MEDICAL CTRS	2441157477 2441158725	01/31/12 01/21/12	RETURN TO WORK PHYSICALS (1/4/12) PRE-PLACEMENT EXAM (12/22/11)	130.00 121.00	251.00
2032057	02/01/12	13705	SOCAL BUSINESS PARTNERS LLC	Ref002419497	01/30/12	UB Refund Cst #0000185119	70.39	70.39
2032058	02/01/12	03760	SPANKY'S PORTABLE SERVICES INC	903008	01/06/12	PORTABLE TOILET RENTAL (1/5/12-2/1/12)	98.15	98.15
2032059	02/01/12	06510	SPRINT NEXTEL	901500243064	01/12/12	WIRELESS SERVICES (12/9/11-1/8/12)	3,524.04	3,524.04
2032060	02/01/12	13700	SSFT HOLDINGS LLC	Ref002419492	01/30/12	UB Refund Cst #0000182468	82.45	82.45
2032061	02/01/12	06281	STATE DISBURSEMENT UNIT	Ben2419545	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032062	02/01/12	06299	STATE DISBURSEMENT UNIT	Ben2419535	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032063	02/01/12	06303	STATE DISBURSEMENT UNIT	Ben2419541	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032064	02/01/12	08533	STATE DISBURSEMENT UNIT	Ben2419549	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2032065	02/01/12	13691	SYCUAN GOLF & TENNIS RESORT	5810	01/30/12	EMPLOYEE PROGRAM	2,937.89	2,937.89
2032066	02/01/12	13694	TIM MCKINNEY	Ref002419485	01/30/12	UB Refund Cst #0000036693	59.93	59.93
2032067	02/01/12	13419	TREEBEARD LANDSCAPE	19936	01/10/12	DISTRICT IRRIGATION	8,116.00	8,116.00
2032068	02/01/12	05417	UNITED STATES DEPARTMENT	Ben2419543	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2032069	02/01/12	13426	UNITED STATES TREASURY	Ben2419539	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00
2032070	02/01/12	07674	US BANK CORPORATE PAYMENT	003461 003456	01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES	257.00 55.00	312.00
2032071	02/01/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2419527	02/02/12	BI-WEEKLY DEFERRED COMP PLAN	12,762.36	12,762.36

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2032072	02/01/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2419525	02/02/12	BI-WEEKLY 401A PLAN	13,769.01	13,769.01
2032073	02/08/12	13481	3-D ENTERPRISES INC	2	12/27/11	HVAC IMPROVEMENTS (THRU 12/31/11)	20,626.89	20,626.89
2032074	02/08/12	01910	ABCANA INDUSTRIES	895134 894907 895060 895135 895274 895143 895277	01/19/12 01/12/12 01/17/12 01/19/12 01/23/12 01/19/12 01/23/12	SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE	3,743.81 760.20 752.35 631.26 485.50 423.83 254.52	7,051.47
2032075	02/08/12	08488	ABLEFORCE INC	3117	01/24/12	PROGRAMMING SERVICES (1/9/12-1/22/12)	7,905.00	7,905.00
2032076	02/08/12	00179	ACRO INSTRUMENT CO	12348	01/23/12	GAUGE CALIBRATION	210.00	210.00
2032077	02/08/12	11803	AEROTEK ENVIRONMENTAL	OE00793977 OE00795561 OE00795562 OE00792507 OE00793978	01/19/12 01/26/12 01/26/12 01/12/12 01/19/12	TEMPORARY EMPLOYMENT (1/3/12-1/6/12) TEMPORARY EMPLOYMENT (1/9/12-1/13/12) TEMPORARY EMPLOYMENT (1/10/12-1/13/12) TEMPORARY EMPLOYMENT (12/27/11-12/29/11) TEMPORARY EMPLOYMENT (1/4/12-1/6/12)	1,372.80 1,372.80 1,320.00 1,029.60 969.38	6,064.58
2032078	02/08/12	02362	ALLIED WASTE SERVICES # 509	0509004658469 0509004659685	01/25/12 01/25/12	TRASH SERVICES (FEB 2012) ASBESTOS CONTAINER (JAN 2012)	1,105.16 205.35	1,310.51
2032079	02/08/12	12911	ALTA LAND SURVEYING INC	11225513	01/12/12	SURVEY SERVICES (12/6/11-1/10/12)	3,890.00	3,890.00
2032080	02/08/12	06166	AMERICAN MESSAGING	L1109570MB	02/01/12	PAGER SERVICES (JAN 2012)	171.08	171.08
2032081	02/08/12	03652	ANDERSON, DONALD	003476	02/07/12	SAFETY BOOTS	137.00	137.00
2032082	02/08/12	08967	ANTHEM BLUE CROSS EAP	41026	01/25/12	EMPLOYEE ASSISTANCE (FEB 2012)	325.58	325.58
2032083	02/08/12	08024	BACKGROUND PROFILES INC	3743	01/31/12	BACKGROUND CHECK	63.00	63.00
2032084	02/08/12	13715	BENT ON COOKING	003478	02/06/12	WELLNESS WORKSHOP	100.00	100.00
2032085	02/08/12	03531	BROWN AND CALDWELL	19631	01/13/12	JOB ADVERTISEMENT	200.00	200.00
2032086	02/08/12	00223	C W MCGRATH INC	41121 41074 41173 41156	01/19/12 01/12/12 01/26/12 01/25/12	CRUSHED ROCK CRUSHED ROCK CRUSHED ROCK CRUSHED ROCK	116.08 99.64 99.26 95.26	410.24
2032087	02/08/12	02920	CALIFORNIA COMMERCIAL	112009	01/25/12	ASPHALT	1,153.01	1,153.01
2032088	02/08/12	01004	CALOLYMPIC SAFETY	096600	01/12/12	BLOWER	758.56	758.56
2032089	02/08/12	02026	CHULA VISTA ELEM SCHOOL DIST	AR039903	02/07/12	GARDEN TOURS	440.00	440.00

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2032090	02/08/12	06409	CORTEZ-CLEMENTE, GRACE	003470	02/01/12	COMPUTER LOAN	2,405.42	2,405.42
2032091	02/08/12	02060	COSS, GREGORY	003475	02/07/12	SAFETY BOOTS	107.64	107.64
2032092	02/08/12	00184	COUNTY OF SAN DIEGO	DEH120274D11 DEH120262D11	01/31/12 01/20/12	SHUT DOWN TEST (12/6/11) SHUT DOWN TEST (12/29/11)	1,136.00 781.00	1,917.00
2032093	02/08/12	13714	EAST COUNTY CALIFORNIAN, THE	00004035	01/19/12	NOTICE OF INTENT	434.00	434.00
2032094	02/08/12	02447	EDCO DISPOSAL CORPORATION	1554580112	01/31/12	RECYCLING SERVICES (JAN 2012)	90.00	90.00
2032095	02/08/12	00331	EMPLOYMENT DEVELOPMENT DEPT	925023840112	02/06/12	UNEMPLOYMENT INS (10/11/11-12/31/11)	11,220.66	11,220.66
2032096	02/08/12	03227	ENVIROMATRIX ANALYTICAL INC	2010651	01/23/12	LABORATORY SERVICES (1/7/12-1/14/12)	515.00	515.00
2032097	02/08/12	03546	FERGUSON WATERWORKS # 1083	0395982 0397329 0397845 0390848 0397611	01/13/12 01/17/12 01/20/12 01/16/12 01/20/12	INVENTORY INVENTORY INVENTORY WWTP WASTE PIPING INVENTORY	4,900.47 3,055.79 2,800.64 839.95 423.46	12,020.31
2032098	02/08/12	08769	FILINGSUPPLIES.COM	31C70881	01/23/12	PRESSBOARD FOLDERS	66.46	66.46
2032099	02/08/12	04066	FIRST CHOICE SERVICES - SD	164455	01/24/12	COFFEE SUPPLIES	276.89	276.89
2032100	02/08/12	11962	FLEETWASH INC	3786847	01/13/12	VEHICLE WASH	120.45	120.45
2032101	02/08/12	03094	FULLCOURT PRESS	23477	01/19/12	NEWSLETTER PRINTING	3,998.83	3,998.83
2032102	02/08/12	00101	GRAINGER INC	9740428744 9737565946 9733028014 9731206851	 01/24/12 01/18/12 01/17/12	CREDIT MEMO TRUCK TOOLS WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES	(25.82) 902.92 876.30 245.43	1,998.83
2032103	02/08/12	03289	GRANGER, WILLIAM E	15710112	02/01/12	TRAVEL EXPENSES	105.22	105.22
2032104	02/08/12	00174	HACH COMPANY	7587617 7593351 7595398 7581866	01/19/12 01/24/12 01/25/12 01/16/12	LABORATORY SUPPLIES HACH PARTS HACH PARTS LABORATORY SUPPLIES	1,099.59 1,044.10 675.60 385.84	3,205.13
2032105	02/08/12	00201	HARRINGTON INDL PLASTICS LLC	004C1688	01/26/12	BALL VALVES FOR SPRAYERS	510.99	510.99
2032106	02/08/12	06640	HD SUPPLY WATERWORKS LTD	4239546	01/16/12	20" VICTAULIC PIPE	565.69	565.69
2032107	02/08/12	06843	HI-TECH AIR CONDITIONING	24891 26075	01/18/12 01/18/12	AC MAINTENANCE AC MAINTENANCE	650.00 465.88	1,115.88
2032108	02/08/12	06540	HORIZON CRANE SERVICE LLC	6060	12/21/11	CRANE RENTAL	580.00	580.00
2032109	02/08/12	08969	INFOSEND INC	56162	01/20/12	POSTAGE (1/4/12-1/19/12)	6,613.20	

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				56161	01/20/12	BILL PRINTING SERVICES (1/4/12-1/19/12)	2,671.93	9,285.13
2032110	02/08/12	13299	INLAND POTABLE SERVICES INC	A54010612	01/07/12	DIVING SVCS	3,095.00	3,095.00
2032111	02/08/12	03368	INVENSYS SYSTEMS INC	92758355	01/16/12	FOXBORO TRANSMITTERS	2,942.10	2,942.10
2032112	02/08/12	13708	JANET SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032113	02/08/12	01010	JOBS AVAILABLE INC	1202022	01/17/12	JOB POSTING	507.50	507.50
2032114	02/08/12	05840	KIRK PAVING INC	5014	01/24/12	PAVING SERVICES	8,198.35	
				5007	01/13/12	PAVING SERVICES	4,093.50	12,291.85
2032115	02/08/12	01859	LA PRENSA SAN DIEGO	23643	01/24/12	NOTICE OF INTENT	1,368.00	
				23636	01/17/12	JOB POSTING	42.00	1,410.00
2032116	02/08/12	06497	LAKESIDE LAND COMPANY	258664	01/12/12	LANDFILL	233.00	
				258164	12/28/11	LANDFILL	34.45	267.45
2032117	02/08/12	03607	LEE & RO INC	LR14643	01/09/12	DESIGN SERVICES (11/26/11-12/31/11)	16,589.34	16,589.34
2032118	02/08/12	07294	LLERENAS, JESUS	003477	02/07/12	SAFETY BOOTS	150.00	150.00
2032119	02/08/12	13713	LOGO EXPERTS	8661	01/30/12	RECOGNITION SHIRTS	3,666.30	3,666.30
2032120	02/08/12	03019	LOPEZ, JOSE	70100112	02/06/12	MILEAGE REIMBURSEMENT	31.08	31.08
2032121	02/08/12	05329	MASTER METER INC	0196100IN	01/24/12	INVENTORY	169,343.89	169,343.89
2032122	02/08/12	01183	MCMASTER-CARR SUPPLY CO	15638783	01/18/12	SPRING NUTS	394.11	
				15262259	01/13/12	HARDWARE	331.66	
				15672946	01/18/12	GENERAL PARTS	314.59	
				15151191	01/12/12	MAINTENANCE SUPPLIES	154.48	
				15123174	01/12/12	MAINTENANCE SUPPLIES	44.04	1,238.88
2032123	02/08/12	12908	NARASIMHAN CONSULTING SERVICES	03906	12/21/11	HYDRAULIC SRVCS (10/23/11-11/18/11)	5,671.75	5,671.75
2032124	02/08/12	00459	NATIONAL NOTARY ASSOCIATION	159675750112	01/31/12	MEMBERSHIP RENEWAL	89.00	
				150884160112	01/31/12	MEMBERSHIP RENEWAL	89.00	178.00
2032125	02/08/12	00745	NEWARK	21643150	01/20/12	IDEC RELAY	235.80	235.80
2032126	02/08/12	03215	O'DONNELL, MICHAEL	003473	01/29/12	SAFETY BOOTS	150.00	150.00
2032127	02/08/12	00510	OFFICE DEPOT INC	594140249001	01/16/12	OFFICE SUPPLIES	327.75	
				594508701001	01/18/12	OFFICE SUPPLIES	65.94	
				594140962001	01/18/12	OFFICE SUPPLIES	60.33	454.02
2032128	02/08/12	03149	ON SITE LASER LLC	46381	01/20/12	PRINTER SERVICES	311.44	311.44
2032129	02/08/12	02334	OTAY LANDFILL	011824	01/15/12	WASTE DISPOSAL	100.91	100.91

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2032130	02/08/12	01002	PACIFIC PIPELINE SUPPLY	151247	01/19/12	INVENTORY	3,391.97	3,391.97
2032131	02/08/12	00227	PELL MELL SUPPLY	60289	01/17/12	NUTS & BOLTS	2,311.24	2,311.24
2032132	02/08/12	03790	PENHALL COMPANY	29921 29859	01/23/12 01/13/12	SAW CUTTING SERVICES SAW CUTTING SERVICES	375.00 288.75	663.75
2032133	02/08/12	07860	PROTECTIVE LIFE INSURANCE CO	PL08388120212	01/30/12	LIFE INSURANCE PREMIUM (ANNUAL)	1,218.88	1,218.88
2032134	02/08/12	06641	PRUDENTIAL OVERALL SUPPLY	30235368 30233911 30235370 30234766 30236233 30235371 30236232 30233912 30235369 30233910 30233909	01/19/12 01/12/12 01/19/12 01/17/12 01/24/12 01/19/12 01/24/12 01/12/12 01/19/12 01/12/12 01/12/12	UNIFORMS, TOWELS & MATS UNIFORMS, TOWELS & MATS	172.67 161.66 148.60 112.16 112.16 66.15 54.20 53.21 340.70 331.97 197.34	1,750.82
2032135	02/08/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2419529	02/02/12	BI-WEEKLY PERS CONTRIBUTION	149,672.24	149,672.24
2032136	02/08/12	13252	PUNTES LATINOS	003448	01/22/12	GENERAL CONSULTING (JAN 2012)	4,000.00	4,000.00
2032137	02/08/12	01342	R J SAFETY SUPPLY CO INC	29637101 29637102	01/18/12 01/25/12	SAFETY SUPPLIES SAFETY SUPPLIES	380.15 56.03	436.18
2032138	02/08/12	11596	SAN DIEGO CONSTRUCTION WELDING	8216 8230	01/12/12 01/25/12	WELDING SERVICES WELDING SERVICES	425.00 375.00	800.00
2032139	02/08/12	00003	SAN DIEGO COUNTY WATER	0000000469	01/13/12	SOCAL WATERSMART (NOV 2011)	1,626.20	1,626.20
2032140	02/08/12	00121	SAN DIEGO GAS & ELECTRIC	003466 003465 003463 003464	01/26/12 01/25/12 01/19/12 01/24/12	UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES	57,987.80 34,413.78 14,485.90 1,506.08	108,393.56
2032141	02/08/12	07783	SCRIPPS CENTER FOR EXECUTIVE	21692	12/31/11	EXECUTIVE HEALTH EXAM	5,336.39	5,336.39
2032142	02/08/12	00258	SLOAN ELECTRIC COMPANY	0060130	01/17/12	ON-SITE START UP ASSISTANCE & TESTING	3,125.00	3,125.00
2032143	02/08/12	03760	SPANKY'S PORTABLE SERVICES INC	903717 903589 903588 903587	01/16/12 01/13/12 01/13/12 01/13/12	PORTABLE TOILET RENTAL (1/14/12-2/10/12) PORTABLE TOILET RENTAL (1/13/12-2/9/12) PORTABLE TOILET (1/13/12-2/9/12) PORTABLE TOILET RENTAL (1/13/12-2/9/12)	79.96 79.96 79.96 79.96	319.84
2032144	02/08/12	00590	SPECIALTY SEALS & ACCESSORIES	29813 29807	01/23/12 01/19/12	MECH SEAL FOR 803PS MECHANICAL SEAL	1,270.13 1,083.00	2,353.13

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2032145	02/08/12	02354	STANDARD ELECTRONICS	16406 16286	01/24/12 12/19/11	MONTHLY MONITORING GATE REPAIRS	1,352.50 132.89	1,485.39
2032146	02/08/12	13564	STAR-NEWS PUBLISHING CO, THE	00004069 00004305	01/20/12 01/20/12	NOTICE OF INTENT JOB POSTING	635.50 92.00	727.50
2032147	02/08/12	11749	STEPHEN V MCCUE	003468	01/27/12	LEGAL SERVICES (1/9/12-1/26/12)	34,062.50	34,062.50
2032148	02/08/12	02376	TECHKNOWSION INC	2367	01/13/12	SCADA SERVICES	1,755.00	1,755.00
2032149	02/08/12	08262	UNITED RENTALS NORTHWEST INC	100928290001	01/12/12	CONCRETE	159.47	159.47
2032150	02/08/12	07674	US BANK CORPORATE PAYMENT	003471 003474 003469	12/22/12 01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES CAL CARD EXPENSES	17,044.58 298.79 27.92	17,371.29
2032151	02/08/12	03329	VERIZON WIRELESS	1041895744 1050845957	12/21/11 01/21/12	WIRELESS SERVICES (11/22/11-12/21/11) WIRELESS SERVICES (12/22/11-1/21/12)	5,977.23 5,585.47	11,562.70
2032152	02/08/12	07595	WALTERS WHOLESALE ELECTRIC CO	860981002 860983203	01/12/12 01/19/12	ELECTRICAL MATERIAL FOR 803-1 PS ELECTRICAL MATERIAL FOR 850-2 PS	2,032.04 1,951.98	3,984.02
2032153	02/08/12	03131	WESTERN HOSE & GASKET	258067	10/25/11	REEL	2,026.56	2,026.56
2032154	02/08/12	09570	WESTERN PACIFIC PIPELINE CORP	34987	01/23/12	GEOLOGS	433.00	433.00
2032155	02/15/12	13409	ALTISOURCE SOLUTIONS INC	Ref002419763	02/13/12	UB Refund Cst #0000184289	171.25	171.25
2032156	02/15/12	13734	AMY BELTRAN	Ref002419755	02/13/12	UB Refund Cst #0000176050	84.98	84.98
2032157	02/15/12	13726	ANA SAGAZ	Ref002419747	02/13/12	UB Refund Cst #0000141163	6.12	6.12
2032158	02/15/12	13723	ANTONIO JIMENEZ	Ref002419744	02/13/12	UB Refund Cst #0000072311	123.56	123.56
2032159	02/15/12	13747	AURORA LOAN SERVICES LLC	Ref002419769	02/13/12	UB Refund Cst #0000185766	21.62	21.62
2032160	02/15/12	13721	BRADFORD WELLNITZ	Ref002419742	02/13/12	UB Refund Cst #0000050051	46.40	46.40
2032161	02/15/12	13724	BRIAN HALL	Ref002419745	02/13/12	UB Refund Cst #0000084801	13.30	13.30
2032162	02/15/12	13718	CARLOS REYES	Ref002419739	02/13/12	UB Refund Cst #0000007963	34.38	34.38
2032163	02/15/12	13730	CARLOS ROMERO	Ref002419751	02/13/12	UB Refund Cst #0000174214	25.86	25.86
2032164	02/15/12	13748	CASS CONSTRUCTION INC	Ref002419770	02/13/12	UB Refund Cst #0000186217	2,012.75	2,012.75
2032165	02/15/12	13746	CENTRAL MORTGAGE CO	Ref002419768	02/13/12	UB Refund Cst #0000185179	12.90	12.90
2032166	02/15/12	13728	DAVID BRANDLAND	Ref002419749	02/13/12	UB Refund Cst #0000168396	63.80	63.80
2032167	02/15/12	13739	DAVID DETIEGE	Ref002419760	02/13/12	UB Refund Cst #0000183423	41.05	41.05

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2032168	02/15/12	13736	DHI INC	Ref002419757	02/13/12	UB Refund Cst #0000182919	1,766.95	1,766.95
2032169	02/15/12	13720	EDUARDO MARQUEZ	Ref002419741	02/13/12	UB Refund Cst #0000027413	221.94	221.94
2032170	02/15/12	13725	IORELLA INVESTMENTS LLC	Ref002419746	02/13/12	UB Refund Cst #0000086617	8.95	8.95
2032171	02/15/12	13741	GEORGE SHAMON	Ref002419762	02/13/12	UB Refund Cst #0000184192	33.07	33.07
2032172	02/15/12	13740	JERRY COCHRUM	Ref002419761	02/13/12	UB Refund Cst #0000183644	182.22	182.22
2032173	02/15/12	13732	JULIO SALAZAR	Ref002419753	02/13/12	UB Refund Cst #0000175188	10.32	10.32
2032174	02/15/12	13731	KENNA FRAIDENBURG	Ref002419752	02/13/12	UB Refund Cst #0000174791	60.67	60.67
2032175	02/15/12	13744	LINDA LEVIN	Ref002419766	02/13/12	UB Refund Cst #0000184994	28.00	28.00
2032176	02/15/12	13729	LUAY MAMOU	Ref002419750	02/13/12	UB Refund Cst #0000168966	8.79	8.79
2032177	02/15/12	13733	MILLENIA REAL ESTATE SERVICE	Ref002419754	02/13/12	UB Refund Cst #0000175419	7.74	7.74
2032178	02/15/12	13735	NEW VISTA REALTY	Ref002419756	02/13/12	UB Refund Cst #0000177591	56.79	56.79
2032179	02/15/12	13719	PAMELA GRAHAM	Ref002419740	02/13/12	UB Refund Cst #0000016981	93.49	93.49
2032180	02/15/12	13727	RACHAEL RANGEL	Ref002419748	02/13/12	UB Refund Cst #0000160374	8.57	8.57
2032181	02/15/12	13738	ROSALINDA RUEZGA	Ref002419759	02/13/12	UB Refund Cst #0000183349	15.17	15.17
2032182	02/15/12	13717	SAIDA SOTO	Ref002419738	02/13/12	UB Refund Cst #0000001481	52.31	52.31
2032183	02/15/12	13742	SAN DIEGO REALTY INC	Ref002419764	02/13/12	UB Refund Cst #0000184439	51.87	51.87
2032184	02/15/12	13737	TIM MATHEWS	Ref002419758	02/13/12	UB Refund Cst #0000183100	33.29	33.29
2032185	02/15/12	13745	TOM BOWKER	Ref002419767	02/13/12	UB Refund Cst #0000185113	66.15	66.15
2032186	02/15/12	13722	TRACE POLANCO	Ref002419743	02/13/12	UB Refund Cst #0000064045	134.52	134.52
2032187	02/15/12	13743	TURNKEY HOME AND LOANS	Ref002419765	02/13/12	UB Refund Cst #0000184759	59.52	59.52
2032188	02/15/12	12175	APPLE INC	003483	02/08/12	COMPUTER LOAN	1,513.42	1,513.42
2032189	02/15/12	13752	CHRISTENSEN, MICHAEL	003486	02/13/11	IT HARDWARE	202.84	202.84
2032190	02/15/12	00446	CITY OF CHULA VISTA	003489	02/08/12	DEVELOPMENT PROJECT DEPOSIT	2,869.82	2,869.82
2032191	02/15/12	00099	COUNTY OF SAN DIEGO - DPW	150768	12/31/11	EXCAVATION PERMITS	3,285.79	3,285.79
2032192	02/15/12	00319	DEPARTMENT OF PUBLIC HEALTH	1191083	01/30/12	RECYCLED WATER FEES #3790034	7,950.60	7,950.60

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2032193	02/15/12	03417	DIRECTV	17055525685	02/05/12	SATELLITE TV (2/4/12-3/3/12)	533.88	533.88
2032194	02/15/12	03546	FERGUSON WATERWORKS # 1083	0393785	11/30/11	INVENTORY	4,259.14	4,259.14
2032195	02/15/12	01612	FRANCHISE TAX BOARD	Ben2419829	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032196	02/15/12	02344	FRANCHISE TAX BOARD	Ben2419839	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2032197	02/15/12	00174	HACH COMPANY	7587616	01/19/12	HACH PARTS	3,057.10	3,057.10
2032198	02/15/12	06843	HI-TECH AIR CONDITIONING	24896	01/18/12	AC MAINTENANCE	650.00	650.00
2032199	02/15/12	13750	INTERNATIONAL INDUSTRIAL	003487	02/14/12	CUSTOMER REFUND	2,046.00	2,046.00
2032200	02/15/12	03172	JONES & STOKES ASSOCIATES INC	0084545 0084549 0084548 0084546 0084547	01/25/12 01/25/12 01/25/12 01/25/12 01/25/12	ENVIRONMENTAL SVCS (11/26/11-12/31/11) SAN MIGUEL HABITAT (11/26/11-12/31/11) ENVIRONMENTAL SVCS (11/26/11-12/31/11) ENVIRONMENTAL SVCS (11/26/11-12/31/11) ENVIRONMENTAL SVCS (11/26/11-12/31/11)	24,060.24 22,596.46 1,919.00 280.00 170.00	49,025.70
2032201	02/15/12	01859	LA PRENSA SAN DIEGO	23642	01/24/12	JOB POSTING	48.00	48.00
2032202	02/15/12	02882	MAYER REPROGRAPHICS INC	0069414IN 0069516IN	01/10/12 01/12/12	REPROGRAPHIC SERVICES REPROGRAPHIC SERVCIES	2,153.19 950.08	3,103.27
2032203	02/15/12	12016	MTGL INC	35087	01/13/12	GEOTECHNICAL SERVICES (12/1/11-12/31/11)	800.00	800.00
2032204	02/15/12	03623	MWH AMERICAS INC	1442534	01/23/12	RWCWRF UPGRADE (10/29/11-12/30/11)	6,385.41	6,385.41
2032205	02/15/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2419823	02/16/12	BI-WEEKLY DEFERRED COMP PLAN	13,393.91	13,393.91
2032206	02/15/12	09884	NATIONAL SAFETY COMPLIANCE INC	51697	11/30/11	RANDOM DRUG TESTING	340.69	340.69
2032207	02/15/12	08656	NORTH STATE ENVIRONMENTAL	202854 202821	01/04/12 12/27/11	WASTE DISPOSAL WASTE DISPOSAL	1,876.88 1,049.59	2,926.47
2032208	02/15/12	03101	OTAY WATER DISTRICT	Ben2419825	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032209	02/15/12	00137	PETTY CASH CUSTODIAN	003484	02/13/12	PETTY CASH	900.95	900.95
2032210	02/15/12	00053	PITNEY BOWES INC	2001160890	01/26/12	PSD RENTAL (2/1/12-1/30/13)	370.98	370.98
2032211	02/15/12	06419	PLANT SOUP INC	003482	02/09/12	SPEAKER'S HONORARIUM	300.00	300.00
2032212	02/15/12	00121	SAN DIEGO GAS & ELECTRIC	003481 003480 003479	02/13/12 01/25/12 01/27/12	UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES	55,730.27 7,232.41 374.20	63,336.88
2032213	02/15/12	09339	SANGALANG, ALEX	003488	02/14/12	SAFETY BOOTS	126.05	126.05
2032214	02/15/12	00419	SHAPE PRODUCTS	154502	01/13/12	DISTRIBUTION SUPPLIES	956.19	956.19

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2032215	02/15/12	06281	STATE DISBURSEMENT UNIT	Ben2419837	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032216	02/15/12	06299	STATE DISBURSEMENT UNIT	Ben2419827	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032217	02/15/12	06303	STATE DISBURSEMENT UNIT	Ben2419833	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032218	02/15/12	08533	STATE DISBURSEMENT UNIT	Ben2419841	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2032219	02/15/12	10815	SUKUT CONSTRUCTION INC	003485	02/14/12	CUSTOMER REFUND	2,075.00	2,075.00
2032220	02/15/12	02975	TETRA TECH INC	50528523	01/20/12	WELL PROJECT (11/26/11-12/30/11)	40,160.15	40,160.15
2032221	02/15/12	12084	TRIACTIVE INC	SITRI1315	11/30/11	ASSET MGMT SUITE	31.00	31.00
2032222	02/15/12	05417	UNITED STATES DEPARTMENT	Ben2419835	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2032223	02/15/12	13426	UNITED STATES TREASURY	Ben2419831	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00
2032224	02/15/12	07674	US BANK CORPORATE PAYMENT	A000008	01/23/12	CAL CARD EXPENSES	2,613.75	2,613.75
2032225	02/15/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2419819	02/16/12	BI-WEEKLY DEFERRED COMP PLAN	12,636.51	12,636.51
2032226	02/15/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2419817	02/16/12	BI-WEEKLY 401A PLAN	11,035.25	11,035.25
2032227	02/15/12	01343	WE GOT YA PEST CONTROL	72890 72109	12/27/11 11/08/11	BEE REMOVAL BEE REMOVAL	115.00 115.00	230.00
2032228	02/22/12	01910	ABCANA INDUSTRIES	895837 895474 895476 895663 895750 895475 895477 895889 895748 895368 895664	02/08/12 01/30/12 01/30/12 02/02/12 02/06/12 01/30/12 01/30/12 02/09/12 02/06/12 01/26/12 02/02/12	SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE	3,511.70 3,161.88 949.69 584.17 551.65 548.29 491.10 483.25 478.76 421.58 238.83	11,420.90
2032229	02/22/12	08488	ABLEFORCE INC	3143	02/07/12	PROGRAMMING SERVICES (1/23/12-2/5/12)	6,205.00	6,205.00
2032230	02/22/12	00179	ACRO INSTRUMENT CO	12413	02/03/12	GAUGE CALIBRATION	140.00	140.00
2032231	02/22/12	11462	AEGIS ENGINEERING MGMT INC	1027 1114	02/08/12 02/08/12	PLAN CHECKING (12/31/11-2/4/12) DEVELOPER PLANCHECKS (12/31/11-2/4/12)	13,114.91 11,727.48	24,842.39
2032232	02/22/12	11803	AEROTEK ENVIRONMENTAL	OE00798710 OE00797161A	02/09/12 02/02/12	TEMPORARY EMPLOYMENT (1/23/12-1/27/12) TEMPORARY EMPLOYMENT (1/17/12-1/20/12)	3,180.38 2,572.80	5,753.18
2032233	02/22/12	07732	AIRGAS SPECIALTY PRODUCTS INC	131230404	02/02/12	AQUA AMMONIA	2,102.24	

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				131230405	02/02/12	AQUA AMMONIA	1,582.00	3,684.24
2032234	02/22/12	03492	AQUA-METRIC SALES COMPANY	0041626IN	02/03/12	SENSUS OMNI METERS	38,690.00	38,690.00
2032235	02/22/12	13171	ARCADIS US INC	0432664	02/08/12	WASTEWATER MGMT (12/26/11-1/22/12)	22,670.35	22,670.35
2032236	02/22/12	01555	ASSN OF CALIF WATER AGENCIES	003493	02/05/12	REGISTRATION FEES	300.00	300.00
2032237	02/22/12	07785	AT&T	000003005653 000003007871	02/02/12 02/02/12	PHONE SERVICES (1/2/12-2/1/12) PHONE SERVICES (1/2/12-2/1/12)	5,695.81 15.52	5,711.33
2032238	02/22/12	03584	BIOTECHNICAL SERVICES INC	1095769	02/01/12	LABORATORY MAINTENANCE	2,008.00	2,008.00
2032239	02/22/12	08966	CALIFORNIA BANK & TRUST	2A	02/07/12	RET / TC CONST LA PRESA (1/1/12-1/31/12)	15,115.48	15,115.48
2032240	02/22/12	13755	CAPELLA	003494	02/17/12	WORK ORDER REFUND D0462-010088	3,134.11	3,134.11
2032241	02/22/12	04071	CAPITOL WEBWORKS LLC	24610	01/31/12	ELECTRONIC FILING FEE (JAN 2012)	45.00	45.00
2032242	02/22/12	02758	CARMEL BUSINESS SYSTEMS INC	7462 7461 7460 7459	02/01/12 02/01/12 02/01/12 02/01/12	RECORDS MGMT SERVICES (JAN 2012) RECORDS MGMT SERVICES RECORDS MGMT SERVICES SCANNING SERVICES (12/12/11 & 1/26/12)	294.15 293.50 72.50 66.27	726.42
2032243	02/22/12	09801	CENTERBEAM INC	30239797	02/09/12	TEMPORARY LABOR	16,441.50	16,441.50
2032244	02/22/12	04985	CITY OF CHULA VISTA	003496	02/17/12	WORK ORDER REFUND D0028-090024	3,509.86	3,509.86
2032245	02/22/12	04119	CLARKSON LAB & SUPPLY INC	59812 59813	01/31/12 01/31/12	BACTERIOLOGICAL SVCS (1/5/12-16/12) BACTERIOLOGICAL SVCS (1/9/12)	498.00 125.00	623.00
2032246	02/22/12	11520	CLINICAL LABORATORY OF	918438 919547	12/09/11 02/09/12	OUTSIDE LAB SERVICES (11/2/11-11/30/11) OUTSIDE LAB SERVICES (1/5/12-1/11/12)	412.00 342.00	754.00
2032247	02/22/12	08160	COMPLETE OFFICE	13579930 13574180 13581640	01/31/12 01/30/12 01/31/12	TONER CARTRIDGE OFFICE SUPPLIES REGISTER RIBBON	178.84 162.68 22.21	363.73
2032248	02/22/12	12334	CORODATA MEDIA STORAGE INC	DS1248212	01/31/12	BACKUP TAPE STORAGE (JAN 2012)	313.48	313.48
2032249	02/22/12	00099	COUNTY OF SAN DIEGO - DPW	151700	01/31/12	EXCAVATION PERMITS	1,810.62	1,810.62
2032250	02/22/12	11286	CPM PARTNERS INC	12012	01/31/12	SCHEDULING SERVICES (1/1/12-1/31/12)	3,150.00	3,150.00
2032251	02/22/12	07680	DELTA HEALTH SYSTEMS	IVC05489	01/31/12	CLAIM SERVICES	1,029.50	1,029.50
2032252	02/22/12	01335	DICKSON COMPANY	856421	01/27/12	DATA LOGGERS	1,038.00	1,038.00
2032253	02/22/12	08023	EMPLOYEE BENEFIT SPECIALISTS	0055552IN	01/31/12	EMPLOYEE BENEFITS (JAN 2012)	642.50	642.50
2032254	02/22/12	02639	EW TRUCK & EQUIPMENT	CM284473		CREDIT MEMO	(1,915.13)	

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				284473	01/30/12	REPAIR PARTS	4,225.79	2,310.66
2032255	02/22/12	03757	FANDEL ENTERPRISES INC	1485	02/03/12	CONSULTING SERVICES (JAN 2012)	4,200.00	4,200.00
2032256	02/22/12	04986	FARR, STEVEN	003492	02/14/12	SAFETY BOOTS	145.44	145.44
2032257	02/22/12	00645	FEDEX	778720805	02/10/12	MAIL SERVICES	5.74	5.74
2032258	02/22/12	03546	FERGUSON WATERWORKS # 1083	0398610	02/03/12	INVENTORY	2,624.27	
				0397990	01/26/12	INVENTORY	2,392.05	
				0398199	02/09/12	CLAVALVE CONTROL	1,939.50	
				0398705	02/01/12	INVENTORY	1,276.62	
				0397608	01/26/12	INVENTORY	550.61	
				0399489	02/09/12	METER PARTS	369.97	
				0399013	02/03/12	INVENTORY	319.16	
				0398491	01/26/12	CAM-LOCKS	147.62	9,619.80
2032259	02/22/12	12187	FIRST AMERICAN DATA TREE LLC	90034012	01/31/12	ONLINE DOCUMENTS (JAN 2012)	99.00	99.00
2032260	02/22/12	04066	FIRST CHOICE SERVICES - SD	166968	02/07/12	COFFEE SUPPLIES	410.01	410.01
2032261	02/22/12	00035	FISHER SCIENTIFIC	8089749	02/03/12	LABORATORY SUPPLIES	614.47	614.47
2032262	02/22/12	02591	FITNESS TECH	7700	02/01/12	EQUIPMENT MAINTENANCE (FEB 2012)	135.00	135.00
2032263	02/22/12	11962	FLEETWASH INC	3802132	02/03/12	VEHICLE WASH	166.44	
				3793086	01/27/12	VEHICLE WASH	120.45	286.89
2032264	02/22/12	13563	FRIENDS OF THE WATER	110	02/01/12	GARDEN TOURS (JAN 2012)	1,860.00	1,860.00
2032265	02/22/12	00101	GRAINGER INC	9739571033	01/26/12	WIRE	1,349.80	
				9751120081	02/09/12	MULTI-CONDUCTOR	475.35	
				9744234783	02/01/12	ELECTRICAL MATERIAL	390.52	
				9740428736	01/27/12	STAINLESS FASTENERS	313.88	
				9743023856	01/31/12	MARKING PAINT	212.05	
				9750212020	02/08/12	LADDER STABILIZER	94.76	2,836.36
2032266	02/22/12	12907	GREENRIDGE LANDSCAPE INC	8638	01/31/12	LANDSCAPING SERVICES (JAN 2012)	8,650.00	8,650.00
2032267	02/22/12	00174	HACH COMPANY	7603030	01/31/12	LABORATORY SUPPLIES	1,053.76	
				7599357	01/27/12	HACH PARTS	22.95	1,076.71
2032268	02/22/12	02629	HANSON AGGREGATES INC	1240507	02/01/12	CRUSHED AGGREGATES	127.88	
				1238788	01/26/12	CRUSHED AGGREGATES	126.58	
				1239548	01/30/12	CRUSHED AGGREGATES	121.90	376.36
2032269	02/22/12	02350	HARPER & ASSOCIATES	ENG4426	02/01/12	DIVE INSPECTION	3,150.00	3,150.00
2032270	02/22/12	00201	HARRINGTON INDL PLASTICS LLC	004C1861	01/31/12	PUMP & FILTERS	2,900.59	
				004C2147	02/10/12	FILTERS	49.41	2,950.00

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2032271	02/22/12	02795	HARTFORD INSURANCE CO, THE	Ben2419815	02/16/12	MONTHLY CONTRIBUTION TO LTD	5,081.35	5,081.35
2032272	02/22/12	06640	HD SUPPLY WATERWORKS LTD	4275404	02/02/12	GASKETS	875.36	875.36
2032273	02/22/12	06843	HI-TECH AIR CONDITIONING	26105 26137	01/27/12 01/27/12	AC COMPRESSOR AC MAINTENANCE	3,435.00 465.13	3,900.13
2032274	02/22/12	01649	IDEXX DISTRIBUTION INC	257045102 257045103	01/31/12 01/31/12	LABORATORY SUPPLIES LABORATORY SUPPLIES	330.19 13.56	343.75
2032275	02/22/12	08969	INFOSEND INC	56600 56521	02/02/12 01/31/12	BILL PRINTING SERVICES (JAN 2012) BILL PRINTING SERVICES (1/23/12-1/31/12)	4,606.60 3,284.76	7,891.36
2032276	02/22/12	13756	INNOVATIVE OIL & GAS DEV & TRD	003495	02/17/12	WORK ORDER REFUND D0637-010314	3,165.27	3,165.27
2032277	02/22/12	02372	INTERIOR PLANT SERVICE INC	40731	01/31/12	PLANT SERVICES (JAN 2012)	186.00	186.00
2032278	02/22/12	03077	JANI-KING OF CALIFORNIA INC	SDO01120185	01/01/12	JANITORIAL SERVICES (JAN 2012)	1,101.10	1,101.10
2032279	02/22/12	02449	JOSEPH G POLLARD CO INC	1318246IN 1318716IN	02/03/12 02/10/12	DE-CHLOR TABLETS UNIT TOOLS	1,721.00 229.48	1,950.48
2032280	02/22/12	04996	KNOX ATTORNEY SERVICE INC	667175	01/31/12	DELIVERY SERVICES (12/29/11-1/23/12)	272.25	272.25
2032281	02/22/12	06497	LAKESIDE LAND COMPANY	259347	02/01/12	LANDFILL	296.00	296.00
2032282	02/22/12	05220	LOGICALIS INTEGRATION SOLUTION	S237577	01/31/12	SUPPORT SERVICES (1/4/12)	175.00	175.00
2032283	02/22/12	03019	LOPEZ, JOSE	70101211	02/16/12	MILEAGE REIMBURSEMENT (DEC 2011)	14.43	14.43
2032284	02/22/12	05329	MASTER METER INC	0196767IN	02/06/12	INVENTORY	14,119.56	14,119.56
2032285	02/22/12	02882	MAYER REPROGRAPHICS INC	0069995IN 0069993IN 0069998IN	02/03/12 02/03/12 02/03/12	REPROGRAPHIC SERVICES REPROGRAPHIC SERVICES REPROGRAPHIC SERVICES	1,281.56 120.46 61.96	1,463.98
2032286	02/22/12	01183	MCMASTER-CARR SUPPLY CO	17297353 16384234	02/06/12 01/26/12	BOLTS AND PARTS CAM-LOCK	517.19 299.66	816.85
2032287	02/22/12	01824	MERKEL & ASSOCIATES INC	12020205	02/02/12	ENVIRONMENTAL SVCS (12/20/11-1/31/12)	9,543.07	9,543.07
2032288	02/22/12	09884	NATIONAL SAFETY COMPLIANCE INC	52428	01/31/12	ANNUAL ADMIN FEE	150.00	150.00
2032289	02/22/12	08656	NORTH STATE ENVIRONMENTAL	202891	01/26/12	WASTE DISPOSAL	1,600.00	1,600.00
2032290	02/22/12	00510	OFFICE DEPOT INC	597769783001	02/10/12	OFFICE SUPPLIES	8.88	8.88
2032291	02/22/12	01002	PACIFIC PIPELINE SUPPLY	151792 151462 151793 151649	01/31/12 01/31/12 01/31/12 02/06/12	INVENTORY INVENTORY INVENTORY INVENTORY	3,717.38 2,684.59 2,505.19 290.06	9,197.22

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2032292	02/22/12	03017	PACIFIC SAFETY COUNCIL	68853	01/31/12	RESPIRATOR TESTING	845.00	845.00
2032293	02/22/12	07737	PARADISE CANYON SYSTEMS INC	012012916	01/01/12	XTENDER SOFTWARE RENEWAL (ANNUAL)	1,620.00	1,620.00
2032294	02/22/12	05497	PAYPAL INC	15477645	01/31/12	PHONE PAYMENT SERVICES (JAN 2012)	54.10	54.10
2032295	02/22/12	03790	PENHALL COMPANY	29970	01/30/12	SAW CUTTING SERVICES	397.50	397.50
2032296	02/22/12	13059	PRIORITY BUILDING SERVICES	28983	01/03/12	JANITORIAL SERVICES (JAN 2012)	3,504.00	3,504.00
2032297	02/22/12	12135	PROPULSION CONTROLS	45903A	01/25/12	MOTOR REMANUFACTURE	88,155.08	88,155.08
2032298	02/22/12	06641	PRUDENTIAL OVERALL SUPPLY	30236847	01/26/12	UNIFORMS, TOWELS & MATS	370.85	
				30239795	02/09/12	UNIFORMS, TOWELS & MATS	356.52	
				30238317	02/02/12	UNIFORMS, TOWELS & MATS	326.85	
				30238316	02/02/12	UNIFORMS, TOWELS & MATS	197.34	
				30239794	02/09/12	UNIFORMS, TOWELS & MATS	197.34	
				30236846	01/26/12	UNIFORMS, TOWELS & MATS	172.67	
				30239796	02/09/12	UNIFORMS, TOWELS & MATS	164.69	
				30238318	02/02/12	UNIFORMS, TOWELS & MATS	161.66	
				30236848	01/26/12	UNIFORMS, TOWELS & MATS	148.60	
				30237713	01/31/12	UNIFORMS, TOWELS & MATS	112.16	
				30239174	02/07/12	UNIFORMS, TOWELS & MATS	112.16	
				30239797	02/09/12	UNIFORMS, TOWELS & MATS	59.39	
				30239173	02/07/12	UNIFORMS, TOWELS & MATS	58.20	
				30238319	02/02/12	UNIFORMS, TOWELS & MATS	55.46	
				30237712	01/31/12	UNIFORMS, TOWELS & MATS	54.20	
				30236849	01/26/12	UNIFORMS, TOWELS & MATS	53.35	2,601.44
2032299	02/22/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2419821	02/16/12	BI-WEEKLY PERS CONTRIBUTION	149,068.78	149,068.78
2032300	02/22/12	00003	SAN DIEGO COUNTY WATER	0000000473	01/31/12	SOCAL WATERSMART (DEC 2011)	1,475.00	1,475.00
2032301	02/22/12	07783	SCRIPPS CENTER FOR EXECUTIVE	21759	01/13/12	EXECUTIVE HEALTH EXAM	1,614.00	1,614.00
2032302	02/22/12	12904	SEPULVEDA CONSTRUCTION INC	6	02/07/12	PUMP STATION UPGRADES (1/1/12-1/31/12)	17,771.40	17,771.40
2032303	02/22/12	13327	SILVA SILVA INTERNATIONAL	1202	02/10/12	CONSULTING SERVICES (JAN 2012)	4,000.00	4,000.00
2032304	02/22/12	03103	SOUTHCOAST HEATING &	C47788	01/13/12	AC MAINTENANCE (JAN 2012)	1,068.00	1,068.00
2032305	02/22/12	03760	SPANKY'S PORTABLE SERVICES INC	905589	02/03/12	PORTABLE TOILET RENTAL (2/2/12-2/29/12)	98.15	
				904719	01/25/12	PORTABLE TOILET RENTAL (1/25/12-2/21/12)	79.96	178.11
2032306	02/22/12	10343	SPECIALTY DOORS AND AUTOMATION	37135SD	01/29/12	GATE SERVICE	1,489.13	1,489.13
2032307	02/22/12	06510	SPRINT NEXTEL	901500243065	02/12/12	WIRELESS SERVICES (1/9/12-2/8/12)	3,520.57	3,520.57
2032308	02/22/12	13564	STAR-NEWS PUBLISHING CO, THE	300003143	01/13/12	JOB POSTING	92.00	92.00

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2032309	02/22/12	01834	TC CONSTRUCTION INC	2A	02/07/12	LA PRESA SYSTEM (1/1/12-1/31/12)	136,039.28	136,039.28
2032310	02/22/12	03374	TEK-COLLECT INC	188002	02/06/12	ANNUAL MAINTENANCE FEE	75.00	75.00
2032311	02/22/12	00427	UNDERGROUND SERVICE ALERT OF	120120475	02/01/12	UNDERGROUND ALERTS	270.00	270.00
2032312	02/22/12	00350	UNITED STATES POSTAL SERVICE	104339510212	02/21/12	PREPAID POSTAGE MACHINE	2,100.00	2,100.00
2032313	02/22/12	07662	UNITEDHEALTHCARE SPECIALTY	120470000066	02/16/12	AD&D & SUPP LIFE INS (MAR 2011)	5,708.93	5,708.93
2032314	02/22/12	07674	US BANK CORPORATE PAYMENT	A000010	12/22/11	CAL CARD EXPENSES	26,831.04	26,831.04
2032315	02/22/12	06829	US SECURITY ASSOCIATES INC	542096	01/26/12	SECURITY SERVICES	219.75	219.75
2032316	02/22/12	13048	V & A CONSULTING ENGINEERS	13177	01/27/12	CORROSION SERVICES (12/31/11-1/27/12)	6,750.00	6,750.00
2032317	02/22/12	03190	VALCO INSTRUMENTS CO INC	90176000	02/01/12	HACH PARTS	4,357.01	4,357.01
2032318	02/22/12	01343	WE GOT YA PEST CONTROL	73437 73438	01/30/12 01/30/12	BEE REMOVAL BEE REMOVAL	115.00 115.00	230.00
2032319	02/29/12	13762	AIME SERNA	Ref002419983	02/27/12	UB Refund Cst #0000143041	20.72	20.72
2032320	02/29/12	02362	ALLIED WASTE SERVICES # 509	0509004660297	01/25/12	TRASH SERVICES TP (FEB 2012)	171.01	171.01
2032321	02/29/12	13787	AMERICAN HERITAGE PROPERTIES	Ref002420010	02/27/12	UB Refund Cst #0000184900	67.26	67.26
2032322	02/29/12	00002	ANSWER INC	6295	02/22/12	ANSWERING SERVICES (MONTHLY)	1,000.00	1,000.00
2032323	02/29/12	01509	ARC ERGONOMICS	34102	02/08/12	ROLLERWAVE 2	44.12	44.12
2032324	02/29/12	05758	AT&T	33784130450212	02/07/12	PHONE SERVICE (2/7/12-3/6/12)	21.43	21.43
2032325	02/29/12	13784	AVANTI	Ref002420007	02/27/12	UB Refund Cst #0000184558	77.17	77.17
2032326	02/29/12	06834	BAUDVILLE INC	2349466	01/04/12	VISITOR BADGES	357.29	357.29
2032327	02/29/12	13757	BC DE INVERSION	Ref002419976	02/27/12	UB Refund Cst #0000043857	390.98	390.98
2032328	02/29/12	13322	BUSTAMANTE & ASSOCIATES LLC	060212	02/01/12	CONSULTANT SERVICES (FEB 2012)	3,500.00	3,500.00
2032329	02/29/12	13788	CANDI MARRUENDA	Ref002420011	02/27/12	UB Refund Cst #0000185418	53.44	53.44
2032330	02/29/12	13764	CARLITA ALFONSO	Ref002419985	02/27/12	UB Refund Cst #0000145761	212.39	212.39
2032331	02/29/12	02758	CARMEL BUSINESS SYSTEMS INC	7444 7426 7441	01/01/12 12/01/11 01/01/12	RECORDS SUPPORT RECORDS SUPPORT (NOV 2011) RECORDS SUPPORT	2,906.79 670.45 72.50	3,649.74
2032332	02/29/12	13779	CENTURY 21 1ST CHOICE	Ref002420001	02/27/12	UB Refund Cst #0000183391	55.84	55.84

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2032333	02/29/12	13352	CHARITY ARELLANO	Ref002419977	02/27/12	UB Refund Cst #0000066498	88.30	88.30
2032334	02/29/12	12632	CITRIX ONLINE LLC	1200325151	10/20/11	GOTOASSIST SVC FULL & FINAL PYMT	630.00	630.00
2032335	02/29/12	11696	COFFIN, SHANNON	003511	02/23/12	SAFETY BOOTS	127.22	127.22
2032336	02/29/12	02612	COUNCIL OF WATER UTILITIES	003506	02/27/12	MEETING REGISTRATION	25.00	25.00
2032337	02/29/12	05959	DIAMOND ENVIRONMENTAL SERVICES	22901120	02/09/12	PUMPING TRUCK	10,620.00	10,620.00
2032338	02/29/12	13758	DIANE HARMONY BROWN	Ref002419978	02/27/12	UB Refund Cst #0000074038	30.35	30.35
2032339	02/29/12	03417	DIRECTV	17159423498	02/19/12	SATELLITE TV (2/18/12-3/17/12)	6.00	6.00
2032340	02/29/12	02259	ENVIRONMENTAL RESOURCE	640833	02/06/12	LABORATORY CERTIFICATION	1,328.32	1,328.32
2032341	02/29/12	03546	FERGUSON WATERWORKS # 1083	03991281 0399128	02/07/12 02/03/12	VIC FITTINGS VIC FITTINGS	891.10 151.93	1,043.03
2032342	02/29/12	00035	FISHER SCIENTIFIC	1371691	02/07/12	LABORATORY SUPPLIES	314.26	314.26
2032343	02/29/12	01612	FRANCHISE TAX BOARD	Ben2420089	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032344	02/29/12	02344	FRANCHISE TAX BOARD	Ben2420099	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2032345	02/29/12	00101	GRAINGER INC	9733093406 9740605184	01/18/12 01/27/12	WAREHOUSE SUPPLIES STAINLESS FASTENERS	27.31 23.64	50.95
2032346	02/29/12	13765	GUILLEN JUAN B TRUST 12-01-05	Ref002419986	02/27/12	UB Refund Cst #0000156015	16.01	16.01
2032347	02/29/12	00174	HACH COMPANY	7617454 7617456 7597865	02/09/12 02/09/12 01/26/12	REPAIR ROTARY VALVE REPAIR CLOROIMETER HACH MODULE	1,629.18 800.37 594.57	3,024.12
2032348	02/29/12	04472	HECTOR I MARES-COSSIO	83	02/23/12	CONSULTANT SERVICES (JAN 2012)	3,600.00	3,600.00
2032349	02/29/12	00062	HELIX WATER DISTRICT	174639860212 178540010212	02/09/12 02/09/12	WATER BILL / RUSSELL SQ WATER BILL / AVOCADO BLVD	42.84 40.10	82.94
2032350	02/29/12	13767	HIROYUKI KOASHI	Ref002419988	02/27/12	UB Refund Cst #0000169389	40.74	40.74
2032351	02/29/12	06540	HORIZON CRANE SERVICE LLC	6100 6059	01/24/12 12/16/11	CRANE RENTAL CRANE RENTAL	870.00 580.00	1,450.00
2032352	02/29/12	08969	INFOSEND INC	56522	01/31/12	POSTAGE	8,032.21	8,032.21
2032353	02/29/12	13770	JANET SHANNER	Ref002419991	02/27/12	UB Refund Cst #0000174612	35.60	35.60
2032354	02/29/12	13708	JANET SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032355	02/29/12	13791	JOHN MCKENZIE	Ref002420014	02/27/12	UB Refund Cst #0000185513	39.87	39.87

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2032356	02/29/12	13771	JOSE PATRON	Ref002419992	02/27/12	UB Refund Cst #0000175947	15.77	15.77
2032357	02/29/12	13759	JOY DESAHAGUN	Ref002419980	02/27/12	UB Refund Cst #0000094381	41.06	41.06
2032358	02/29/12	13781	JUAN CONTRERAS	Ref002420003	02/27/12	UB Refund Cst #0000183697	75.00	75.00
2032359	02/29/12	13763	JUAN VASQUEZ	Ref002419984	02/27/12	UB Refund Cst #0000143401	45.35	45.35
2032360	02/29/12	13769	JUDY CHRISPENS	Ref002419990	02/27/12	UB Refund Cst #0000174478	14.08	14.08
2032361	02/29/12	03607	LEE & RO INC	LR14651	01/11/12	INTERCONNECTION (12/1/11-12/31/11)	43,995.69	43,995.69
2032362	02/29/12	13761	LYNN POTTER	Ref002419982	02/27/12	UB Refund Cst #0000142820	384.92	384.92
2032363	02/29/12	13760	MARIA BARRON	Ref002419981	02/27/12	UB Refund Cst #0000125418	13.60	13.60
2032364	02/29/12	02902	MARSTON+MARSTON INC	201222	02/01/12	CONSULTING SERVICES (JAN 2012)	472.50	472.50
2032365	02/29/12	12487	MARY BEALE	Ref002419979	02/27/12	UB Refund Cst #0000089509	150.00	150.00
2032366	02/29/12	13778	MATER DEI CATHOLIC HIGH SCHOOL	Ref002420000	02/27/12	UB Refund Cst #0000183380	2,945.16	2,945.16
2032367	02/29/12	13783	MAZIN MICHAELS	Ref002420006	02/27/12	UB Refund Cst #0000184365	26.40	26.40
2032368	02/29/12	13772	MEMO CARDONA	Ref002419994	02/27/12	UB Refund Cst #0000177314	75.00	75.00
2032369	02/29/12	13790	MORNING TRAIN INVESTMENTS LLC	Ref002420013	02/27/12	UB Refund Cst #0000185476	37.61	37.61
2032370	02/29/12	13507	MYRNA NUNEZ	Ref002419993	02/27/12	UB Refund Cst #0000176818	94.62	94.62
2032371	02/29/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2420081	03/01/12	BI-WEEKLY DEFERRED COMP PLAN	13,393.91	13,393.91
2032372	02/29/12	13774	NOEL ILETO	Ref002419996	02/27/12	UB Refund Cst #0000177573	89.20	89.20
2032373	02/29/12	03101	OTAY WATER DISTRICT	Ben2420083	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032374	02/29/12	13122	PINNACLE BUSINESS SOLUTIONS	33674	11/17/11	MONITOR	1,364.16	1,364.16
2032375	02/29/12	13776	PRUDENTIAL CA REALTY	Ref002419998	02/27/12	UB Refund Cst #0000183316	43.80	43.80
2032376	02/29/12	13252	PUNTES LATINOS	003505 003504	02/22/12 02/22/12	GENERAL CONSULTING (1/25/12-2/22/12) GENERAL CONSULTING	4,000.00 448.60	4,448.60
2032377	02/29/12	13780	REO COAST VISTA	Ref002420002	02/27/12	UB Refund Cst #0000183594	7.73	7.73
2032378	02/29/12	13632	REO COAST VISTA LP	Ref002420004	02/27/12	UB Refund Cst #0000183813	29.63	29.63
2032379	02/29/12	03741	RIVAS, JUAN	003512	02/27/12	SAFETY BOOTS	146.79	146.79
2032380	02/29/12	13766	RIVERHAWK PROPERTY MGMT LLC	Ref002419987	02/27/12	UB Refund Cst #0000158121	120.04	120.04

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2032381	02/29/12	13204	SAIC ENERGY ENVIR & INFRAS LLC	05656 05537	02/10/12 11/15/11	CONSTRUCTION MGMTT (ENDING 1/27/12) LEGAL SERVICES	36,007.12 389.97	36,397.09
2032382	02/29/12	13792	SALVADOR LOPEZ-CORDOVA	003507	02/22/12	REIMB FINGERPRINTING SVC	22.00	22.00
2032383	02/29/12	11596	SAN DIEGO CONSTRUCTION WELDING	8238	02/03/12	WELDING	1,200.00	1,200.00
2032384	02/29/12	02586	SAN DIEGO COUNTY ASSESSOR	2011172	02/08/12	ASSESSOR DATA	125.00	125.00
2032385	02/29/12	00121	SAN DIEGO GAS & ELECTRIC	003501	02/17/12	UTILITY EXPENSES	987.86	987.86
2032386	02/29/12	13418	SAN DIEGO POWDER COATING	32000	01/31/12	POWDER COATING	725.00	725.00
2032387	02/29/12	13786	SAN DIEGO REALTY INC	Ref002420009	02/27/12	UB Refund Cst #0000184860	275.97	275.97
2032388	02/29/12	11516	SIEMENS INDUSTRY INC	900559571	01/20/12	MICRO2000 & ENCORE700	1,603.71	1,603.71
2032389	02/29/12	12047	SKANSKA	003509	02/28/12	CUSTOMER REFUND	22,163.23	22,163.23
2032390	02/29/12	13782	SONIA FLORES	Ref002420005	02/27/12	UB Refund Cst #0000184008	60.51	60.51
2032391	02/29/12	13773	SONYA FLORES	Ref002419995	02/27/12	UB Refund Cst #0000177437	47.39	47.39
2032392	02/29/12	02354	STANDARD ELECTRONICS	16462	02/06/12	LABOR REQUEST	467.50	467.50
2032393	02/29/12	06281	STATE DISBURSEMENT UNIT	Ben2420097	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032394	02/29/12	06299	STATE DISBURSEMENT UNIT	Ben2420085	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032395	02/29/12	06303	STATE DISBURSEMENT UNIT	Ben2420093	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032396	02/29/12	08533	STATE DISBURSEMENT UNIT	Ben2420101	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2032397	02/29/12	13775	STEPHEN CLARK	Ref002419997	02/27/12	UB Refund Cst #0000182552	52.89	52.89
2032398	02/29/12	11749	STEPHEN V MCCUE	003508	02/17/12	LEGAL SERVICES (JAN/FEB 2012)	43,758.75	43,758.75
2032399	02/29/12	12809	STUTZ ARTIANO SHINOFF	86895	02/03/12	LEGAL SERVICES (DEC 2011)	32,287.53	32,287.53
2032400	02/29/12	13777	SYNERGY FUNDING	Ref002419999	02/27/12	UB Refund Cst #0000183338	46.41	46.41
2032401	02/29/12	13785	TELECARE CORPORATION	Ref002420008	02/27/12	UB Refund Cst #0000184733	30.88	30.88
2032402	02/29/12	13768	TRACEY LACKOVICH	Ref002419989	02/27/12	UB Refund Cst #0000169435	51.08	51.08
2032403	02/29/12	13789	TRIAD PROPERTIES	Ref002420012	02/27/12	UB Refund Cst #0000185433	36.47	36.47
2032404	02/29/12	05417	UNITED STATES DEPARTMENT	Ben2420095	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2032405	02/29/12	13426	UNITED STATES TREASURY	Ben2420091	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00

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2032406	02/29/12	07674	US BANK CORPORATE PAYMENT	0003502 003510	01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES	13,159.76 194.00	13,353.76
2032407	02/29/12	03190	VALCO INSTRUMENTS CO INC	90174636	01/19/12	HACH PARTS	4,357.01	4,357.01
2032408	02/29/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2420077	03/01/12	BI-WEEKLY DEFERRED COMP PLAN	12,633.93	12,633.93
2032409	02/29/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2420075	03/01/12	BI-WEEKLY 401A PLAN	7,335.57	7,335.57
2032410	02/29/12	12686	VANTAGEPOINT TRANSFER AGENTS	Ben2420087	03/01/12	401A TERMINAL PAY	58,444.46	58,444.46
<b>GRAND TOTAL</b>							<b>2,096,878.19</b>	<b>2,096,878.19</b>

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2032073	02/08/12	13481	3-D ENTERPRISES INC	2	12/27/11	HVAC IMPROVEMENTS (THRU 12/31/11)	20,626.89	20,626.89
2032074	02/08/12	01910	ABCANA INDUSTRIES	895134	01/19/12	SODIUM HYPOCHLORITE	3,743.81	
				894907	01/12/12	SODIUM HYPOCHLORITE	760.20	
				895060	01/17/12	SODIUM HYPOCHLORITE	752.35	
				895135	01/19/12	SODIUM HYPOCHLORITE	631.26	
				895274	01/23/12	SODIUM HYPOCHLORITE	485.50	
				895143	01/19/12	SODIUM HYPOCHLORITE	423.83	
				895277	01/23/12	SODIUM HYPOCHLORITE	254.52	7,051.47
2032228	02/22/12	01910	ABCANA INDUSTRIES	895837	02/08/12	SODIUM HYPOCHLORITE	3,511.70	
				895474	01/30/12	SODIUM HYPOCHLORITE	3,161.88	
				895476	01/30/12	SODIUM HYPOCHLORITE	949.69	
				895663	02/02/12	SODIUM HYPOCHLORITE	584.17	
				895750	02/06/12	SODIUM HYPOCHLORITE	551.65	
				895475	01/30/12	SODIUM HYPOCHLORITE	548.29	
				895477	01/30/12	SODIUM HYPOCHLORITE	491.10	
				895889	02/09/12	SODIUM HYPOCHLORITE	483.25	
				895748	02/06/12	SODIUM HYPOCHLORITE	478.76	
				895368	01/26/12	SODIUM HYPOCHLORITE	421.58	
				895664	02/02/12	SODIUM HYPOCHLORITE	238.83	11,420.90
2032075	02/08/12	08488	ABLEFORCE INC	3117	01/24/12	PROGRAMMING SERVICES (1/9/12-1/22/12)	7,905.00	7,905.00
2032229	02/22/12	08488	ABLEFORCE INC	3143	02/07/12	PROGRAMMING SERVICES (1/23/12-2/5/12)	6,205.00	6,205.00
2032076	02/08/12	00179	ACRO INSTRUMENT CO	12348	01/23/12	GAUGE CALIBRATION	210.00	210.00
2032230	02/22/12	00179	ACRO INSTRUMENT CO	12413	02/03/12	GAUGE CALIBRATION	140.00	140.00
2032231	02/22/12	11462	AEGIS ENGINEERING MGMT INC	1027	02/08/12	PLAN CHECKING (12/31/11-2/4/12)	13,114.91	
				1114	02/08/12	DEVELOPER PLANCHECKS (12/31/11-2/4/12)	11,727.48	24,842.39
2032023	02/01/12	11803	AEROTEK ENVIRONMENTAL	OE00785766	12/15/11	TEMPORARY EMPLOYMENT (11/28/11-12/2/11)	1,716.00	1,716.00
2032077	02/08/12	11803	AEROTEK ENVIRONMENTAL	OE00793977	01/19/12	TEMPORARY EMPLOYMENT (1/3/12-1/6/12)	1,372.80	
				OE00795561	01/26/12	TEMPORARY EMPLOYMENT (1/9/12-1/13/12)	1,372.80	
				OE00795562	01/26/12	TEMPORARY EMPLOYMENT (1/10/12-1/13/12)	1,320.00	
				OE00792507	01/12/12	TEMPORARY EMPLOYMENT (12/27/11-12/29/11)	1,029.60	
				OE00793978	01/19/12	TEMPORARY EMPLOYMENT (1/4/12-1/6/12)	969.38	6,064.58
2032232	02/22/12	11803	AEROTEK ENVIRONMENTAL	OE00798710	02/09/12	TEMPORARY EMPLOYMENT (1/23/12-1/27/12)	3,180.38	
				OE00797161A	02/02/12	TEMPORARY EMPLOYMENT (1/17/12-1/20/12)	2,572.80	5,753.18
2032319	02/29/12	13762	AIME SERNA	Ref002419983	02/27/12	UB Refund Cst #0000143041	20.72	20.72
2032233	02/22/12	07732	AIRGAS SPECIALTY PRODUCTS INC	131230404	02/02/12	AQUA AMMONIA	2,102.24	
				131230405	02/02/12	AQUA AMMONIA	1,582.00	3,684.24
2032078	02/08/12	02362	ALLIED WASTE SERVICES # 509	0509004658469	01/25/12	TRASH SERVICES (FEB 2012)	1,105.16	
				0509004659685	01/25/12	ASBESTOS CONTAINER (JAN 2012)	205.35	1,310.51

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2032320	02/29/12	02362	ALLIED WASTE SERVICES # 509	0509004660297	01/25/12	TRASH SERVICES TP (FEB 2012)	171.01	171.01
2032079	02/08/12	12911	ALTA LAND SURVEYING INC	11225513	01/12/12	SURVEY SERVICES (12/6/11-1/10/12)	3,890.00	3,890.00
2032155	02/15/12	13409	ALTISOURCE SOLUTIONS INC	Ref002419763	02/13/12	UB Refund Cst #0000184289	171.25	171.25
2032321	02/29/12	13787	AMERICAN HERITAGE PROPERTIES	Ref002420010	02/27/12	UB Refund Cst #0000184900	67.26	67.26
2032080	02/08/12	06166	AMERICAN MESSAGING	L1109570MB	02/01/12	PAGER SERVICES (JAN 2012)	171.08	171.08
2032156	02/15/12	13734	AMY BELTRAN	Ref002419755	02/13/12	UB Refund Cst #0000176050	84.98	84.98
2032157	02/15/12	13726	ANA SAGAZ	Ref002419747	02/13/12	UB Refund Cst #0000141163	6.12	6.12
2032024	02/01/12	03652	ANDERSON, DONALD	003455	01/26/12	COMPUTER LOAN	1,549.20	1,549.20
2032081	02/08/12	03652	ANDERSON, DONALD	003476	02/07/12	SAFETY BOOTS	137.00	137.00
2032322	02/29/12	00002	ANSWER INC	6295	02/22/12	ANSWERING SERVICES (MONTHLY)	1,000.00	1,000.00
2032082	02/08/12	08967	ANTHEM BLUE CROSS EAP	41026	01/25/12	EMPLOYEE ASSISTANCE (FEB 2012)	325.58	325.58
2032158	02/15/12	13723	ANTONIO JIMENEZ	Ref002419744	02/13/12	UB Refund Cst #0000072311	123.56	123.56
2032188	02/15/12	12175	APPLE INC	003483	02/08/12	COMPUTER LOAN	1,513.42	1,513.42
2032234	02/22/12	03492	AQUA-METRIC SALES COMPANY	0041626IN	02/03/12	SENSUS OMNI METERS	38,690.00	38,690.00
2032323	02/29/12	01509	ARC ERGONOMICS	34102	02/08/12	ROLLERWAVE 2	44.12	44.12
2032235	02/22/12	13171	ARCADIS US INC	0432664	02/08/12	WASTEWATER MGMT (12/26/11-1/22/12)	22,670.35	22,670.35
2032236	02/22/12	01555	ASSN OF CALIF WATER AGENCIES	003493	02/05/12	REGISTRATION FEES	300.00	300.00
2032025	02/01/12	05758	AT&T	082164572801251	01/31/12	INTERNET BANDWIDTH (1/25/12-2/24/12)	2,322.63	2,322.63
2032026	02/01/12	05758	AT&T	61942256050112	01/20/12	PHONE SERVICE (1/20/12-2/19/12)	56.13	
				33784130450112	01/07/12	PHONE SERVICE (1/7/12-2/6/12)	31.43	87.56
2032027	02/01/12	05758	AT&T	61969851400112	01/24/12	PHONE SERVICE (THRU 1/24/12)	32.52	32.52
2032028	02/01/12	07785	AT&T	000002929279	01/02/12	PHONE SERVICES (12/2/11-1/1/12)	6,019.93	
				000002931497	01/02/12	PHONE SERVICES (12/2/11-1/1/12)	15.30	6,035.23
2032237	02/22/12	07785	AT&T	000003005653	02/02/12	PHONE SERVICES (1/2/12-2/1/12)	5,695.81	
				000003007871	02/02/12	PHONE SERVICES (1/2/12-2/1/12)	15.52	5,711.33
2032324	02/29/12	05758	AT&T	33784130450212	02/07/12	PHONE SERVICE (2/7/12-3/6/12)	21.43	21.43
2032029	02/01/12	08330	AT&T INTERNET SERVICES	8547826250112	01/22/12	INTERNET BANDWIDTH (1/21/12-2/20/12)	1,560.00	1,560.00

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2032159	02/15/12	13747	AURORA LOAN SERVICES LLC	Ref002419769	02/13/12	UB Refund Cst #0000185766	21.62	21.62
2032325	02/29/12	13784	AVANTI	Ref002420007	02/27/12	UB Refund Cst #0000184558	77.17	77.17
2032083	02/08/12	08024	BACKGROUND PROFILES INC	3743	01/31/12	BACKGROUND CHECK	63.00	63.00
2032326	02/29/12	06834	BAUDVILLE INC	2349466	01/04/12	VISITOR BADGES	357.29	357.29
2032327	02/29/12	13757	BC DE INVERSION	Ref002419976	02/27/12	UB Refund Cst #0000043857	390.98	390.98
2032084	02/08/12	13715	BENT ON COOKING	003478	02/06/12	WELLNESS WORKSHOP	100.00	100.00
2032238	02/22/12	03584	BIOTECHNICAL SERVICES INC	1095769	02/01/12	LABORATORY MAINTENANCE	2,008.00	2,008.00
2032160	02/15/12	13721	BRADFORD WELLNITZ	Ref002419742	02/13/12	UB Refund Cst #0000050051	46.40	46.40
2032161	02/15/12	13724	BRIAN HALL	Ref002419745	02/13/12	UB Refund Cst #0000084801	13.30	13.30
2032085	02/08/12	03531	BROWN AND CALDWELL	19631	01/13/12	JOB ADVERTISEMENT	200.00	200.00
2032328	02/29/12	13322	BUSTAMANTE & ASSOCIATES LLC	060212	02/01/12	CONSULTANT SERVICES (FEB 2012)	3,500.00	3,500.00
2032086	02/08/12	00223	C W MCGRATH INC	41121 41074 41173 41156	01/19/12 01/12/12 01/26/12 01/25/12	CRUSHED ROCK CRUSHED ROCK CRUSHED ROCK CRUSHED ROCK	116.08 99.64 99.26 95.26	410.24
2032239	02/22/12	08966	CALIFORNIA BANK & TRUST	2A	02/07/12	RET / TC CONST LA PRESA (1/1/12-1/31/12)	15,115.48	15,115.48
2032087	02/08/12	02920	CALIFORNIA COMMERCIAL	112009	01/25/12	ASPHALT	1,153.01	1,153.01
2032030	02/01/12	01004	CALOLYMPIC SAFETY	095969	12/22/11	BATTERY & CAL-GAS	552.60	552.60
2032088	02/08/12	01004	CALOLYMPIC SAFETY	096600	01/12/12	BLOWER	758.56	758.56
2032329	02/29/12	13788	CANDI MARRUENDA	Ref002420011	02/27/12	UB Refund Cst #0000185418	53.44	53.44
2032031	02/01/12	13709	CANTERBURY HILLS HOA	003458	01/20/12	WATERSMART IRRIGATION UPGRADE	4,898.11	4,898.11
2032240	02/22/12	13755	CAPELLA	003494	02/17/12	WORK ORDER REFUND D0462-010088	3,134.11	3,134.11
2032241	02/22/12	04071	CAPITOL WEBWORKS LLC	24610	01/31/12	ELECTRONIC FILING FEE (JAN 2012)	45.00	45.00
2032330	02/29/12	13764	CARLITA ALFONSO	Ref002419985	02/27/12	UB Refund Cst #0000145761	212.39	212.39
2032162	02/15/12	13718	CARLOS REYES	Ref002419739	02/13/12	UB Refund Cst #0000007963	34.38	34.38
2032163	02/15/12	13730	CARLOS ROMERO	Ref002419751	02/13/12	UB Refund Cst #0000174214	25.86	25.86
2032242	02/22/12	02758	CARMEL BUSINESS SYSTEMS INC	7462	02/01/12	RECORDS MGMT SERVICES (JAN 2012)	294.15	

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				7461	02/01/12	RECORDS MGMT SERVICES	293.50	
				7460	02/01/12	RECORDS MGMT SERVICES	72.50	
				7459	02/01/12	SCANNING SERVICES (12/12/11 & 1/26/12)	66.27	726.42
2032331	02/29/12	02758	CARMEL BUSINESS SYSTEMS INC	7444	01/01/12	RECORDS SUPPORT	2,906.79	
				7426	12/01/11	RECORDS SUPPORT (NOV 2011)	670.45	
				7441	01/01/12	RECORDS SUPPORT	72.50	3,649.74
2032164	02/15/12	13748	CASS CONSTRUCTION INC	Ref002419770	02/13/12	UB Refund Cst #0000186217	2,012.75	2,012.75
2032243	02/22/12	09801	CENTERBEAM INC	30239797	02/09/12	TEMPORARY LABOR	16,441.50	16,441.50
2032165	02/15/12	13746	CENTRAL MORTGAGE CO	Ref002419768	02/13/12	UB Refund Cst #0000185179	12.90	12.90
2032332	02/29/12	13779	CENTURY 21 1ST CHOICE	Ref002420001	02/27/12	UB Refund Cst #0000183391	55.84	55.84
2032333	02/29/12	13352	CHARITY ARELLANO	Ref002419977	02/27/12	UB Refund Cst #0000066498	88.30	88.30
2032189	02/15/12	13752	CHRISTENSEN, MICHAEL	003486	02/13/11	IT HARDWARE	202.84	202.84
2032089	02/08/12	02026	CHULA VISTA ELEM SCHOOL DIST	AR039903	02/07/12	GARDEN TOURS	440.00	440.00
2032334	02/29/12	12632	CITRIX ONLINE LLC	1200325151	10/20/11	GOTOASSIST SVC FULL & FINAL PYMT	630.00	630.00
2032032	02/01/12	00446	CITY OF CHULA VISTA	003462	01/30/12	UTILITY PERMIT FOR INSP FEES	3,000.00	3,000.00
2032190	02/15/12	00446	CITY OF CHULA VISTA	003489	02/08/12	DEVELOPMENT PROJECT DEPOSIT	2,869.82	2,869.82
2032244	02/22/12	04985	CITY OF CHULA VISTA	003496	02/17/12	WORK ORDER REFUND D0028-090024	3,509.86	3,509.86
2032245	02/22/12	04119	CLARKSON LAB & SUPPLY INC	59812	01/31/12	BACTERIOLOGICAL SVCS (1/5/12-16/12)	498.00	
				59813	01/31/12	BACTERIOLOGICAL SVCS (1/9/12)	125.00	623.00
2032246	02/22/12	11520	CLINICAL LABORATORY OF	918438	12/09/11	OUTSIDE LAB SERVICES (11/2/11-11/30/11)	412.00	
				919547	02/09/12	OUTSIDE LAB SERVICES (1/5/12-1/11/12)	342.00	754.00
2032335	02/29/12	11696	COFFIN, SHANNON	003511	02/23/12	SAFETY BOOTS	127.22	127.22
2032247	02/22/12	08160	COMPLETE OFFICE	13579930	01/31/12	TONER CARTRIDGE	178.84	
				13574180	01/30/12	OFFICE SUPPLIES	162.68	
				13581640	01/31/12	REGISTER RIBBON	22.21	363.73
2032033	02/01/12	13651	CORINA MITCHELL	Ref002419487	01/30/12	UB Refund Cst #0000169134	80.96	80.96
2032248	02/22/12	12334	CORODATA MEDIA STORAGE INC	DS1248212	01/31/12	BACKUP TAPE STORAGE (JAN 2012)	313.48	313.48
2032090	02/08/12	06409	CORTEZ-CLEMENTE, GRACE	003470	02/01/12	COMPUTER LOAN	2,405.42	2,405.42
2032091	02/08/12	02060	COSS, GREGORY	003475	02/07/12	SAFETY BOOTS	107.64	107.64
2032336	02/29/12	02612	COUNCIL OF WATER UTILITIES	003506	02/27/12	MEETING REGISTRATION	25.00	25.00

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2032092	02/08/12	00184	COUNTY OF SAN DIEGO	DEH120274D11 DEH120262D11	01/31/12 01/20/12	SHUT DOWN TEST (12/6/11) SHUT DOWN TEST (12/29/11)	1,136.00 781.00	1,917.00
2032191	02/15/12	00099	COUNTY OF SAN DIEGO - DPW	150768	12/31/11	EXCAVATION PERMITS	3,285.79	3,285.79
2032249	02/22/12	00099	COUNTY OF SAN DIEGO - DPW	151700	01/31/12	EXCAVATION PERMITS	1,810.62	1,810.62
2032250	02/22/12	11286	CPM PARTNERS INC	12012	01/31/12	SCHEDULING SERVICES (1/1/12-1/31/12)	3,150.00	3,150.00
2032166	02/15/12	13728	DAVID BRANDLAND	Ref002419749	02/13/12	UB Refund Cst #0000168396	63.80	63.80
2032167	02/15/12	13739	DAVID DETIEGE	Ref002419760	02/13/12	UB Refund Cst #0000183423	41.05	41.05
2032251	02/22/12	07680	DELTA HEALTH SYSTEMS	IVC05489	01/31/12	CLAIM SERVICES	1,029.50	1,029.50
2032034	02/01/12	00319	DEPARTMENT OF PUBLIC HEALTH	67390112 209230112	01/26/12 01/26/12	CERTIFICATE RENEWAL CERTIFICATE RENEWAL	90.00 70.00	160.00
2032192	02/15/12	00319	DEPARTMENT OF PUBLIC HEALTH	1191083	01/30/12	RECYCLED WATER FEES #3790034	7,950.60	7,950.60
2032168	02/15/12	13736	DHI INC	Ref002419757	02/13/12	UB Refund Cst #0000182919	1,766.95	1,766.95
2032337	02/29/12	05959	DIAMOND ENVIRONMENTAL SERVICES	22901120	02/09/12	PUMPING TRUCK	10,620.00	10,620.00
2032338	02/29/12	13758	DIANE HARMONY BROWN	Ref002419978	02/27/12	UB Refund Cst #0000074038	30.35	30.35
2032252	02/22/12	01335	DICKSON COMPANY	856421	01/27/12	DATA LOGGERS	1,038.00	1,038.00
2032035	02/01/12	03417	DIRECTV	16937748258	01/19/12	SATELLITE TV (ANNUAL & MONTHLY)	509.88	509.88
2032193	02/15/12	03417	DIRECTV	17055525685	02/05/12	SATELLITE TV (2/4/12-3/3/12)	533.88	533.88
2032339	02/29/12	03417	DIRECTV	17159423498	02/19/12	SATELLITE TV (2/18/12-3/17/12)	6.00	6.00
2032093	02/08/12	13714	EAST COUNTY CALIFORNIAN, THE	00004035	01/19/12	NOTICE OF INTENT	434.00	434.00
2032094	02/08/12	02447	EDCO DISPOSAL CORPORATION	1554580112	01/31/12	RECYCLING SERVICES (JAN 2012)	90.00	90.00
2032169	02/15/12	13720	EDUARDO MARQUEZ	Ref002419741	02/13/12	UB Refund Cst #0000027413	221.94	221.94
2032253	02/22/12	08023	EMPLOYEE BENEFIT SPECIALISTS	0055552IN	01/31/12	EMPLOYEE BENEFITS (JAN 2012)	642.50	642.50
2032095	02/08/12	00331	EMPLOYMENT DEVELOPMENT DEPT	925023840112	02/06/12	UNEMPLOYMENT INS (10/1/11-12/31/11)	11,220.66	11,220.66
2032096	02/08/12	03227	ENVIROMATRIX ANALYTICAL INC	2010651	01/23/12	LABORATORY SERVICES (1/7/12-1/14/12)	515.00	515.00
2032340	02/29/12	02259	ENVIRONMENTAL RESOURCE	640833	02/06/12	LABORATORY CERTIFICATION	1,328.32	1,328.32
2032254	02/22/12	02639	EW TRUCK & EQUIPMENT	CM284473 284473	01/30/12	CREDIT MEMO REPAIR PARTS	(1,915.13) 4,225.79	2,310.66

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2032255	02/22/12	03757	FANDEL ENTERPRISES INC	1485	02/03/12	CONSULTING SERVICES (JAN 2012)	4,200.00	4,200.00
2032256	02/22/12	04986	FARR, STEVEN	003492	02/14/12	SAFETY BOOTS	145.44	145.44
2032257	02/22/12	00645	FEDEX	778720805	02/10/12	MAIL SERVICES	5.74	5.74
2032097	02/08/12	03546	FERGUSON WATERWORKS # 1083	0395982 0397329 0397845 0390848 0397611	01/13/12 01/17/12 01/20/12 01/16/12 01/20/12	INVENTORY INVENTORY INVENTORY WWTP WASTE PIPING INVENTORY	4,900.47 3,055.79 2,800.64 839.95 423.46	12,020.31
2032194	02/15/12	03546	FERGUSON WATERWORKS # 1083	0393785	11/30/11	INVENTORY	4,259.14	4,259.14
2032258	02/22/12	03546	FERGUSON WATERWORKS # 1083	0398610 0397990 0398199 0398705 0397608 0399489 0399013 0398491	02/03/12 01/26/12 02/09/12 02/01/12 01/26/12 02/09/12 02/03/12 01/26/12	INVENTORY INVENTORY CLAVALVE CONTROL INVENTORY INVENTORY METER PARTS INVENTORY CAM-LOCKS	2,624.27 2,392.05 1,939.50 1,276.62 550.61 369.97 319.16 147.62	9,619.80
2032341	02/29/12	03546	FERGUSON WATERWORKS # 1083	03991281 0399128	02/07/12 02/03/12	VIC FITTINGS VIC FITTINGS	891.10 151.93	1,043.03
2032098	02/08/12	08769	FILINGSUPPLIES.COM	31C70881	01/23/12	PRESSBOARD FOLDERS	66.46	66.46
2032170	02/15/12	13725	FIORELLA INVESTMENTS LLC	Ref002419746	02/13/12	UB Refund Cst #0000086617	8.95	8.95
2032259	02/22/12	12187	FIRST AMERICAN DATA TREE LLC	90034012	01/31/12	ONLINE DOCUMENTS (JAN 2012)	99.00	99.00
2032099	02/08/12	04066	FIRST CHOICE SERVICES - SD	164455	01/24/12	COFFEE SUPPLIES	276.89	276.89
2032260	02/22/12	04066	FIRST CHOICE SERVICES - SD	166968	02/07/12	COFFEE SUPPLIES	410.01	410.01
2032261	02/22/12	00035	FISHER SCIENTIFIC	8089749	02/03/12	LABORATORY SUPPLIES	614.47	614.47
2032342	02/29/12	00035	FISHER SCIENTIFIC	1371691	02/07/12	LABORATORY SUPPLIES	314.26	314.26
2032262	02/22/12	02591	FITNESS TECH	7700	02/01/12	EQUIPMENT MAINTENANCE (FEB 2012)	135.00	135.00
2032100	02/08/12	11962	FLEETWASH INC	3786847	01/13/12	VEHICLE WASH	120.45	120.45
2032263	02/22/12	11962	FLEETWASH INC	3802132 3793086	02/03/12 01/27/12	VEHICLE WASH VEHICLE WASH	166.44 120.45	286.89
2032036	02/01/12	01612	FRANCHISE TAX BOARD	Ben2419537	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032037	02/01/12	02344	FRANCHISE TAX BOARD	Ben2419547	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56

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2032195	02/15/12	01612	FRANCHISE TAX BOARD	Ben2419829	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032196	02/15/12	02344	FRANCHISE TAX BOARD	Ben2419839	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2032343	02/29/12	01612	FRANCHISE TAX BOARD	Ben2420089	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	265.00	265.00
2032344	02/29/12	02344	FRANCHISE TAX BOARD	Ben2420099	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2032264	02/22/12	13563	FRIENDS OF THE WATER	110	02/01/12	GARDEN TOURS (JAN 2012)	1,860.00	1,860.00
2032101	02/08/12	03094	FULLCOURT PRESS	23477	01/19/12	NEWSLETTER PRINTING	3,998.83	3,998.83
2032171	02/15/12	13741	GEORGE SHAMON	Ref002419762	02/13/12	UB Refund Cst #0000184192	33.07	33.07
2032102	02/08/12	00101	GRAINGER INC	9740428744		CREDIT MEMO	(25.82)	
				9737565946	01/24/12	TRUCK TOOLS	902.92	
				9733028014	01/18/12	WAREHOUSE SUPPLIES	876.30	
				9731206851	01/17/12	WAREHOUSE SUPPLIES	245.43	1,998.83
2032265	02/22/12	00101	GRAINGER INC	9739571033	01/26/12	WIRE	1,349.80	
				9751120081	02/09/12	MULTI-CONDUCTOR	475.35	
				9744234783	02/01/12	ELECTRICAL MATERIAL	390.52	
				9740428736	01/27/12	STAINLESS FASTENERS	313.88	
				9743023856	01/31/12	MARKING PAINT	212.05	
				9750212020	02/08/12	LADDER STABILIZER	94.76	2,836.36
2032345	02/29/12	00101	GRAINGER INC	9733093406	01/18/12	WAREHOUSE SUPPLIES	27.31	
				9740605184	01/27/12	STAINLESS FASTENERS	23.64	50.95
2032103	02/08/12	03289	GRANGER, WILLIAM E	15710112	02/01/12	TRAVEL EXPENSES	105.22	105.22
2032266	02/22/12	12907	GREENRIDGE LANDSCAPE INC	8638	01/31/12	LANDSCAPING SERVICES (JAN 2012)	8,650.00	8,650.00
2032346	02/29/12	13765	GUILLEN JUAN B TRUST 12-01-05	Ref002419986	02/27/12	UB Refund Cst #0000156015	16.01	16.01
2032104	02/08/12	00174	HACH COMPANY	7587617	01/19/12	LABORATORY SUPPLIES	1,099.59	
				7593351	01/24/12	HACH PARTS	1,044.10	
				7595398	01/25/12	HACH PARTS	675.60	
				7581866	01/16/12	LABORATORY SUPPLIES	385.84	3,205.13
2032197	02/15/12	00174	HACH COMPANY	7587616	01/19/12	HACH PARTS	3,057.10	3,057.10
2032267	02/22/12	00174	HACH COMPANY	7603030	01/31/12	LABORATORY SUPPLIES	1,053.76	
				7599357	01/27/12	HACH PARTS	22.95	1,076.71
2032347	02/29/12	00174	HACH COMPANY	7617454	02/09/12	REPAIR ROTARY VALVE	1,629.18	
				7617456	02/09/12	REPAIR CLOROMETER	800.37	
				7597865	01/26/12	HACH MODULE	594.57	3,024.12
2032268	02/22/12	02629	HANSON AGGREGATES INC	1240507	02/01/12	CRUSHED AGGREGATES	127.88	

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				1238788	01/26/12	CRUSHED AGGREGATES	126.58	
				1239548	01/30/12	CRUSHED AGGREGATES	121.90	376.36
2032269	02/22/12	02350	HARPER & ASSOCIATES	ENG4426	02/01/12	DIVE INSPECTION	3,150.00	3,150.00
2032105	02/08/12	00201	HARRINGTON INDL PLASTICS LLC	004C1688	01/26/12	BALL VALVES FOR SPRAYERS	510.99	510.99
2032270	02/22/12	00201	HARRINGTON INDL PLASTICS LLC	004C1861	01/31/12	PUMP & FILTERS	2,900.59	
				004C2147	02/10/12	FILTERS	49.41	2,950.00
2032271	02/22/12	02795	HARTFORD INSURANCE CO, THE	Ben2419815	02/16/12	MONTHLY CONTRIBUTION TO LTD	5,081.35	5,081.35
2032106	02/08/12	06640	HD SUPPLY WATERWORKS LTD	4239546	01/16/12	20" VICTAULIC PIPE	565.69	565.69
2032272	02/22/12	06640	HD SUPPLY WATERWORKS LTD	4275404	02/02/12	GASKETS	875.36	875.36
2032348	02/29/12	04472	HECTOR I MARES-COSSIO	83	02/23/12	CONSULTANT SERVICES (JAN 2012)	3,600.00	3,600.00
2032349	02/29/12	00062	HELIX WATER DISTRICT	174639860212	02/09/12	WATER BILL / RUSSELL SQ	42.84	
				178540010212	02/09/12	WATER BILL / AVOCADO BLVD	40.10	82.94
2032350	02/29/12	13767	HIROYUKI KOASHI	Ref002419988	02/27/12	UB Refund Cst #0000169389	40.74	40.74
2032107	02/08/12	06843	HI-TECH AIR CONDITIONING	24891	01/18/12	AC MAINTENANCE	650.00	
				26075	01/18/12	AC MAINTENANCE	465.88	1,115.88
2032198	02/15/12	06843	HI-TECH AIR CONDITIONING	24896	01/18/12	AC MAINTENANCE	650.00	650.00
2032273	02/22/12	06843	HI-TECH AIR CONDITIONING	26105	01/27/12	AC COMPRESSOR	3,435.00	
				26137	01/27/12	AC MAINTENANCE	465.13	3,900.13
2032108	02/08/12	06540	HORIZON CRANE SERVICE LLC	6060	12/21/11	CRANE RENTAL	580.00	580.00
2032351	02/29/12	06540	HORIZON CRANE SERVICE LLC	6100	01/24/12	CRANE RENTAL	870.00	
				6059	12/16/11	CRANE RENTAL	580.00	1,450.00
2032274	02/22/12	01649	IDEXX DISTRIBUTION INC	257045102	01/31/12	LABORATORY SUPPLIES	330.19	
				257045103	01/31/12	LABORATORY SUPPLIES	13.56	343.75
2032109	02/08/12	08969	INFOSEND INC	56162	01/20/12	POSTAGE (1/4/12-1/19/12)	6,613.20	
				56161	01/20/12	BILL PRINTING SERVICES (1/4/12-1/19/12)	2,671.93	9,285.13
2032275	02/22/12	08969	INFOSEND INC	56600	02/02/12	BILL PRINTING SERVICES (JAN 2012)	4,606.60	
				56521	01/31/12	BILL PRINTING SERVICES (1/23/12-1/31/12)	3,284.76	7,891.36
2032352	02/29/12	08969	INFOSEND INC	56522	01/31/12	POSTAGE	8,032.21	8,032.21
2032110	02/08/12	13299	INLAND POTABLE SERVICES INC	A54010612	01/07/12	DIVING SVCS	3,095.00	3,095.00
2032038	02/01/12	13704	INMOBILIARIA AGAVACEAE LLC	Ref002419496	01/30/12	UB Refund Cst #0000184982	17.38	17.38

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2032276	02/22/12	13756	INNOVATIVE OIL & GAS DEV & TRD	003495	02/17/12	WORK ORDER REFUND D0637-010314	3,165.27	3,165.27
2032277	02/22/12	02372	INTERIOR PLANT SERVICE INC	40731	01/31/12	PLANT SERVICES (JAN 2012)	186.00	186.00
2032199	02/15/12	13750	INTERNATIONAL INDUSTRIAL	003487	02/14/12	CUSTOMER REFUND	2,046.00	2,046.00
2032111	02/08/12	03368	INVENSYS SYSTEMS INC	92758355	01/16/12	FOXBORO TRANSMITTERS	2,942.10	2,942.10
2032353	02/29/12	13770	JANET SHANNER	Ref002419991	02/27/12	UB Refund Cst #0000174612	35.60	35.60
2032112	02/08/12	13708	JANET SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032354	02/29/12	13708	JANET SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032278	02/22/12	03077	JANI-KING OF CALIFORNIA INC	SDO01120185	01/01/12	JANITORIAL SERVICES (JAN 2012)	1,101.10	1,101.10
2032172	02/15/12	13740	JERRY COCHRUM	Ref002419761	02/13/12	UB Refund Cst #0000183644	182.22	182.22
2032113	02/08/12	01010	JOBS AVAILABLE INC	1202022	01/17/12	JOB POSTING	507.50	507.50
2032355	02/29/12	13791	JOHN MCKENZIE	Ref002420014	02/27/12	UB Refund Cst #0000185513	39.87	39.87
2032200	02/15/12	03172	JONES & STOKES ASSOCIATES INC	0084545	01/25/12	ENVIRONMENTAL SVCS (11/26/11-12/31/11)	24,060.24	
				0084549	01/25/12	SAN MIGUEL HABITAT (11/26/11-12/31/11)	22,596.46	
				0084548	01/25/12	ENVIRONMENTAL SVCS (11/26/11-12/31/11)	1,919.00	
				0084546	01/25/12	ENVIRONMENTAL SVCS (11/26/11-12/31/11)	280.00	
				0084547	01/25/12	ENVIRONMENTAL SVCS (11/26/11-12/31/11)	170.00	49,025.70
2032356	02/29/12	13771	JOSE PATRON	Ref002419992	02/27/12	UB Refund Cst #0000175947	15.77	15.77
2032279	02/22/12	02449	JOSEPH G POLLARD CO INC	1318246IN	02/03/12	DE-CHLOR TABLETS	1,721.00	
				1318716IN	02/10/12	UNIT TOOLS	229.48	1,950.48
2032357	02/29/12	13759	JOY DESAHAGUN	Ref002419980	02/27/12	UB Refund Cst #0000094381	41.06	41.06
2032358	02/29/12	13781	JUAN CONTRERAS	Ref002420003	02/27/12	UB Refund Cst #0000183697	75.00	75.00
2032359	02/29/12	13763	JUAN VASQUEZ	Ref002419984	02/27/12	UB Refund Cst #0000143401	45.35	45.35
2032360	02/29/12	13769	JUDY CHRISPENS	Ref002419990	02/27/12	UB Refund Cst #0000174478	14.08	14.08
2032039	02/01/12	13696	JULIO ORTIZ	Ref002419488	01/30/12	UB Refund Cst #0000172046	146.08	146.08
2032173	02/15/12	13732	JULIO SALAZAR	Ref002419753	02/13/12	UB Refund Cst #0000175188	10.32	10.32
2032174	02/15/12	13731	KENNA FRAIDENBURG	Ref002419752	02/13/12	UB Refund Cst #0000174791	60.67	60.67
2032114	02/08/12	05840	KIRK PAVING INC	5014	01/24/12	PAVING SERVICES	8,198.35	
				5007	01/13/12	PAVING SERVICES	4,093.50	12,291.85
2032280	02/22/12	04996	KNOX ATTORNEY SERVICE INC	667175	01/31/12	DELIVERY SERVICES (12/29/11-1/23/12)	272.25	272.25

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2032040	02/01/12	13699	KYLE BRANDON	Ref002419491	01/30/12	UB Refund Cst #0000177622	31.50	31.50
2032115	02/08/12	01859	LA PRENSA SAN DIEGO	23643 23636	01/24/12 01/17/12	NOTICE OF INTENT JOB POSTING	1,368.00 42.00	1,410.00
2032201	02/15/12	01859	LA PRENSA SAN DIEGO	23642	01/24/12	JOB POSTING	48.00	48.00
2032116	02/08/12	06497	LAKESIDE LAND COMPANY	258664 258164	01/12/12 12/28/11	LANDFILL LANDFILL	233.00 34.45	267.45
2032281	02/22/12	06497	LAKESIDE LAND COMPANY	259347	02/01/12	LANDFILL	296.00	296.00
2032117	02/08/12	03607	LEE & RO INC	LR14643	01/09/12	DESIGN SERVICES (11/26/11-12/31/11)	16,589.34	16,589.34
2032361	02/29/12	03607	LEE & RO INC	LR14651	01/11/12	INTERCONNECTION (12/1/11-12/31/11)	43,995.69	43,995.69
2032041	02/01/12	13693	LINDA FARKAS	Ref002419484	01/30/12	UB Refund Cst #0000026401	37.75	37.75
2032175	02/15/12	13744	LINDA LEVIN	Ref002419766	02/13/12	UB Refund Cst #0000184994	28.00	28.00
2032118	02/08/12	07294	LLERENAS, JESUS	003477	02/07/12	SAFETY BOOTS	150.00	150.00
2032282	02/22/12	05220	LOGICALIS INTEGRATION SOLUTION	S237577	01/31/12	SUPPORT SERVICES (1/4/12)	175.00	175.00
2032119	02/08/12	13713	LOGO EXPERTS	8661	01/30/12	RECOGNITION SHIRTS	3,666.30	3,666.30
2032120	02/08/12	03019	LOPEZ, JOSE	70100112	02/06/12	MILEAGE REIMBURSEMENT	31.08	31.08
2032283	02/22/12	03019	LOPEZ, JOSE	70101211	02/16/12	MILEAGE REIMBURSEMENT (DEC 2011)	14.43	14.43
2032042	02/01/12	13697	LORAIN WALLACE	Ref002419489	01/30/12	UB Refund Cst #0000173579	75.00	75.00
2032176	02/15/12	13729	LUAY MAMOU	Ref002419750	02/13/12	UB Refund Cst #0000168966	8.79	8.79
2032362	02/29/12	13761	LYNN POTTER	Ref002419982	02/27/12	UB Refund Cst #0000142820	384.92	384.92
2032043	02/01/12	13695	MANUEL CAMACHO	Ref002419486	01/30/12	UB Refund Cst #0000141375	14.09	14.09
2032363	02/29/12	13760	MARIA BARRON	Ref002419981	02/27/12	UB Refund Cst #0000125418	13.60	13.60
2032364	02/29/12	02902	MARSTON+MARSTON INC	201222	02/01/12	CONSULTING SERVICES (JAN 2012)	472.50	472.50
2032365	02/29/12	12487	MARY BEALE	Ref002419979	02/27/12	UB Refund Cst #0000089509	150.00	150.00
2032121	02/08/12	05329	MASTER METER INC	0196100IN	01/24/12	INVENTORY	169,343.89	169,343.89
2032284	02/22/12	05329	MASTER METER INC	0196767IN	02/06/12	INVENTORY	14,119.56	14,119.56
2032366	02/29/12	13778	MATER DEI CATHOLIC HIGH SCHOOL	Ref002420000	02/27/12	UB Refund Cst #0000183380	2,945.16	2,945.16

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2032202	02/15/12	02882	MAYER REPROGRAPHICS INC	0069414IN 0069516IN	01/10/12 01/12/12	REPROGRAPHIC SERVICES REPROGRAPHIC SERVICIES	2,153.19 950.08	3,103.27
2032285	02/22/12	02882	MAYER REPROGRAPHICS INC	0069995IN 0069993IN 0069998IN	02/03/12 02/03/12 02/03/12	REPROGRAPHIC SERVICES REPROGRAPHIC SERVICES REPROGRAPHIC SERVICES	1,281.56 120.46 61.96	1,463.98
2032367	02/29/12	13783	MAZIN MICHAELS	Ref002420006	02/27/12	UB Refund Cst #0000184365	26.40	26.40
2032122	02/08/12	01183	MCMASTER-CARR SUPPLY CO	15638783 15262259 15672946 15151191 15123174	01/18/12 01/13/12 01/18/12 01/12/12 01/12/12	SPRING NUTS HARDWARE GENERAL PARTS MAINTENANCE SUPPLIES MAINTENANCE SUPPLIES	394.11 331.66 314.59 154.48 44.04	1,238.88
2032286	02/22/12	01183	MCMASTER-CARR SUPPLY CO	17297353 16384234	02/06/12 01/26/12	BOLTS AND PARTS CAM-LOCK	517.19 299.66	816.85
2032368	02/29/12	13772	MEMO CARDONA	Ref002419994	02/27/12	UB Refund Cst #0000177314	75.00	75.00
2032287	02/22/12	01824	MERKEL & ASSOCIATES INC	12020205	02/02/12	ENVIRONMENTAL SVCS (12/20/11-1/31/12)	9,543.07	9,543.07
2032177	02/15/12	13733	MILLENIA REAL ESTATE SERVICE	Ref002419754	02/13/12	UB Refund Cst #0000175419	7.74	7.74
2032044	02/01/12	13703	MITCHELL GOTTLIEB	Ref002419495	01/30/12	UB Refund Cst #0000184003	40.40	40.40
2032369	02/29/12	13790	MORNING TRAIN INVESTMENTS LLC	Ref002420013	02/27/12	UB Refund Cst #0000185476	37.61	37.61
2032203	02/15/12	12016	MTGL INC	35087	01/13/12	GEOTECHNICAL SERVICES (12/1/11-12/31/11)	800.00	800.00
2032204	02/15/12	03623	MWH AMERICAS INC	1442534	01/23/12	RWCWRF UPGRADE (10/29/11-12/30/11)	6,385.41	6,385.41
2032370	02/29/12	13507	MYRNA NUNEZ	Ref002419993	02/27/12	UB Refund Cst #0000176818	94.62	94.62
2032123	02/08/12	12908	NARASIMHAN CONSULTING SERVICES	03906	12/21/11	HYDRAULIC SRVCS (10/23/11-11/18/11)	5,671.75	5,671.75
2032045	02/01/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2419531	02/02/12	BI-WEEKLY DEFERRED COMP PLAN	13,980.82	13,980.82
2032205	02/15/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2419823	02/16/12	BI-WEEKLY DEFERRED COMP PLAN	13,393.91	13,393.91
2032371	02/29/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2420081	03/01/12	BI-WEEKLY DEFERRED COMP PLAN	13,393.91	13,393.91
2032124	02/08/12	00459	NATIONAL NOTARY ASSOCIATION	159675750112 150884160112	01/31/12 01/31/12	MEMBERSHIP RENEWAL MEMBERSHIP RENEWAL	89.00 89.00	178.00
2032206	02/15/12	09884	NATIONAL SAFETY COMPLIANCE INC	51697	11/30/11	RANDOM DRUG TESTING	340.69	340.69
2032288	02/22/12	09884	NATIONAL SAFETY COMPLIANCE INC	52428	01/31/12	ANNUAL ADMIN FEE	150.00	150.00
2032178	02/15/12	13735	NEW VISTA REALTY	Ref002419756	02/13/12	UB Refund Cst #0000177591	56.79	56.79

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2032125	02/08/12	00745	NEWARK	21643150	01/20/12	IDEC RELAY	235.80	235.80
2032046	02/01/12	13707	NILDA R ZIETLOW	003454	01/25/12	CUSTOMER REFUND	58.38	58.38
2032372	02/29/12	13774	NOEL ILETO	Ref002419996	02/27/12	UB Refund Cst #0000177573	89.20	89.20
2032207	02/15/12	08656	NORTH STATE ENVIRONMENTAL	202854 202821	01/04/12 12/27/11	WASTE DISPOSAL WASTE DISPOSAL	1,876.88 1,049.59	2,926.47
2032289	02/22/12	08656	NORTH STATE ENVIRONMENTAL	202891	01/26/12	WASTE DISPOSAL	1,600.00	1,600.00
2032126	02/08/12	03215	O'DONNELL, MICHAEL	003473	01/29/12	SAFETY BOOTS	150.00	150.00
2032127	02/08/12	00510	OFFICE DEPOT INC	594140249001 594508701001 594140962001	01/16/12 01/18/12 01/18/12	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	327.75 65.94 60.33	454.02
2032290	02/22/12	00510	OFFICE DEPOT INC	597769783001	02/10/12	OFFICE SUPPLIES	8.88	8.88
2032128	02/08/12	03149	ON SITE LASER LLC	46381	01/20/12	PRINTER SERVICES	311.44	311.44
2032129	02/08/12	02334	OTAY LANDFILL	011824	01/15/12	WASTE DISPOSAL	100.91	100.91
2032047	02/01/12	03101	OTAY WATER DISTRICT	Ben2419533	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032208	02/15/12	03101	OTAY WATER DISTRICT	Ben2419825	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032373	02/29/12	03101	OTAY WATER DISTRICT	Ben2420083	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2032130	02/08/12	01002	PACIFIC PIPELINE SUPPLY	151247	01/19/12	INVENTORY	3,391.97	3,391.97
2032291	02/22/12	01002	PACIFIC PIPELINE SUPPLY	151792 151462 151793 151649	01/31/12 01/31/12 01/31/12 02/06/12	INVENTORY INVENTORY INVENTORY INVENTORY	3,717.38 2,684.59 2,505.19 290.06	9,197.22
2032292	02/22/12	03017	PACIFIC SAFETY COUNCIL	68853	01/31/12	RESPIRATOR TESTING	845.00	845.00
2032179	02/15/12	13719	PAMELA GRAHAM	Ref002419740	02/13/12	UB Refund Cst #0000016981	93.49	93.49
2032293	02/22/12	07737	PARADISE CANYON SYSTEMS INC	012012916	01/01/12	XTENDER SOFTWARE RENEWAL (ANNUAL)	1,620.00	1,620.00
2032294	02/22/12	05497	PAYPAL INC	15477645	01/31/12	PHONE PAYMENT SERVICES (JAN 2012)	54.10	54.10
2032131	02/08/12	00227	PELL MELL SUPPLY	60289	01/17/12	NUTS & BOLTS	2,311.24	2,311.24
2032132	02/08/12	03790	PENHALL COMPANY	29921 29859	01/23/12 01/13/12	SAW CUTTING SERVICES SAW CUTTING SERVICES	375.00 288.75	663.75
2032295	02/22/12	03790	PENHALL COMPANY	29970	01/30/12	SAW CUTTING SERVICES	397.50	397.50

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2032048	02/01/12	13706	PERLITO TORRES	003459	01/30/12	CUSTOMER REFUND	802.83	802.83
2032209	02/15/12	00137	PETTY CASH CUSTODIAN	003484	02/13/12	PETTY CASH	900.95	900.95
2032374	02/29/12	13122	PINNACLE BUSINESS SOLUTIONS	33674	11/17/11	MONITOR	1,364.16	1,364.16
2032210	02/15/12	00053	PITNEY BOWES INC	2001160890	01/26/12	PSD RENTAL (2/1/12-1/30/13)	370.98	370.98
2032211	02/15/12	06419	PLANT SOUP INC	003482	02/09/12	SPEAKER'S HONORARIUM	300.00	300.00
2032296	02/22/12	13059	PRIORITY BUILDING SERVICES	28983	01/03/12	JANITORIAL SERVICES (JAN 2012)	3,504.00	3,504.00
2032297	02/22/12	12135	PROPULSION CONTROLS	45903A	01/25/12	MOTOR REMANUFACTURE	88,155.08	88,155.08
2032133	02/08/12	07860	PROTECTIVE LIFE INSURANCE CO	PL08388120212	01/30/12	LIFE INSURANCE PREMIUM (ANNUAL)	1,218.88	1,218.88
2032375	02/29/12	13776	PRUDENTIAL CA REALTY	Ref002419998	02/27/12	UB Refund Cst #0000183316	43.80	43.80
2032134	02/08/12	06641	PRUDENTIAL OVERALL SUPPLY	30235368	01/19/12	UNIFORMS, TOWELS & MATS	172.67	
				30233911	01/12/12	UNIFORMS, TOWELS & MATS	161.66	
				30235370	01/19/12	UNIFORMS, TOWELS & MATS	148.60	
				30234766	01/17/12	UNIFORMS, TOWELS & MATS	112.16	
				30236233	01/24/12	UNIFORMS, TOWELS & MATS	112.16	
				30235371	01/19/12	UNIFORMS, TOWELS & MATS	66.15	
				30236232	01/24/12	UNIFORMS, TOWELS & MATS	54.20	
				30233912	01/12/12	UNIFORMS, TOWELS & MATS	53.21	
				30235369	01/19/12	UNIFORMS, TOWELS & MATS	340.70	
				30233910	01/12/12	UNIFORMS, TOWELS & MATS	331.97	
				30233909	01/12/12	UNIFORMS, TOWELS & MATS	197.34	1,750.82
2032298	02/22/12	06641	PRUDENTIAL OVERALL SUPPLY	30236847	01/26/12	UNIFORMS, TOWELS & MATS	370.85	
				30239795	02/09/12	UNIFORMS, TOWELS & MATS	356.52	
				30238317	02/02/12	UNIFORMS, TOWELS & MATS	326.85	
				30238316	02/02/12	UNIFORMS, TOWELS & MATS	197.34	
				30239794	02/09/12	UNIFORMS, TOWELS & MATS	197.34	
				30236846	01/26/12	UNIFORMS, TOWELS & MATS	172.67	
				30239796	02/09/12	UNIFORMS, TOWELS & MATS	164.69	
				30238318	02/02/12	UNIFORMS, TOWELS & MATS	161.66	
				30236848	01/26/12	UNIFORMS, TOWELS & MATS	148.60	
				30237713	01/31/12	UNIFORMS, TOWELS & MATS	112.16	
				30239174	02/07/12	UNIFORMS, TOWELS & MATS	112.16	
				30239797	02/09/12	UNIFORMS, TOWELS & MATS	59.39	
				30239173	02/07/12	UNIFORMS, TOWELS & MATS	58.20	
				30238319	02/02/12	UNIFORMS, TOWELS & MATS	55.46	
				30237712	01/31/12	UNIFORMS, TOWELS & MATS	54.20	
				30236849	01/26/12	UNIFORMS, TOWELS & MATS	53.35	2,601.44
2032135	02/08/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2419529	02/02/12	BI-WEEKLY PERS CONTRIBUTION	149,672.24	149,672.24
2032299	02/22/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2419821	02/16/12	BI-WEEKLY PERS CONTRIBUTION	149,068.78	149,068.78

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2032136	02/08/12	13252	PUNTES LATINOS	003448	01/22/12	GENERAL CONSULTING (JAN 2012)	4,000.00	4,000.00
2032376	02/29/12	13252	PUNTES LATINOS	003505 003504	02/22/12 02/22/12	GENERAL CONSULTING (1/25/12-2/22/12) GENERAL CONSULTING	4,000.00 448.60	4,448.60
2032137	02/08/12	01342	R J SAFETY SUPPLY CO INC	29637101 29637102	01/18/12 01/25/12	SAFETY SUPPLIES SAFETY SUPPLIES	380.15 56.03	436.18
2032180	02/15/12	13727	RACHAEL RANGEL	Ref002419748	02/13/12	UB Refund Cst #0000160374	8.57	8.57
2032049	02/01/12	13708	REBECCA SMITH	003453	01/31/12	CUSTOMER REFUND	259.75	259.75
2032377	02/29/12	13780	REO COAST VISTA	Ref002420002	02/27/12	UB Refund Cst #0000183594	7.73	7.73
2032378	02/29/12	13632	REO COAST VISTA LP	Ref002420004	02/27/12	UB Refund Cst #0000183813	29.63	29.63
2032379	02/29/12	03741	RIVAS, JUAN	003512	02/27/12	SAFETY BOOTS	146.79	146.79
2032380	02/29/12	13766	RIVERHAWK PROPERTY MGMT LLC	Ref002419987	02/27/12	UB Refund Cst #0000158121	120.04	120.04
2032050	02/01/12	13701	ROSA EMMA HERRO	Ref002419493	01/30/12	UB Refund Cst #0000182688	26.44	26.44
2032181	02/15/12	13738	ROSALINDA RUEZGA	Ref002419759	02/13/12	UB Refund Cst #0000183349	15.17	15.17
2032381	02/29/12	13204	SAIC ENERGY ENVIR & INFRAS LLC	05656 05537	02/10/12 11/15/11	CONSTRUCTION MGMTT (ENDING 1/27/12) LEGAL SERVICES	36,007.12 389.97	36,397.09
2032182	02/15/12	13717	SAIDA SOTO	Ref002419738	02/13/12	UB Refund Cst #0000001481	52.31	52.31
2032051	02/01/12	13692	SALVADOR ESPIRITU	Ref002419483	01/30/12	UB Refund Cst #0000020194	45.96	45.96
2032382	02/29/12	13792	SALVADOR LOPEZ-CORDOVA	003507	02/22/12	REIMB FINGERPRINTING SVC	22.00	22.00
2032138	02/08/12	11596	SAN DIEGO CONSTRUCTION WELDING	8216 8230	01/12/12 01/25/12	WELDING SERVICES WELDING SERVICES	425.00 375.00	800.00
2032383	02/29/12	11596	SAN DIEGO CONSTRUCTION WELDING	8238	02/03/12	WELDING	1,200.00	1,200.00
2032384	02/29/12	02586	SAN DIEGO COUNTY ASSESSOR	2011172	02/08/12	ASSESSOR DATA	125.00	125.00
2032139	02/08/12	00003	SAN DIEGO COUNTY WATER	0000000469	01/13/12	SOCAL WATERSMART (NOV 2011)	1,626.20	1,626.20
2032300	02/22/12	00003	SAN DIEGO COUNTY WATER	0000000473	01/31/12	SOCAL WATERSMART (DEC 2011)	1,475.00	1,475.00
2032052	02/01/12	00121	SAN DIEGO GAS & ELECTRIC	003452	01/19/12	UTILITY EXPENSES	7,802.17	7,802.17
2032140	02/08/12	00121	SAN DIEGO GAS & ELECTRIC	003466 003465 003463 003464	01/26/12 01/25/12 01/19/12 01/24/12	UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES	57,987.80 34,413.78 14,485.90 1,506.08	108,393.56

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2032212	02/15/12	00121	SAN DIEGO GAS & ELECTRIC	003481	02/13/12	UTILITY EXPENSES	55,730.27	
				003480	01/25/12	UTILITY EXPENSES	7,232.41	
				003479	01/27/12	UTILITY EXPENSES	374.20	63,336.88
2032385	02/29/12	00121	SAN DIEGO GAS & ELECTRIC	003501	02/17/12	UTILITY EXPENSES	987.86	987.86
2032386	02/29/12	13418	SAN DIEGO POWDER COATING	32000	01/31/12	POWDER COATING	725.00	725.00
2032183	02/15/12	13742	SAN DIEGO REALTY INC	Ref002419764	02/13/12	UB Refund Cst #0000184439	51.87	51.87
2032387	02/29/12	13786	SAN DIEGO REALTY INC	Ref002420009	02/27/12	UB Refund Cst #0000184860	275.97	275.97
2032053	02/01/12	13702	SANDY MILLER	Ref002419494	01/30/12	UB Refund Cst #0000183739	67.62	67.62
2032213	02/15/12	09339	SANGALANG, ALEX	003488	02/14/12	SAFETY BOOTS	126.05	126.05
2032054	02/01/12	06262	SARIPALLI, SHAMALA	003460	01/30/12	COMPUTER LOAN	1,058.47	1,058.47
2032141	02/08/12	07783	SCRIPPS CENTER FOR EXECUTIVE	21692	12/31/11	EXECUTIVE HEALTH EXAM	5,336.39	5,336.39
2032301	02/22/12	07783	SCRIPPS CENTER FOR EXECUTIVE	21759	01/13/12	EXECUTIVE HEALTH EXAM	1,614.00	1,614.00
2032302	02/22/12	12904	SEPULVEDA CONSTRUCTION INC	6	02/07/12	PUMP STATION UPGRADES (1/1/12-1/31/12)	17,771.40	17,771.40
2032214	02/15/12	00419	SHAPE PRODUCTS	154502	01/13/12	DISTRIBUTION SUPPLIES	956.19	956.19
2032055	02/01/12	13698	SHARMAINE SAVAGE	Ref002419490	01/30/12	UB Refund Cst #0000174559	7.69	7.69
2032056	02/01/12	01651	SHARP REES-STEALY MEDICAL CTRES	2441157477	01/31/12	RETURN TO WORK PHYSICALS (1/4/12)	130.00	
				2441158725	01/21/12	PRE-PLACEMENT EXAM (12/22/11)	121.00	251.00
2032388	02/29/12	11516	SIEMENS INDUSTRY INC	900559571	01/20/12	MICRO2000 & ENCORE700	1,603.71	1,603.71
2032303	02/22/12	13327	SILVA SILVA INTERNATIONAL	1202	02/10/12	CONSULTING SERVICES (JAN 2012)	4,000.00	4,000.00
2032389	02/29/12	12047	SKANSKA	003509	02/28/12	CUSTOMER REFUND	22,163.23	22,163.23
2032142	02/08/12	00258	SLOAN ELECTRIC COMPANY	0060130	01/17/12	ON-SITE START UP ASSISTANCE & TESTING	3,125.00	3,125.00
2032057	02/01/12	13705	SOCAL BUSINESS PARTNERS LLC	Ref002419497	01/30/12	UB Refund Cst #0000185119	70.39	70.39
2032390	02/29/12	13782	SONIA FLORES	Ref002420005	02/27/12	UB Refund Cst #0000184008	60.51	60.51
2032391	02/29/12	13773	SONYA FLORES	Ref002419995	02/27/12	UB Refund Cst #0000177437	47.39	47.39
2032304	02/22/12	03103	SOUTHCOAST HEATING &	C47788	01/13/12	AC MAINTENANCE (JAN 2012)	1,068.00	1,068.00
2032058	02/01/12	03760	SPANKY'S PORTABLE SERVICES INC	903008	01/06/12	PORTABLE TOILET RENTAL (1/5/12-2/1/12)	98.15	98.15
2032143	02/08/12	03760	SPANKY'S PORTABLE SERVICES INC	903717	01/16/12	PORTABLE TOILET RENTAL (1/14/12-2/10/12)	79.96	
				903589	01/13/12	PORTABLE TOILET RENTAL (1/13/12-2/9/12)	79.96	

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				903588	01/13/12	PORTABLE TOILET (1/13/12-2/9/12)	79.96	
				903587	01/13/12	PORTABLE TOILET RENTAL (1/13/12-2/9/12)	79.96	319.84
2032305	02/22/12	03760	SPANKY'S PORTABLE SERVICES INC	905589	02/03/12	PORTABLE TOILET RENTAL (2/2/12-2/29/12)	98.15	
				904719	01/25/12	PORTABLE TOILET RENTAL (1/25/12-2/21/12)	79.96	178.11
2032306	02/22/12	10343	SPECIALTY DOORS AND AUTOMATION	37135SD	01/29/12	GATE SERVICE	1,489.13	1,489.13
2032144	02/08/12	00590	SPECIALTY SEALS & ACCESSORIES	29813	01/23/12	MECH SEAL FOR 803PS	1,270.13	
				29807	01/19/12	MECHANICAL SEAL	1,083.00	2,353.13
2032059	02/01/12	06510	SPRINT NEXTEL	901500243064	01/12/12	WIRELESS SERVICES (12/9/11-1/8/12)	3,524.04	3,524.04
2032307	02/22/12	06510	SPRINT NEXTEL	901500243065	02/12/12	WIRELESS SERVICES (1/9/12-2/8/12)	3,520.57	3,520.57
2032060	02/01/12	13700	SSFT HOLDINGS LLC	Ref002419492	01/30/12	UB Refund Cst #0000182468	82.45	82.45
2032145	02/08/12	02354	STANDARD ELECTRONICS	16406	01/24/12	MONTHLY MONITORING	1,352.50	
				16286	12/19/11	GATE REPAIRS	132.89	1,485.39
2032392	02/29/12	02354	STANDARD ELECTRONICS	16462	02/06/12	LABOR REQUEST	467.50	467.50
2032146	02/08/12	13564	STAR-NEWS PUBLISHING CO, THE	00004069	01/20/12	NOTICE OF INTENT	635.50	
				00004305	01/20/12	JOB POSTING	92.00	727.50
2032308	02/22/12	13564	STAR-NEWS PUBLISHING CO, THE	300003143	01/13/12	JOB POSTING	92.00	92.00
2032061	02/01/12	06281	STATE DISBURSEMENT UNIT	Ben2419545	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032062	02/01/12	06299	STATE DISBURSEMENT UNIT	Ben2419535	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032063	02/01/12	06303	STATE DISBURSEMENT UNIT	Ben2419541	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032064	02/01/12	08533	STATE DISBURSEMENT UNIT	Ben2419549	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2032215	02/15/12	06281	STATE DISBURSEMENT UNIT	Ben2419837	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032216	02/15/12	06299	STATE DISBURSEMENT UNIT	Ben2419827	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032217	02/15/12	06303	STATE DISBURSEMENT UNIT	Ben2419833	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032218	02/15/12	08533	STATE DISBURSEMENT UNIT	Ben2419841	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2032393	02/29/12	06281	STATE DISBURSEMENT UNIT	Ben2420097	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2032394	02/29/12	06299	STATE DISBURSEMENT UNIT	Ben2420085	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2032395	02/29/12	06303	STATE DISBURSEMENT UNIT	Ben2420093	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2032396	02/29/12	08533	STATE DISBURSEMENT UNIT	Ben2420101	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85

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Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2032397	02/29/12	13775	STEPHEN CLARK	Ref002419997	02/27/12	UB Refund Cst #0000182552	52.89	52.89
2032147	02/08/12	11749	STEPHEN V MCCUE	003468	01/27/12	LEGAL SERVICES (1/9/12-1/26/12)	34,062.50	34,062.50
2032398	02/29/12	11749	STEPHEN V MCCUE	003508	02/17/12	LEGAL SERVICES (JAN/FEB 2012)	43,758.75	43,758.75
2032399	02/29/12	12809	STUTZ ARTIANO SHINOFF	86895	02/03/12	LEGAL SERVICES (DEC 2011)	32,287.53	32,287.53
2032219	02/15/12	10815	SUKUT CONSTRUCTION INC	003485	02/14/12	CUSTOMER REFUND	2,075.00	2,075.00
2032065	02/01/12	13691	SYCUAN GOLF & TENNIS RESORT	5810	01/30/12	EMPLOYEE PROGRAM	2,937.89	2,937.89
2032400	02/29/12	13777	SYNERGY FUNDING	Ref002419999	02/27/12	UB Refund Cst #0000183338	46.41	46.41
2032309	02/22/12	01834	TC CONSTRUCTION INC	2A	02/07/12	LA PRESA SYSTEM (1/1/12-1/31/12)	136,039.28	136,039.28
2032148	02/08/12	02376	TECHKNOWSION INC	2367	01/13/12	SCADA SERVICES	1,755.00	1,755.00
2032310	02/22/12	03374	TEK-COLLECT INC	188002	02/06/12	ANNUAL MAINTENANCE FEE	75.00	75.00
2032401	02/29/12	13785	TELECARE CORPORATION	Ref002420008	02/27/12	UB Refund Cst #0000184733	30.88	30.88
2032220	02/15/12	02975	TETRA TECH INC	50528523	01/20/12	WELL PROJECT (11/26/11-12/30/11)	40,160.15	40,160.15
2032184	02/15/12	13737	TIM MATHEWS	Ref002419758	02/13/12	UB Refund Cst #0000183100	33.29	33.29
2032066	02/01/12	13694	TIM MCKINNEY	Ref002419485	01/30/12	UB Refund Cst #0000036693	59.93	59.93
2032185	02/15/12	13745	TOM BOWKER	Ref002419767	02/13/12	UB Refund Cst #0000185113	66.15	66.15
2032186	02/15/12	13722	TRACE POLANCO	Ref002419743	02/13/12	UB Refund Cst #0000064045	134.52	134.52
2032402	02/29/12	13768	TRACEY LACKOVICH	Ref002419989	02/27/12	UB Refund Cst #0000169435	51.08	51.08
2032067	02/01/12	13419	TREEBEARD LANDSCAPE	19936	01/10/12	DISTRICT IRRIGATION	8,116.00	8,116.00
2032221	02/15/12	12084	TRIACTIVE INC	SITRI1315	11/30/11	ASSET MGMT SUITE	31.00	31.00
2032403	02/29/12	13789	TRIAD PROPERTIES	Ref002420012	02/27/12	UB Refund Cst #0000185433	36.47	36.47
2032187	02/15/12	13743	TURNKEY HOME AND LOANS	Ref002419765	02/13/12	UB Refund Cst #0000184759	59.52	59.52
2032311	02/22/12	00427	UNDERGROUND SERVICE ALERT OF	120120475	02/01/12	UNDERGROUND ALERTS	270.00	270.00
2032149	02/08/12	08262	UNITED RENTALS NORTHWEST INC	100928290001	01/12/12	CONCRETE	159.47	159.47
2032068	02/01/12	05417	UNITED STATES DEPARTMENT	Ben2419543	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2032222	02/15/12	05417	UNITED STATES DEPARTMENT	Ben2419835	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2032404	02/29/12	05417	UNITED STATES DEPARTMENT	Ben2420095	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00

**OTAY WATER DISTRICT  
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2032312	02/22/12	00350	UNITED STATES POSTAL SERVICE	104339510212	02/21/12	PREPAID POSTAGE MACHINE	2,100.00	2,100.00
2032069	02/01/12	13426	UNITED STATES TREASURY	Ben2419539	02/02/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00
2032223	02/15/12	13426	UNITED STATES TREASURY	Ben2419831	02/16/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00
2032405	02/29/12	13426	UNITED STATES TREASURY	Ben2420091	03/01/12	BI-WEEKLY PAYROLL DEDUCTION	200.00	200.00
2032313	02/22/12	07662	UNITEDHEALTHCARE SPECIALTY	120470000066	02/16/12	AD&D & SUPP LIFE INS (MAR 2011)	5,708.93	5,708.93
2032070	02/01/12	07674	US BANK CORPORATE PAYMENT	003461 003456	01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES	257.00 55.00	312.00
2032150	02/08/12	07674	US BANK CORPORATE PAYMENT	003471 003474 003469	12/22/12 01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES CAL CARD EXPENSES	17,044.58 298.79 27.92	17,371.29
2032224	02/15/12	07674	US BANK CORPORATE PAYMENT	A000008	01/23/12	CAL CARD EXPENSES	2,613.75	2,613.75
2032314	02/22/12	07674	US BANK CORPORATE PAYMENT	A000010	12/22/11	CAL CARD EXPENSES	26,831.04	26,831.04
2032406	02/29/12	07674	US BANK CORPORATE PAYMENT	0003502 003510	01/23/12 01/23/12	CAL CARD EXPENSES CAL CARD EXPENSES	13,159.76 194.00	13,353.76
2032315	02/22/12	06829	US SECURITY ASSOCIATES INC	542096	01/26/12	SECURITY SERVICES	219.75	219.75
2032316	02/22/12	13048	V & A CONSULTING ENGINEERS	13177	01/27/12	CORROSION SERVICES (12/31/11-1/27/12)	6,750.00	6,750.00
2032317	02/22/12	03190	VALCO INSTRUMENTS CO INC	90176000	02/01/12	HACH PARTS	4,357.01	4,357.01
2032407	02/29/12	03190	VALCO INSTRUMENTS CO INC	90174636	01/19/12	HACH PARTS	4,357.01	4,357.01
2032071	02/01/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2419527	02/02/12	BI-WEEKLY DEFERRED COMP PLAN	12,762.36	12,762.36
2032072	02/01/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2419525	02/02/12	BI-WEEKLY 401A PLAN	13,769.01	13,769.01
2032225	02/15/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2419819	02/16/12	BI-WEEKLY DEFERRED COMP PLAN	12,636.51	12,636.51
2032226	02/15/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2419817	02/16/12	BI-WEEKLY 401A PLAN	11,035.25	11,035.25
2032408	02/29/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2420077	03/01/12	BI-WEEKLY DEFERRED COMP PLAN	12,633.93	12,633.93
2032409	02/29/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2420075	03/01/12	BI-WEEKLY 401A PLAN	7,335.57	7,335.57
2032410	02/29/12	12686	VANTAGEPOINT TRANSFER AGENTS	Ben2420087	03/01/12	401A TERMINAL PAY	58,444.46	58,444.46
2032151	02/08/12	03329	VERIZON WIRELESS	1041895744 1050845957	12/21/11 01/21/12	WIRELESS SERVICES (11/22/11-12/21/11) WIRELESS SERVICES (12/22/11-1/21/12)	5,977.23 5,585.47	11,562.70
2032152	02/08/12	07595	WALTERS WHOLESALE ELECTRIC CO	860981002	01/12/12	ELECTRICAL MATERIAL FOR 803-1 PS	2,032.04	

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				860983203	01/19/12	ELECTRICAL MATERIAL FOR 850-2 PS	1,951.98	3,984.02
2032227	02/15/12	01343	WE GOT YA PEST CONTROL	72890	12/27/11	BEE REMOVAL	115.00	
				72109	11/08/11	BEE REMOVAL	115.00	230.00
2032318	02/22/12	01343	WE GOT YA PEST CONTROL	73437	01/30/12	BEE REMOVAL	115.00	
				73438	01/30/12	BEE REMOVAL	115.00	230.00
2032153	02/08/12	03131	WESTERN HOSE & GASKET	258067	10/25/11	REEL	2,026.56	2,026.56
2032154	02/08/12	09570	WESTERN PACIFIC PIPELINE CORP	34987	01/23/12	GEOLOGS	433.00	433.00
<b>GRAND TOTAL</b>							<b>2,096,878.19</b>	<b>2,096,878.19</b>