

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY
October 3, 2007
3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES OF THE REGULAR BOARD MEETINGS OF JULY 10, 2007 AND AUGUST 1, 2007
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

CONSENT CALENDAR

6. 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. 2 TO THE EXISTING AGREEMENT WITH PACIFIC HYDROTECH CORPORATION FOR CONSTRUCTION OF THE 640-1 AND 640-2 RESERVOIRS PROJECT REDUCING THE AGREEMENT AMOUNT BY \$122,112
 - b) ADOPT RESOLUTION NO. 4112 TO REVISE THE POLICY AGAINST DISCRIMINATION, HARASSMENT AND COMPLAINT PROCEDURE, BOARD OF DIRECTORS POLICY 47
 - c) APPROVE THE RECRUITMENT OF A TEMPORARY STAFF MEMBER TO PROVIDE BOARD SECRETARY SUPPORT SERVICES TO THE WATER CONSERVATION GARDEN FROM NOVEMBER 2007 TO FEBRUARY 2008 AT A COST NOT EXCEED \$1800

- d) ADOPT RESOLUTION NO. 4113 TO AMEND BOARD OF DIRECTORS POLICY 8, DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS
- e) RATIFICATION OF SETTLEMENT AGREEMENT AND GENERAL RELEASE BY AND BETWEEN THOMAS J. HARRON, OTAY WATER DISTRICT, JAIME BONILLA AND ANTONIO INOCENTES (CASE NO. GIC 773848)

INFORMATION / ACTION ITEMS

7. PUBLIC HEARING ON RATE INCREASES

THE BOARD WILL BE HOLDING A PUBLIC HEARING TO CONSIDER THE PROPOSED RATE INCREASES TO BE IMPLEMENTED IN CALENDAR YEAR 2008. THE BOARD INVITES THE PUBLIC TO PROVIDE COMMENTS ON THESE PROPOSED INCREASES

- a) APPROVE THE IMPLEMENTATION OF THE RATE INCREASES AS PROPOSED FOR THE FISCAL YEAR 2007-2008 OPERATING AND CAPITAL BUDGET; AND ADOPT ORDINANCE NO. 513 AMENDING SECTION 25, RATES AND CONDITIONS FOR WATER SERVICES; AND SECTION 53, FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE OF THE DISTRICT'S CODE OF ORDINANCES (BEACHEM)

8. FINANCE AND ADMINISTRATIVE SERVICES

- a) ADOPT RESOLUTION NO. 4109 TO IMPLEMENT THE PROPOSED ANTI-FRAUD POLICY AS BOARD OF DIRECTORS POLICY NO. 50 (CUDLIP)

9. BOARD INFORMATION / ACTION ITEMS

- a) AD HOC FENTON BUSINESS CENTER COMMITTEE UPDATE REPORT
- b) DISCUSSION OF 2007 BOARD MEETING CALENDAR

REPORTS

10. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

11. DIRECTORS' REPORTS / REQUESTS

12. PRESIDENT'S REPORT / REQUESTS

RECESS TO CLOSED SESSION

13. CLOSED SESSION

- a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION [GOVERNMENT CODE §54956.9(a)]
 - (i) HARRON v. OTAY WATER DISTRICT
 - (ii) SOUTHWEST ENGINEERING, INC. v. OTAY WATER DISTRICT
- b) ANTICIPATED LITIGATION (GOVERNMENT CODE §54956.9)

14 CASES RELATED TO THE FENTON BUSINESS CENTER

RETURN TO OPEN SESSION

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

15. ADJOURNMENT

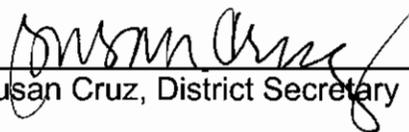
All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

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 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on September 28, 2007, 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 September 28, 2007.



Susan Cruz, District Secretary

AGENDA ITEM 4

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT July 10, 2007

1. The meeting was called to order by President Croucher at 3:32 p.m.

2. ROLL CALL

Directors Present: Breitfelder, Croucher, Lopez and Robak

Directors Absent: Bonilla

Staff Present: General Manager Mark Watton, Asst. GM Administration and Finance German Alvarez, Asst. GM Engineering and Water Operations Manny Magana, General Counsel Yuri Calderon, Engineering Manager, Ron Ripperger, 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, Payroll/AP Supervisor Sean Prendergast, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

5. APPROVAL OF MINUTES

A motion was made by Director Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to approve the minutes of the regular board meetings of December 6, 2006 and April 4, 2007; and special meeting of April 4, 2007.

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 CALENDAR

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 Breitfelder, seconded by Director Bonilla and carried with the following vote:

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

to approve the following consent calendar items and pulling agenda items 6(j) and 6(n) for discussion:

a) APPROVE A TWO-YEAR LANDSCAPE MAINTENANCE CONTRACT WITH AN OPTION TO RENEW THE CONTRACT FOR TWO ADDITIONAL YEARS TO GREENSCAPE IN THE FOLLOWING AMOUNTS:

i.	YEAR 1	\$69,600
ii.	YEAR 2	\$73,080
iii.	OPTION YEAR 3	\$76,800
iv.	OPTION YEAR 4	\$80,580

b) APPROVE A THREE-YEAR JANITORIAL SERVICES CONTACT FOR THE DISTRICT'S ADMINISTRATIVE AND OPERATION FACILITIES TO PACIFIC BUILDING MAINTENANCE WITH AN OPTION TO NEGOTIATE TO CONTINUE THE CONTRACT FOR AN ADDITIONAL TWO YEARS AT THE GENERAL MANAGER'S DISCRETION IN THE FOLLOWING AMOUNTS:

v.	YEAR 1	\$33,540
vi.	YEAR 2	\$33,540
vii.	YEAR 3	\$33,540
viii.	OPTION YEAR 4	TO BE NEGOTIATED
ix.	OPTION YEAR 5	TO BE NEGOTIATED

- c) ADOPT RESOLUTION NO. 4103 APPROVING AMENDMENTS TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY JOINT POWERS AGREEMENT AS IT RELATES TO CALIFORNIA SPECIAL DISTRICTS ASSOCIATION
- d) ADOPT RESOLUTION NO. 4099 TO ESTABLISH THE TAX RATE FOR IMPROVEMENT DISTRICT NO. 27 AT \$.006 FOR FISCAL YEAR 2007-2008
- e) ADOPT RESOLUTION NO. 4100 OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT FIXING TERMS AND CONDITIONS FOR THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT OF THOSE LANDS DESCRIBED AS "ESHO ANNEXATION" (APN 517-112-49-00) AND ANNEXING SAID PROPERTY TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NO. 18 (WO 0210-20.289)
- f) ADOPT RESOLUTION NO. 4102 OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT FIXING TERMS AND CONDITIONS FOR THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT OF THOSE LANDS DESCRIBED AS "ROBERT AND CYNTHIA TAYLOR (APNs 519-283-05 and 519-283-06) AND MICHAEL AND MARION SOLOWAY (APN 519-283-04)," AND ANNEXING SAID PROPERTY TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NO. 18 (WO 0210-20.288)
- g) APPROVE THE REQUEST TO REIMBURSE MCMILLIN OTAY RANCH, LLC FOR THE COMPLETED CAPITAL IMPROVEMENT PROJECT, MCMILLIN OTAY RANCH VILLAGE 7, ROCK MOUNTAIN ROAD, 8-INCH RECYCLED PIPELINE (CIP R2043) IN THE AMOUNT OF \$53,146.80
- h) APPROVE THE REQUEST TO REIMBURSE MCMILLIN ROLLING HILLS RANCH, LLC AS THE SUCCESSOR IN INTEREST TO THE REIMBURSEMENT AGREEMENT BETWEEN OTAY WATER DISTRICT AND PACIFIC BAY HOMES DATED JANUARY 20, 1998, FOR THE 16" POTABLE WATER PIPELINE FROM PROCTOR VALLEY ROAD TO THE 1296 PUMP STATION (CIP P2070) IN THE AMOUNT OF \$392,637
- i) APPROVE THE REQUEST TO REIMBURSE BROOKFIELD SHEA OTAY, LLC FOR THE COMPLETED CAPITAL IMPROVEMENT PROJECTS (CIP NOS. P2169, P2397) IN THE AMOUNT OF \$436,525.95
- k) AWARD OF A CONSTRUCTION CONTRACT TO ORTIZ CORPORATION IN THE AMOUNT OF \$831,000 FOR THE INSTALLATION OF A 12-INCH PVC WATER LINE AND REMOVAL OF A 10-INCH ACP WATER LINE ALONG OLIVE VISTA DRIVE (CIP P2459)

- l) AWARD OF A PROFESSIONAL AS-NEEDED ENVIRONMENTAL SERVICES CONTRACT WITH JONES & STOKES IN THE AMOUNT OF \$300,000 OVER A PERIOD OF THREE FISCAL YEARS, NOT TO EXCEED \$100,000 PER FISCAL YEAR

- m) AUTHORIZE THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH THE SAN DIEGO COUNTY WATER AUTHORITY TO CONTINUE PARTICIPATION IN THE RESIDENTIAL WATER CONSERVATION PROGRAMS

The following items 6(j) and 6(n) were pulled from the consent calendar for discussion:

- j. AWARD OF A CONTRACT TO UNDERGROUND UTILITIES, INC. IN THE AMOUNT OF \$208,500 FOR RETROFITTING UP TO 3,500 EXISTING MANUAL-READ METERS WITH NEW AUTOMATED-METER-READ (AMR) METERS

Operations Manager Don Henderson indicated that the proposed contract would provide for the retrofit of 3500 existing manual-read meters, converting these meters to Master 3G meters (Automated Meter Read [AMR]). He stated that there are currently eight AMR routes that need to be completed. This contract will complete these routes through the replacement of approximately 3000 manual-read meters in the areas of Jamul, Chula Vista and Otay Mesa.

Director Robak inquired what criteria staff utilizes to determine which routes are converted to AMR routes. Operations Manager Henderson indicated that the main consideration is safety. Staff will first concentrate in areas where there are steep hills and where it is difficult or took a long time to read meters. Staff then concentrates in areas where there are older meters.

Director Robak inquired when the District expected to move to satellite read meters which allows customers to monitor their water consumption. General Manager Watton indicated that the technology is still evolving, but the 3G meters do have data logging capabilities which are currently being beta tested. The District will not be moving soon to such technology, but staff is keeping abreast of the technology. He stated that he felt that the District in future would use more of a WiFi or cell based (radio) technology.

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

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

to approve staffs' recommendation to award a contract to Underground Utilities, Inc. in the amount of \$208,500:

- n) UPDATE ON AB 1420, WATER DEMAND MANAGEMENT MEASURES, AND AB 1435, WATER CHARGES – CONSERVATION RATE STRUCTURE, LEGISLATION

Director Breitfelder requested that Agenda item 6(n) be pulled for discussion. General Manager Watton indicated that the author, Assemblymember Mary Salas, of AB1435 had pulled the bill last Friday and placed it in a two-year bill status. It was noted that the committee chair from Sacramento was not supportive of the legislation as he felt that it may have impact to the metering of water in Sacramento. He stated that staff is still requesting that the board take a "support if amended" position on AB 1420. He stated that Assemblyman Laird indicated that he is working with Metropolitan Water District, County Water Authority and other agencies to incorporate their feedback into the bill as outlined in the staff report.

Director Breitfelder indicated that the Finance, Administration and Communications Committee discussed the District developing a way to be supportive of local legislators that bring forth legislation. He stated that it was suggested that possibly the District could send a letter of support to the legislator to make them aware of the District's support. President Croucher indicated that he would be supportive of placing a discussion item on the agenda to develop future direction on this issue.

A motion was made by Director Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to support AB 1420 if amended.

INFORMATION / ACTION ITEMS

8. ADMINISTRATION AND FINANCE

- a) PUBLIC HEARING TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR FISCAL YEAR 2007-2008
 - 1) ADOPT RESOLUTION NO. 4096 TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR DISTRICT CUSTOMERS FOR FISCAL YEAR 2007-2008 TO BE COLLECTED THROUGH PROPERTY TAXES (HENDERSON)

President Croucher opened the public hearing at 3:50 p.m. to hear the public's comments on continuing water and sewer availability charges for District customers for Fiscal Year 2007-2008.

Chief Financial Officer Beachem indicated that the District forwards notices to the new District customers each year to inform them of this public hearing and how the availability fee will be utilized by the District. He indicated that a notice has been forwarded to customers on this item for years under the advice of counsel and it also falls within the requirements of Proposition 218. He stated that the fees are strictly for water and sewer and they have not been increased or decreased (they will remain the same). General Counsel Calderon indicated that the legislature requires that the District readopt this fee each year.

No one wished to be heard from the public. President Croucher closed the public hearing at 3:53 p.m.

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

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

to adopt Resolution No. 4096 to continue water and sewer availability charges for District customers for Fiscal Year 2007-2008 to be collected through property taxes.

- b) PUBLIC HEARING TO RECEIVE THE PUBLIC'S COMMENTS ON THE 2005 UPDATED URBAN WATER MANAGEMENT PLAN
 - 1) ADOPT RESOLUTION NO. 4098 ADOPTING AMENDMENTS TO THE DISTRICT'S UPDATED 2005 URBAN WATER MANAGEMENT PLAN (GRANGER)

President Croucher opened the public hearing at 3:53 p.m. to hear the public's comments on the Updated 2005 Urban Water Management Plan.

Water Conservation Manager William Granger indicated that all water agencies that have at least 3000 connections or deliver at least 3000 acre feet (AF) of water per year are required to have an Urban Water Management Plan. He stated that the Urban Water Management Plan is the document that is referenced in water supply verification requests through SB 221 and 610. He stated that the District's plan goes through 2030 and the plan highlights water supply and reliability, the District's water shortage contingency plan, and conservation and water recycling efforts. He indicated that the District's plan was submitted to the Department of Water Resources in December 2005 and it generally take a year to receive feedback on their review of the plan. He stated

that the District received notice about three (3) months ago that the District needed to make several clarifying edits to its plan.

- The District was asked to include a statement from its wholesaler regarding the reliability of its water supply.
- The Department of Water Resources requires that the District list the amount and level of treatment for wastewater that is discharged into the ocean.
- The District's UWMP should include information regarding water demand in normal and drought years.

The District received additional communication from the Department of Water Resources, following the review of this item by the District's Engineering, Operations and Water Resources Committee, suggesting that the District specifically reference section 6.2 of CWA's plan that indicates that they can meet the District's demand in normal, single dry and multiple-dry years through 2030. Water Conservation Manager Granger reviewed the changes to the plan in detail.

No one from the public wished to be heard.

The Public Hearing was closed at 5:58 p.m.

Director Robak noted that the state mandates that the District review its UWMP every five years. He inquired if staff would be reviewing its plan annually or just on an as needed basis. Water Conservation Manager Granger indicated that the plan would be updated only every five years. Today's update is being presented as the Department of Water Resources has requested that the plan be updated with their suggested changes. He stated that staff did not plan to review the UWMP until 2010.

Director Robak noted that the UWMP indicates that the South Bay Treatment Plant and the Point Loma Wastewater Treatment Plant treat water to the advanced primary level (Section 5 on page 31) which is not a correct statement. It was noted that the water sold to Otay goes through **tertiary** treatment. The water that is not sold to Otay goes through secondary treatment and is then disposed through an ocean outfall. Staff indicated that they would make this edit.

A motion was made by Director Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to adopt Resolution No. 4098, updating the 2005 Urban Water Management Plan with the edit as discussed above in Section 5 (page 31)

The public hearing was closed at 3:58 p.m.

c) APPROVE THE FORM OF THE PROPOSITION 218 HEARING NOTICES RELATED TO THE PROPOSED WATER AND SEWER RATE INCREASES TO BE EFFECTIVE JANUARY 1, 2008

Chief Financial Officer Beachem indicated that the Board of Directors had approved the budget in May 2007. However, at that time, the board could not approve the rates as the District must comply with Proposition 218 process. He stated that staff must mail notices to the District's customers making them aware of the proposed increase and the scheduling of a public hearing to hear the public comments on the proposed rate increase. He stated that the notices must be mailed to customers at least 45 days prior to the public hearing. He stated that staff plans to hold the public hearing during the October 3, 2007 board meeting and immediately following the hearing, staff plans to request that the board adopt the proposed rate increases. He stated that if the rates are adopted they would become effective January 1, 2008.

He noted that staff developed the notices through direction from the board, customer comments, and staff also reviewed other agencies notices. He noted that staff developed targeted notices which include only the rate information that affects the customer:

- Residential Water Only
- Residential Sewer Only
- Residential Water and Sewer
- Commercial Water Only
- Commercial Sewer Only
- Land Owners without District services
- Tenants

It was noted that legal counsel has reviewed the notices and the Finance, Administration and Communications Committee also reviewed the proposed notices. Staff made some changes advised by committee and legal counsel.

He noted that protests must be made in writing (letter form), signed by the customer and must be received prior to the end of the hearing. Protest can be made by both property owners and tenants.

Accounting Manager Rita Bell reviewed the information that will be made available on the District's website regarding the rate increases which includes:

- The same information that is provided in the notices
- A bill calculator (water and sewer)
- Charts that show how the District's proposed rates compare to other providers

She noted that the bill calculator will note that fees vary by geographic area and individual fees may be different than are shown in the bill calculator to make customers aware that the calculated rate is an estimate and will not be exact. The sewer information will also review the change in methodology that is proposed for the sewer charge. The proposed methodology will base customer sewer charges on their prior year's average consumption during the months of December through March (winter consumption). This new methodology will reduce the bill for low water users and increase the bill for high water users. The new structure will be revenue neutral. Both calculators will show the customer's current bill and their proposed bill.

President Croucher suggested that the comparison charts also include an "as of date."

Director Breitfelder commended staff for going the extra mile and providing a bill calculator on the District's website.

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

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

to approve the form of the Proposition 218 hearing notices related to the proposed water and sewer rate increases to be effective January 1, 2008.

d) UPDATE ON THE 2007 QUALSERVE BENCHMARK RESULTS

Chief Information Officer Geoff Stevens indicated that this is the Board's first in-depth look at the Qualserve Survey. He stated that the survey is designed to answer objectively how the District is doing compared to other water organizations. He stated that the survey is objective data gathered from 191 participants. He indicated that this survey methodology started in 1995 and the District became a participant in 2003.

He reviewed each of the measures and the District's ranking compared to the participants (see attached copy of presentation). The District's overall index score is +8 which indicates that the District is doing better than average compared to the other agencies participating in the survey. He stated that he felt that there were still some issues on cost that the District should understand further. To do so, staff needs to explore the District's cost structure, business processes, determine which business processes are the most expensive, isolate costs within those business processes and try to drive cost down as much as possible. He noted that this process will be a main focus for the District's Strategic Plan. He stated that the District's targets also need further refinement

as generally the District sets its target at the same level as the target for the Western Region Qualserve participants. He stated that he felt that staff could set some more specific targets for Otay and have more sophisticated plans to achieve those targets. He indicated that staffs' next steps are to:

- Develop a staff level committee to review cost data and get a better understanding of the data
- Evaluate the effect of transferring more resources toward the maintenance of facilities
- Utilize today's findings to develop the 2009 – 2011 Strategic Plan and focusing in implementing best practices and processes

It was discussed that the next review of the Strategic Plan by the board would be sometime in August or September 2007. President Croucher suggested that when the report on the Strategic Plan is forwarded to committee for review, that it also include the Qualserve data.

Director Lopez inquired what a +8 score really means. Chief of Information Technology Stevens indicated that the median score is "0" (half as many measures fall in the bottom quartile as in the top quartile). He stated that the District has 8 more measures that fall in the top quartile and is doing better than the average participating utility. He stated that if LAFCO or ratepayers inquire how the District was doing performance wise, the District can indicate that it has compared its performance against an objective standard and is in very good shape.

Director Robak inquired how the District has incorporated peer review into its process. Chief of Information Technology indicated that the District has not participated in the peer review process. He stated that there are levels that one can participate and the most cost effective level is to simply share data. He stated that utilities can participate at a higher level where staff members donate their time and visit other utilities and review the utility. He shared that he will be participating in a workshop hosted by the City of San Diego where the local agencies will meet and compare their individual Qualserve data. He also noted that staff did get consultant assistance in developing the District's Strategic Plan and the survey. The process involved industry best practices and, in essence, peer review.

e) STATUS OF SECURITY AND EMERGENCY PREPAREDNESS

Safety and Security Administrator Dave Burbeau updated the board on the District's physical security, emergency preparedness programs and how these programs are operating, and issues of cyber security (see attached copy of presentation). He indicated that the District adopted the EPA security model of, "Detect-Delay-Respond," following the completion of a federally mandated Vulnerability Assessment Study in 2002. He stated that the District immediately acted to harden facilities by budgeting for additional funds for security, securing

access to the water supply system, upgrading fencing, installing redundant electronic security devices and perimeter and tank access protection systems. He stated that the District also entered into a contract for alarm response services and fostered relationships with law enforcement. The district data center was also upgraded and a redundant co-located data center is being installed in the Operations Emergency Operations Center. The center will provide back-up services should the Administration Data Center fail. The District also upgraded its telecom equipment and now has redundant dial-tone. That is, if the current telecom provider's system goes down, the District can switch to another provider and not lose phone service.

There was discussion of an emergency scenario and how the District would respond. President Croucher suggested that discussions concerning security scenarios be agendaized for committee closed session discussion under security as he did not wish to have a public discussion on how the District would respond to security breaches.

There was discussion with regard to the District's liability that may result from an individual getting hurt by razor wire or any protective devices at District facilities. General Counsel Calderon indicated that the District posts "No Trespassing" signs and, to a certain extent, individuals are trespassing on District land. As the District is a water utility, it would have some immunity relative to protecting the water system. He indicated that he can do a little research, but he is fairly certain that the District is well protected against liability on this issue.

9. BOARD INFORMATION / ACTION ITEMS

a) DISCUSSION OF 2007 BOARD MEETING CALENDAR

Director Robak noted that he would be out-of-town and would not be able to attend the August board meeting. There were no changes to the Board meeting calendar.

REPORTS

10. GENERAL MANAGER'S REPORT

General Manager Watton indicated that today, July 10, is Otay Water District Day in the City of San Diego. He indicated that Director Lopez accepted the proclamation from the City of San Diego's Council earlier today on behalf of the District.

He noted that water deliveries have commenced from the City of San Diego's South Bay Water Reclamation Plant. He stated that the District has received approximately 80 million gallons from the plant. He indicated that there are a few issues that still need to be worked out regarding water supply, but at the staff level, it is going well.

General Manager Watton indicated that construction is progressing on the 640-1 and 2 reservoir project and if the Directors are interested in a site tour staff would be happy to coordinate a visit.

He stated that the District's Human Resources staff had distributed personalized benefit statements to each of the District's employees. The statements summarize the total value of each employee's compensation from the District. He stated that it includes not only salary, but the value of their benefits (pension, health care, etc.). He indicated that the statements provide an understanding of what the District actually spends on personnel and he felt that they were well received by the District's staff.

He shared that the District was invited to provide a presentation at the ESRI International Users Conference on June 20. GIS Supervisor Ming Zhao provided a presentation entitled "Foundation and Access Strategy to Enterprise Integration." Feedback on the presentation from the conference attendees was positive.

General Manager Watton indicated that staff is updating the District's Water Resources Master Plan and has sent a Request for Proposal's to engage a consultant to assist the District in the update effort. Staff expects to present recommendations at the August board meeting.

He lastly shared that the District will be completing the valve replacement project within the Carriage Hills development in Spring Valley on July 19. He indicated that this area is one of the older areas of the District, approximately 50 years old, and the valves are being replaced as part of the pro-active valve replacement program. Staff will provide a presentation to the board on the results of the Carriage Hill project as an example of how the program is working.

a) UPDATE ON THE 30" RECYCLED WATER PIPELINE PROJECT (SEE ATTACHMENT "A")

Chief of Engineering Rod Posada indicated that this project is complete and is currently in the warrantee period.

b) SAN DIEGO COUNTY WATER AUTHORITY (CWA) UPDATE

President Croucher indicated that CWA is still moving forward with desalination and the Carlsbad concept is becoming the center of focus. He stated that the CWA board was provided a presentation on desalination, "Ship to Shore," which seemed to be quite costly. CWA is continuing to work on this issue along with employee negotiations.

General Manager Watton also shared that CWA would be providing an update on the status of the water supply. He noted that the officers group has also been working on CWA's relationship with the Metropolitan Water District (MWD) and discussing water supplies issues with MWD.

President Croucher noted that there is push to increase MWD's board to 51 members (going back to where it was). However, CWA believes the current members are enough and wished to hold it at 37. It was indicated that the push is coming from the Central Basin who will be losing a member. Because the Central Basin was unable to get the special legislation to assist them, they have suggested that MWD go back to a 51 member board.

11. DIRECTORS' REPORTS/REQUESTS

Director Robak noted that the recent coupon book he received for Costco had a printed ad for artificial turf. The ad indicated that members contact their local water agencies for possible rebates for installing artificial turf. He stated that he wished to suggest that Otay take the lead and advertise its incentives directly to its customers rather than relying on CWA.

Director Lopez indicated that it was gratifying to accept the special proclamation on the District's behalf from the City of San Diego's Council designating today, July 10, as Otay Water District Day. He stated that the District has reached a level, following the LAFCO reviews, where it is now being recognized by the City. He stated that he wished to acknowledge General Manager Watton for his work at the District and with the City for this special recognition.

Director Breitfelder indicated that he has been working with the Model Ordinance Committee and it seems that retrofitting might be out of reach for now. The focus has now been to work on the Covenants, Conditions and Restrictions (CCR's) of Homeowner Associations to push for water conscience landscapes through the CCR's. He stated that work also must be done with regard to the language concerning recycled water in the Model Ordinance. He stated that he has been working with staff and counsel to iron out the language. He stated that the Council of Water Utilities discussed the improved relations between San Diego and Los Angeles. He noted that CWA and the Mexican American Business and Professional Association (MABPA) held an event at the Water Conservation Garden. He commended CWA and MABPA for holding their event at the garden and making conservation a high priority. He lastly noted that the City of Chula Vista's Economic Development and Public Policy Committees held a joint meeting and the District's SD17 project was discussed. He stated that the District may get some help from the City of Chula Vista's Council with this project.

Director Robak inquired with regard to the Model Ordinance Committee's reluctance to support recycled water retrofitting for obvious reasons, however, if recycled water was brought to Rancho San Diego, it will be retrofit. Director Breitfelder clarified that the model ordinance is mainly referencing the retrofitting of residential water efficient landscapes and not the retrofit of recycled water piping.

President Croucher indicated that Otay has been receiving a lot of recognition in the past two months and recently the District received a Golden Orchid Award for its 36" recycled project. He stated that the Board and General Manager generally get the pleasure of accepting such recognition on behalf of the District, however, the recognition truly belongs to the employees. He stated that it is the employees who make such projects a success and he wished to thank the District's staff. He requested that a letter be drafted to the employees recognizing them for the progress the District has made. He would like the letter signed by the board and general manager. He stated that in a recent meeting with Senator Kehoe she was very complimentary of the District and wished to work with the District on projects. The local governments are also interested in working with the District and it is gratifying to see this change. President Croucher reminded the board of the upcoming employee appreciation luncheon and picnic. He stated that the Joint Agency meeting, hosted by Sweetwater, was also scheduled on July 20 and he encouraged the members of the board to attend. He stated that a Special Board Meeting has been scheduled on October 9 and he encouraged the board to forward their agenda items for this meeting to Board Secretary Cruz. He lastly congratulated Safety and Risk Administrator Dave Burpeau on his retirement and thanked him for his good work at the District. He noted that the fire district also recognizes and respects the work that he has done for the District.

12. ADJOURNMENT

With no further business to come before the Board, President Croucher adjourned the meeting at 5:28 p.m.

President

ATTEST:

District Secretary

AGENDA ITEM 4

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT August 1, 2007

1. The meeting was called to order by President Croucher at 3:34 p.m.

2. ROLL CALL

Directors Present: Bonilla, Breitfelder, Croucher and Lopez

Directors Absent: Robak

Staff Present: General Manager Mark Watton, Asst. GM Administration and Finance German Alvarez, Asst. GM Engineering and Water Operations Manny Magana, General Counsel Yuri Calderon, 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 Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to approve the agenda.

5. APPROVAL OF MINUTES OF THE REGULAR BOARD MEETINGS OF MAY 2, 2007

A motion was made by Director Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to approve the minutes of the regular board meeting of May 2, 2007.

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 CALENDAR

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 Breitfelder, seconded by Director Lopez and carried with the following vote:

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

to approve the following consent calendar items and pulling Agenda Items 6(b) and (d) for discussion:

- a) AWARD A PROFESSIONAL SERVICES CONTRACT TO BOYLE ENGINEERING CORPORATION FOR RECYCLED WATER PLAN CHECKING AND INSPECTIONS SERVICES FOR DEVELOPER PROJECTS IN AN AMOUNT NOT TO EXCEED \$300,000
- c) APPROVE A REVISED SETTLEMENT AND REIMBURSEMENT AGREEMENT WITH THE EASTLAKE COMPANY AND THE CITY OF CHULA VISTA IN THE AMOUNT OF \$199,764 FOR THE CAPITAL IMPROVEMENT PROGRAM WATER FACILITIES ASSOCIATED WITH THE 680-1 RESERVOIR AT SUNSET VIEW PARK
- e) APPROVE CHANGE ORDER NO. 3 TO THE EXISTING AGREEMENT WITH RBF CONSULTING (RBF, FORMERLY HIRSCH & COMPANY) TO PROVIDE CONTINUED PROFESSIONAL ENGINEERING DESIGN SUPPORT IN THE AMOUNT OF \$28,390 FOR THE SR-905 UTILITY RELOCATION PROJECT

Agenda item 6(b) was pulled for discussion as follows:

- b) AWARD A PROFESSIONAL ENGINEERING PLANNING SERVICES AGREEMENT TO PBS&J IN AN AMOUNT NOT TO EXCEED \$499,748 FOR THE 2009 WATER RESOURCES MASTER PLAN UPDATE AND PROGRAM ENVIRONMENTAL IMPACT REPORT PROJECT

Director Breitfelder indicated that he has a couple of questions regarding this item and would like staff to present the Water Resources Master Plan Update in open forum.

Sr. Civil Engineer Ken Simmons indicated that the purpose of this CIP project is to update the Water Resources Master Plan (WRMP) and Program Environmental Impact Report (PEIR). The WRMP and PEIR are updated every five years. The District last updated the WRMP in August 2002 and the PEIR in 2004. Due to the District's workload and considerable amount of time required to update the master plan, staff recommends contracting with an outside consultant to complete these documents.

In accordance with Policy 21, the District solicited professional services for consultant firms by placing an advertisement on the District's website and in five local publications. A total of 28 firms submitted a Letter of Interest and a Statement of Qualifications. A Request for Proposal was sent to each of the 28 firms which resulted in proposals from the following:

Black & Veatch
Boyle Engineering
CDM, Inc.
IEC Corporation
MWH
PBS&J

Staff evaluated and scored the written proposals and selected the top three proposals for interviews. Those three were PBS&J, CDM and MWH. The interview selection panel was comprised of eight staff members. After completion of the interviews, staff concluded that PBS&J was the most qualified with the best overall proposal.

District staff met with PBS&J to negotiate the fee and review the proposed scope of work. A better mutual understanding of the District's expectations and desired results were achieved resulting in a lower revised fee. Staff is very confident that PBS&J will perform at a very high level for the District. The references provided by PBS&J have checked out and staff is recommending that a professional engineering planning services agreement be awarded to PBS&J for an amount not-to-exceed \$499,748.

Director Breitfelder inquired with regard to the PEIR, its reference to savings, how are the savings quantified.

Sr. Civil Engineer Simmons explained that every project the District designs has some environmental requirements. The PEIR is an environmental document that states that much of the environmental work for each project has a foundation that is the same. The PEIR document takes care of that foundation. For individual projects, there are unique pieces for that project. To quantify what that savings is for each additional future project is difficult. Director Breitfelder inquired if Sr.

Civil Engineer Simmons could quantify the savings. Sr. Civil Engineer Simmons indicated that he estimate it is about 50% of the environmental costs for each of the future projects.

Director Breitfelder inquired if the document was prepared in-house five years ago. Chief of Engineering, Rod Posada responded that in 2002 the WRMP was prepared in-house. However, the PEIR was prepared by a consultant. Due to staff's workload, it was decided to outsource the WRMP and PEIR.

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

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

to approve the award of a professional engineering planning services agreement to PBS&J in an amount not to exceed \$499,748 for the 2009 Water Resources Master Plan Update and Program Environmental Impact Report Project.

- d) APPROVE A WATER SUPPLY ASSESSMENT AND VERIFICATAION REPORT DATED JULY 2007 FOR THE MCMILLIN, LLC EASTERN URBAN CENTER SECTIONAL PLANNING AREA PLAN

Engineering Manager, Jim Peasley indicated that the Eastern Urban Center Sectional Planning Area (EUC SPA) Water Supply Assessment and Verification Report was prepared to comply with Senate Bills 610 and 221. He explained that these laws became effective in 2002 and the main intent is to improve the link between water supply and land use planning decisions. SB 610 requires a water supply assessment be attached to the CEQA documentation that the land use agency, in this case, the City of Chula Vista, will approve. SB 221 requires written verification that sufficient water supplies are planned to be available prior to the approval of the tentative map for the project. He indicated that staff is requesting the Board to approve the report which will then be forwarded to the City of Chula Vista for approval.

The EUC SPA project is 206 acres and will have approximately 3,000 dwelling units. The building will have 3.5 million square feet of mixed use space containing high-rise commercial, retail and residential. The community is also planned to have a school, library, parks, fountains, a fire station, and circulation elements.

A chart presented in the PowerPoint presentation listed details of projected balance of water supplies and demands for normal year conditions. The figures listed are per acre foot of water. (See presentation for details.) Other charts in the presentation projected water supplies and demands during a single dry year

wherein the dry year demands assumed to generate a seven percent increase in demand over normal conditions for each year in addition to new demand growth.

He indicated that the report verifies and demonstrates that there are sufficient water supplies planned for this project. The report also documents the actions necessary to develop those water supplies. This information was obtained from Metropolitan Water District (MWD), the San Diego County Water Authority (SDCWA) and Otay Water District documents. The law requires that the report state that there is sufficient water supply for EUC SPA project and the existing and other reasonably foreseeable planning development projects within the Otay Water District for a 20-year planning horizon, and for a single and multiple dry years in normal conditions.

The SDCWA capital facilities are planned for adequate water supplies. SDCWA has the emergency storage project, the Twin Oaks Water Treatment Plant which is under construction, the San Vicente Reservoir expansion for carryover storage, Pipeline No. 6 which is more water from MET, the All American Canal which started construction a month ago, and the Coachella Canal which is complete.

A chart was presented indicating the projected verifiable water supplies that the SDCWA service area will receive in a normal year. The chart lists water supply sources as well as member agency supplies from 2010 through 2030.

He indicated that the Metropolitan Preferential Rights slide indicates that in fiscal year 2006, SDCWA preferential rights for 16.46% of Metropolitan's supply. However, SDCWA used in that same year 25% of the water. There is a gap in the supply and actual water used that is an issue. SDCWA and its member agencies are taking measures to reduce dependence on Metropolitan. He clarified that any independent development of a water supply would not jeopardize the preferential rights allocation from Metropolitan.

Metropolitan has stated, and it is written in its Administrative Code, that it is prepared to provide SDCWA's service area with adequate supplies of water to meet expanding and increasing needs in the years ahead. It has also assured SDCWA that it is prepared to deliver additional water resources required to meet increasing supply needs. The Metropolitan Regional Urban Water Management Plan (RUWMP) states that it expects to be 100 percent reliable in meeting all non-discounted non-interruptible demands throughout the next 25 years.

He indicated that the report demonstrates there are sufficient water supplies for this project, the actions to develop water supplies are well documented and that water demand and supply forecasts are included in planning documents of Metropolitan, SDCWA and Otay Water District.

General Manager Watton indicated SDCWA has been working toward the preferential rights percentage of 16.46% by using recycled water. The All American and Coachella projects will be other water sources that SDCWA can

rely on. As water transfers from the Imperial Valley continues, through critical actions taken by SDCWA over the past years to assure all of these projects are complete, other water sources will be available to this region. Some of the agricultural surplus water users will be cut back, but that is the agreement that the agricultural water users established when they were offered a discount on the water they are now receiving, for a secure water supply.

Finally, one of the things that the CWA and MET is very sensitive to is whatever your belief on growth or how things are getting planned in your city, growth is about 15% of the economy and produces a positive impact on the economy. CWA and MET does not want to adversely impact that part of the economy. The water supply issue is something that has been carefully taken into consideration and projecting an adequate supply for the growth.

Director Breitfelder suggested that staff, at the appropriate time, provide a presentation to the City of Chula Vista Council and explain what the approval of the Water Supply Assessment and Verification Report indicates as he did not want legislators, sometime in the future, indicate to the District that they were under the impression that the 610 assures water supplies even during times of drought. The WSA&V demonstrates and verifies that sufficient water supplies are **planned** to be available for the proposed development under normal conditions for the next 20 years and documents actions necessary to develop these water supplies. Engineering Manager Peasley suggested that staff could present the information during the city's public comments portion of their EIR for this development.

President Croucher stated that this is more of a regional issue than a localized district issue. As long as MWD indicates it has adequate water supplies available to Otay, he doesn't feel that it is appropriate for Otay to react adversely on an independent basis without the support of other water agencies in San Diego County and question MWD's reliability. Some of the growth that was expected within the Otay Water District boundaries has not materialized. The water that would have been allocated for those developments can now be redirected to this project in Chula Vista.

General Manager Watton indicated that District staff will be interacting with the new City Manager of Chula Vista to review planned projects. He indicated that there will be requirements that will focus on conservation.

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

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

to approve the Water Supply Assessment and Verification Report dated July 2007 for the McMillin, LLC Eastern Urban Center Sectional Planning Area Plan as presented by staff.

INFORMATION / ACTION ITEMS

8. ENGINEERING AND WATER OPERATIONS

- a) APPROVE AN AGREEMENT BETWEEN THE SAN DIEGO COUNTY WATER AUTHORITY (CWA) AND THE OTAY WATER DISTRICT FOR LOCAL WATER SUPPLY DEVELOPMENT PROGRAM FUNDING (LWSD AGREEMENT) CONTINGENT UPON CWA'S BOARD OF DIRECTORS APPROVAL OF SUBSTANTIALLY THE SAME

General Manager Watton indicated that this item was presented to the Finance, Administrative Services and Communications Committee. The existing contract is being combined with the new contract for the incentives with Metropolitan Water Authority for recycled water. The water Otay is receiving from the South Bay Water Treatment Plant warranted a new contract but instead of administering two contracts, the Water Authority and Otay thought it would be beneficial to combine those contracts. It amounts to \$385 per acre foot which will offset operating and capital costs to operate the recycled water system. This incentive is a very important component in order for Otay to manage its recycled water system.

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

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

to approve the agreement between CWA and OWD for the Local Water Supply Development Program Funding Agreement contingent upon CWA's Board of Directors approval of substantially the same.

9. BOARD INFORMATION / ACTION ITEMS

- a) DISCUSSION OF 2007 BOARD MEETING CALENDAR

There were no changes to the Board meeting calendar.

REPORTS

10. GENERAL MANAGER'S REPORT

General Manager Watton indicated that IEC continues to work on the 30% design plans for the 36" pipeline through El Cajon to OWD's Regulatory area. Harris and Company will then perform the design peer review. This will be a chance to look for cost savings and efficiency.

The Water Conservation Summit is scheduled on October 12. He indicated there will be some state proposition money that will awarded through the summit and stated it will be a good forum in which to discuss conservation. Director Robak is encouraged to attend the summit.

Mr. Watton pointed out that Otay staff is participating in the AWWA Qualserve Benchmarking workshop with local utilities on standardizing benchmark techniques. The AWWA Qualserve Benchmarking is reported to the Board as part of OWD's strategic plan. OWD is actively involved in the workshop which includes other local utilities.

He indicated that Otay activated the 24/7 Credit Card Payment by Phone on May 1st. Our customers can now make bill payments by phone 24 hours a day. The number of customers estimated to use the system in July was 1600. This adds to the variety of ways customers can pay their bill.

Staff has been focusing on raising awareness of fraud prevention. There have been a series of workshops and lectures to assist staff in recognizing fraud. The District auditors are now checking that staff is trained in fraud awareness.

Staff issued a Notice to Proceed for the Olive Vista Pipeline project. This is an \$840,000 project that Ortiz won in competition with other contractors.

He indicated that the RAMAR change-out program is complete. The District's contractor, Underground Utility, Inc., and the District's Utility/Construction Section replaced 6,811 RAMAR/Badger units as of June 30, 2007.

a) SAN DIEGO COUNTY WATER AUTHORITY (SDCWA) UPDATE

President Croucher indicated that a brief presentation was given at CWA regarding Outdoor Conservation Practices. He requested that a full presentation be provided to an Ad Hoc Committee at CWA. He indicated that he would bring copies of the presentation to the Otay Board and any CDs and other information presented at that meeting.

11. DIRECTORS' REPORTS/REQUESTS

President Croucher confirmed that funds available for outside landscape/artificial turf is \$75,000 per year and not \$50,000 as previously reported.

He encouraged the Board to attend the Water Conservation Summit on October 12, 2007. The summit will be held at the Joan Kroc Center at the University of

San Diego from 9:00 a.m. until 4:00 p.m. Board members have his authorization to attend.

He reminded the Board that there is an event at the Water Conservation Garden in August. He encouraged all Board members to attend.

He indicated that he wanted to commend Director Robak for the great job he did on his presentation to the Water Agencies Association meeting on the Water Conservation Garden. He lastly noted that there were over 6,000 people that attended the Spring Garden Festival at the Water Conservation Garden.

Director Lopez apologized for missing the Employees Recognition Luncheon. He congratulated all staff members who were recognized at that event.

Direct Breitfelder indicated that the Deputy Mayor for the City of Los Angeles spoke at the Council of Water Utilities monthly breakfast meeting that he attended in July. He reported that the presentation did not provide any new information that Otay is not already aware of. However, the message was that Los Angeles and San Diego Counties are not as drought proof as other parts of California. He stated that he also wished to note that Sweetwater Authority's Board President, Mr. Mitch Beauchamp, did a great job in expressing at the Water Agencies Association meeting why the Water Conservation Garden was such an important regional asset and worthy of financial support.

He indicated that upcoming events include a Chamber mixer at the Auld Goff course on August 16. He encouraged Board members attend.

Director Breitfelder shared that the Model Ordinance Committee is focused on requirements of water efficient landscaping both in common areas and individual lawns. He stated that it does touch on recycled water and he wished to thank staff as the proposed language for the model ordinance is more aggressive with regard to the use of recycled water. He indicated that, ideally, some of the areas utilizing recycled water will be exempt from some of the provisions of the ordinance.

12. PRESIDENT'S REPORT / REQUESTS

President Croucher indicated that he was asked at the Employee Appreciation Lunch whether the Board wanted to speak on behalf of the Board at the lunch. He did not choose to speak at the event because he felt the focus was on the employees and their accomplishments. He thanked the employees for the emails in which they expressed their appreciation with regard to the letter to employees from the Board. He indicated that it was nice to receive the positive feedback from employees with regard to the letter.

He announced that the Otay Employee Picnic is Saturday, August 4, at De Anza Cove in Mission Bay.

RECESS TO CLOSED SESSION

13. CLOSED SESSION

The board recessed to closed session at 4:18 p.m. to discuss the following matters:

- a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
[GOVERNMENT CODE §54956.9(a)]
 - (i) HARRON v. OTAY WATER DISTRICT

RETURN TO OPEN SESSION

14. 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 4:34 p.m. General Counsel, Yuri Calderon reported there were no reportable actions taken in closed session.

15. ADJOURNMENT

With no further business to come before the Board, President Croucher adjourned the meeting at 4:34 p.m.

President

ATTEST:

District Secretary



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Ken Simmons <i>KS</i> Senior Civil Engineer	PROJECT / SUBPROJECT:	P2185 DIV. 5 003013 NO.
	Ron Ripperger <i>[Signature]</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Board approve Change Order No. 2 (See Page 2 of Staff Report for detail on the Change Order) to the existing agreement with Pacific Hydrotech Corporation (Pacific Hydrotech) for construction of the 640-1 and 640-2 Reservoirs Project reducing the agreement amount by \$122,112 (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. 2 (See Exhibit B) reducing the agreement amount with Pacific Hydrotech by \$122,112.

ANALYSIS:

At the December 6, 2006 Board Meeting, Pacific Hydrotech was awarded the construction agreement for the 640-1 and 640-2

Reservoirs Project. The project construction began in January 2007 and is currently progressing well. Overall, construction is 40% complete. Construction completion is scheduled for November 2008.

Change Order No. 2 modifies the wall thickness of the inlet/outlet piping from 1/4-inch to 3/8-inch at an agreed upon price of \$77,887 and deletes bid item #14, the agreement allowance for delays due to blasting, which will result in a \$200,000 deduct.

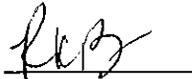
The construction plans were unclear as to the wall thickness of the pipelines coming from the 640 Reservoirs and connecting into vault 1. Since the wall thickness was shown on the plans at vault 1 as 1/4-inch, Pacific Hydrotech included this thickness in their bid for the piping between the reservoirs and vault. Due to concerns regarding deflection and difficulty accessing these critical pipelines for repair in the future, the design engineer requested that the pipeline between the reservoirs and vault 1 be 3/8-inch wall thickness. The added value gained with the thicker wall for these pipelines provides an extra measure of safety for the future. The blasting has been completed and no delays were incurred.

The project's construction management team, RBF Consulting, reviewed the piping costs submitted by the contractor with two outside pipe manufacturers and found that the agreed upon price of \$77,887 was very reasonable and the least expensive of the quotes received.

The design engineer recognized that this issue should have been resolved during the design and bid phases. Because of this oversight the design engineer has contributed \$5,000 to help offset the additional pipe cost. They have also contributed their staff time to investigate and resolve the issue.

Change Order No. 2 is a net decrease to the agreement with Pacific Hydrotech of \$122,112. Staff recommends approving Change Order No. 2 in the amount of <\$122,112>.

FISCAL IMPACT:



The approved total budget for CIP P2185 is \$29,500,000. Expenditures to date are \$11,543,828. Total commitments to date, including this Change Order, are approximately \$28,078,340. See Attachment B for budget detail.

The Project Manager anticipates that based on the attached financial analysis that the budget will be sufficient to support

this project. This change order reduces the agreement amount by \$122,112.

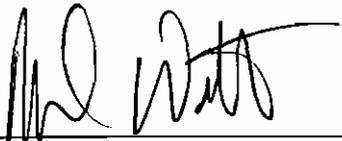
As previously determined by Finance, the funding for this project is available from the Expansion Fund (53%) and the Betterment Fund (47%).

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of Otay Water District, in a professional, effective, efficient, and sensitive manner..." This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP 00185 - 640 Reservoirs\WO 30018 640 Reservoirs\Staff Reports\CO #2\BD 10-03-07, 640-1.2 Fac Hydrotech CO#2.doc

KS/RR/RP:mlc

Attachments: Attachment A
Attachment B
Exhibit A
Exhibit



ATTACHMENT A

SUBJECT/PROJECT: P2185-003103	Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 13, 2007. The following comments were made.

- Staff indicated that the wall thickness of the inlet/outlet piping for this project was modified from 1/4-inch to 3/8-inch. The 3/8-inch pipe wall thickness will provide additional safety to a critical part of the project.
- This modification will change the pricing.
- The design engineer acknowledged that the plans were not clear and agreed to contribute \$5,000 to offset the additional pipe cost.
- The project is 40% complete.
- Change Order No. 2 also includes a deduction of the allowance for blasting contingencies. The project's rock blasting is complete and this item is no longer required.
- Staff explained that due to this change, there will be a net decrease to the agreement with Pacific Hydrotech of \$122,112.

Upon completion of the discussion, the Committee supported Staff's recommendation and forwarding to the board of Directors on the consent calendar.



ATTACHMENT B

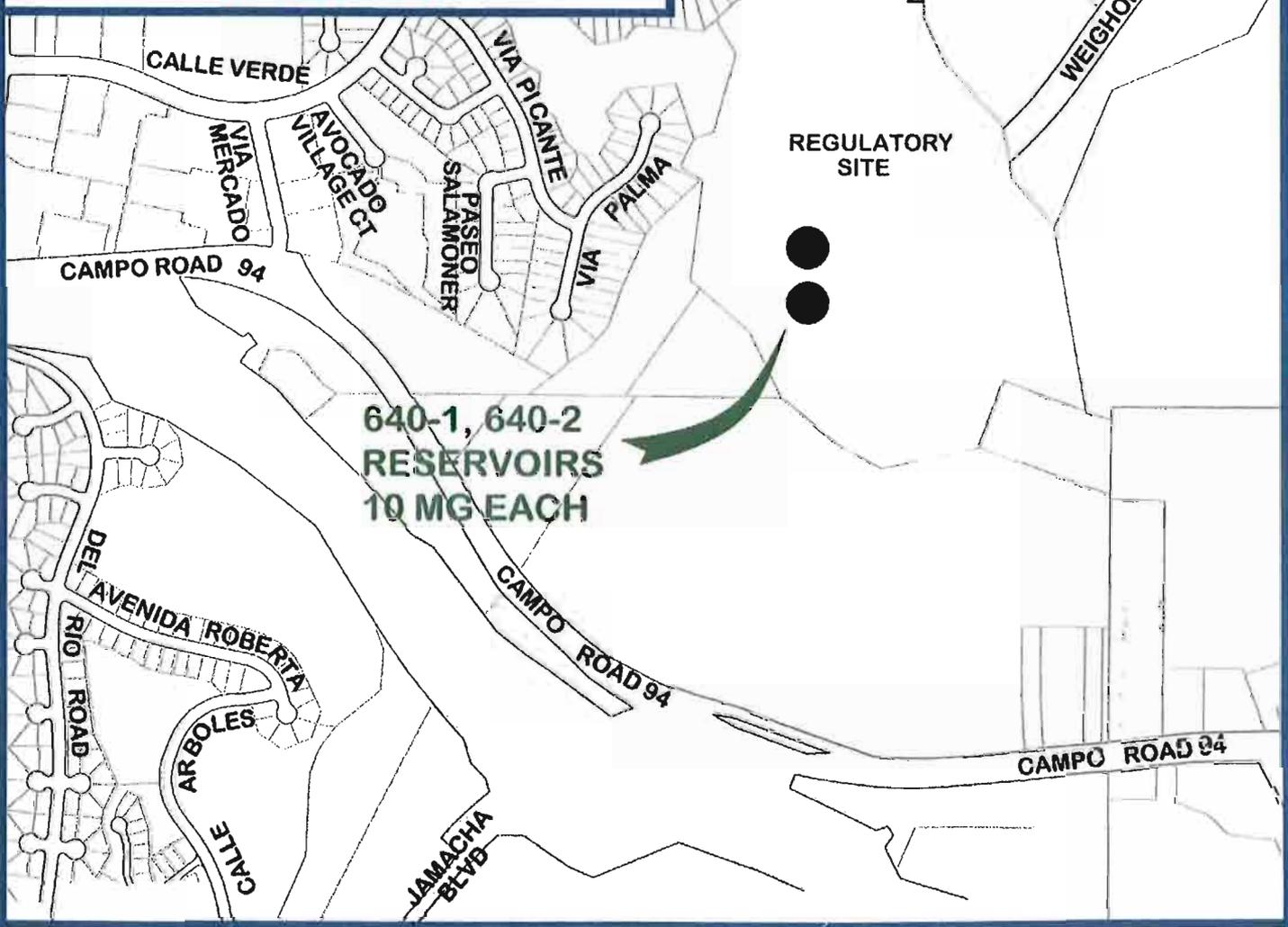
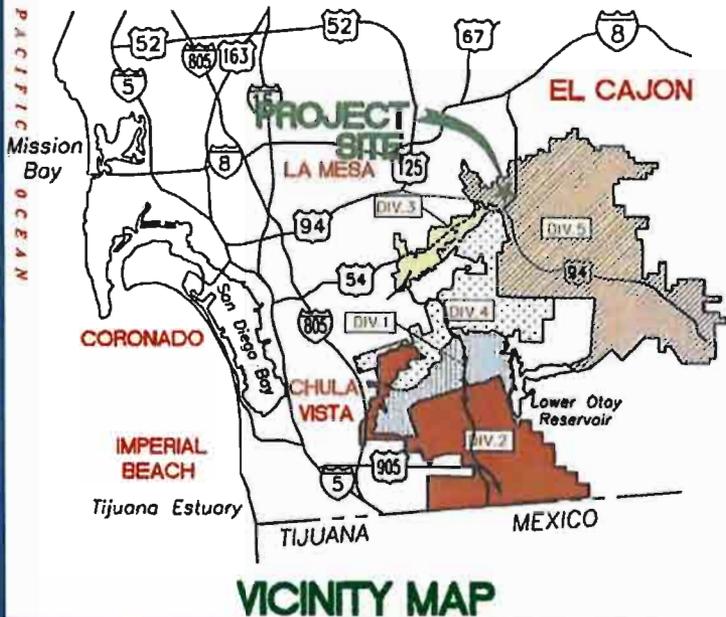
SUBJECT/PROJECT: Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project - Budget Detail

Otay Water District
P2185 - Res - 640-1 Reservoir 20.0 MG

Date Updated: August 27, 2007

Budget	Committed (A)	Expenditures (B)	Outstanding Commitment & Forecast (C)	Projected Final Cost (B+C)	Vendor / Comments
\$29,500,000					
Planning					
Studies					
In-house/Labor	104,409.10	104,409.10		104,409.10	
Printing	223.58	223.58	-	223.58	Tiger Reprographics
Office Supplies	25.05	25.05	-	25.05	Petty Cash Custodian
Consultant Contract	842,000.00	810,733.91	31,266.09	842,000.00	Infrastructure Engineering Corp
Construction Contracts- Elec/Permits	750.00	750.00	-	750.00	San Diego Gas & Electric
Professional & Legal Fees	466.90	466.90	-	466.90	Garcia, Calderon & Ruiz
Subcontract	175,783.84	175,783.84	-	175,783.84	
Subcontract	153,831.91	153,831.91	-	153,831.91	
Chemical Feed Systems	6,169.48	6,169.48	-	6,169.48	Core-rosion Products
Service Contract	362.25	362.25	-	362.25	Bob Turner's Crane Services Inc.
Service Contracts	63.80	63.80	-	63.80	Sedona Staffing
Postage	26.57	26.57	-	26.57	Fed-Ex
Land/Easement Acquisition	39,000.00	39,000.00	-	39,000.00	Wildlands Inc
Total Planning	\$ 1,323,112.48	\$ 1,291,846.39	\$ 31,266.09	\$ 1,323,112.48	
Design					
In-house/Labor	\$ 306,225.51	\$ 306,225.51	-	\$ 306,225.51	
Consultant	\$ 4,704.84	\$ 4,704.84	-	\$ 4,704.84	WRA & Associates
Subcontract	\$ 8,499.72	\$ 8,499.72	-	\$ 8,499.72	E & J Weed Abatement Co.
Subcontract	\$ 682.01	\$ 682.01	-	\$ 682.01	Environmine
Subcontract	\$ 7,800.00	\$ 7,800.00	-	\$ 7,800.00	Fire Prevention Services Inc.
Subcontract	\$ 600.00	\$ 600.00	-	\$ 600.00	Pacific Southwest Biological
Subcontract	\$ 9,711.41	\$ 9,711.41	-	\$ 9,711.41	John Powell & Associates
Regulatory Agency Fee	\$ 1,250.00	\$ 1,250.00	-	\$ 1,250.00	State of California
Office Supplies	\$ 15.09	\$ 15.09	-	\$ 15.09	Petty Cash Custodian
Materials	\$ 537.10	\$ 537.10	-	\$ 537.10	Traffic Control Services Inc
Materials	\$ 152.00	\$ 152.00	-	\$ 152.00	Allied Trench Shoring Services
Service Contract	\$ 15,168.39	\$ 15,168.39	-	\$ 15,168.39	OCB Reprographics
Service Contract	\$ 2,228.00	\$ 2,228.00	-	\$ 2,228.00	Mcgraw-Hill Construction
Advertisement	\$ 527.80	\$ 527.80	-	\$ 527.80	San Diego Daily Transcript
Advertisement	\$ 2,224.60	\$ 2,224.60	-	\$ 2,224.60	Union Tribune Publishing
Advertise and Award	-	-	-	-	Advertise and Award
Total Design	\$ 360,326.47	\$ 360,326.47	\$ -	\$ 360,326.47	
Construction					
In-house/Labor	160,022.93	160,022.93	649,289.37	809,312.30	
Subcontract	118,929.39	118,929.39	-	118,929.39	Boyle Engineering
Materials	122.40	122.40	-	122.40	Office Depot
Materials	5,466.34	5,466.34	-	5,466.34	National Waterworks Inc.
Temporary Labor	382.80	382.80	-	382.80	Sedona Staffing
Shipping	20.62	20.62	-	20.62	Fed-Ex
Construction Contracts- Elec/Permits	23,377.00	23,377.00	-	23,377.00	San Diego Gas & Electric
Construction Contract	24,894,000.00	9,232,215.00	15,661,785.00	24,894,000.00	Pacific Hydrotech Corporation
Construction Management	1,196,735.00	355,274.00	841,461.00	1,196,735.00	RBF Consulting
Contingency	-	-	752,370.18	752,370.18	Contingency
C.O.#1	116,562.00	116,562.00	-	116,562.00	C.O.#1- Pacific Hydrotech
C.O.#2	(122,112.16)	(122,112.16)	-	(122,112.16)	C.O.#2- Pacific Hydrotech
Professional & Legal Fees	258.40	258.40	-	258.40	Burke Williams & Sorenson LLP
Professional & Legal Fees	487.20	487.20	-	487.20	Garcia, Calderon & Ruiz
Service Contracts	649.60	649.60	-	649.60	San Diego Daily Scripps
OWD to Pay CWA for FCF 14	-	-	-	-	CWA
Accpt/close-out	-	-	20,000.00	20,000.00	In-house Staff
Total Construction	26,394,901.52	9,891,655.52	17,924,905.53	27,816,561.05	
Grand Total	28,078,340.47	11,543,828.38	17,956,171.62	29,500,000.00	

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OTAY WATER DISTRICT

PROPOSED

640-1 AND 640-2 RESERVOIRS

W.O. 30018

LOCATION MAP

CIP P2185

EXHIBIT A

CONTRACT/P.O. CHANGE ORDER No. #2

PROJECT/ITEM: 640-1 (10 MG) & 640-2 (10 MG) Reservoirs

CONTRACTOR/VENDOR: Pacific Hydrotech Corporation

REF. CIP No.: P2185-003103

APPROVED BY: Board

REF. P.O. No: 705704

REF. W.O. No.: 30018

DATE: 9/5/2007

DESCRIPTION:

See attached page 2 of 2 for continuation.

REASON:

See attached page 2 of 2 for continuation.

CHANGE P.O. TO READ:

Revise contract to deduct \$122,112.16 for a total contract amount of \$24,888,450.10.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	24,894,000.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	25,010,562.26
TOTAL COST OF THIS CHANGE ORDER:	\$	(122,112.16)
NEW CONTRACT/P.O. AMOUNT IS:	\$	24,888,450.10
ORIGINAL CONTRACT COMPLETION DATE:		Sep 6, 2008
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		63 Days
REVISED CONTRACT COMPLETION DATE:		Nov 8, 2008

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 : _____

TITLE: _____ DATE : _____

ADDRESS: _____

STAFF APPROVALS:

PROJ. MGR : _____ DATE: _____

DIV. MGR : _____ DATE: _____

CHIEF: _____ DATE: _____

ASST. GM : _____ DATE: _____

DISTRICT APPROVAL:

GEN. MANAGER: _____ DATE: _____

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

Description of Work

<u>Description</u>	<u>Increase</u>	<u>Decrease</u>	<u>Time</u>
<u>Item No. 1</u> RFP 002 This Change Order provides for increasing the wall thickness of both the inlet and outlet pipelines for the 640-1 and 640-2 Reservoirs from 1/4" wall thickness to 3/8" wall thickness due to design requirement per RFP 002	\$77,887.84		0
<u>Item No. 2</u> This Change Order decreases the amount allocated for Bid Item 14, Suspension of Blasting Operations by \$200,000 to a new authorized amount of \$0.00. (Delete 20 Days at \$10,000 / Day)		\$200,000.00	0
Sub Total Amount	\$77,887.84	\$200,000.00	0
Total Net Change Order Amount	<u>(\$122,112.16)</u>		

Revisions to: **BID SCHEDULE**

Item #	Description	Quantity	Unit	Unit Price	Amount
14	Suspension of Blasting Operations	0	DAY	\$10,000	0.00

Reason:

Item No. 1: RFP 2

Subsequent to initiation of the submittal process it was determined by the design engineer that 3/8-inch wall thickness steel pipe was required between vault 1 and the reservoirs due to pipe deflection tolerances resulting from the depth of cover over the pipelines. The thickened wall section was not indicated on the drawings and was determined to be required as part of the submittal review process. This change is required to implement a thickened wall section for both reservoirs inlet and outlet pipelines to vault 1 to ensure deflection tolerances are achieved due to design depth of cover.

Item No. 2: RFP 2

The Contract Allowance Bid Item, Item No. 14 Suspension of Blasting Operations, was utilized to the maximum practical extent in the performance of the contract work and is no longer required.

CHANGE ORDER LOG

CIP Title - 640-1 and 640-2 Reservoirs

Consultant/Contractor: Pacific Hydrotech Corporation

Project: P2185

Subproject: 003103

W.O. No. 30018

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	\$116,562.26	Board	9/5/2007	1. Differing site condition beneath Tank 2 and modified soil backfill requirements	Contractor Initiated
2	(\$122,112.16)	Board	10/3/2007	1. Increase inlet/outlet pipe wall thickness from 1/4-inch to 3/8-inch 2. Removes contract provision for delays due to blasting as all project blasting is complete	Contractor Initiated
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					

Total C.O.'s To Date:	(\$5,549.90)	0.0%
Original Contract Amount:	\$24,894,000.00	
Current Contract Amount:	\$24,888,450.10	

Change Order Breakdown for the Month:

Month	Net C.O.\$	Limit	Authorization	C.O. %
		\$2,000	Secretary	0.0%
		\$5,000	PM/Sup	0.0%
		\$10,000	DivM	0.0%
		\$15,000	Chief	0.0%
		\$25,000	AGM	0.0%
		\$50,000	GM	0.0%
		>\$50000	Board	0.0%



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Kelli Williamson, <i>[Signature]</i> Human Resources Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	Rom Sarno, Chief of Administrative Services <i>[Signature]</i> (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager of Finance and (Asst. GM): Administrative Services <i>[Signature]</i>		
SUBJECT:	Adopt Resolution 4112 to Revise the Policy Against Discrimination and Harassment and Complaint Procedure- Board Policy 47.		

GENERAL MANAGER'S RECOMMENDATION:

That the Board of Directors adopt Resolution 4112 to revise the Policy Against Discrimination and Harassment and Complaint Procedure - Board Policy 47.

COMMITTEE ACTION: _____

See attached (Attachment A).

PURPOSE:

That the Board of Directors adopt Resolution 4112 (Attachment B) to implement the revisions of Board Policy 47 - Policy Against Discrimination and Harassment and Complaint Procedure (Attachment B, Exhibit 1).

ANALYSIS:

Periodically Staff reviews and revises District Policies and Procedures. In preparation to conduct an All Employee Discrimination and Harassment Training, Staff reviewed and revised the District's Discrimination and Harassment Policy and Complaint Procedure.

Board Policy 47 is attached in an underline/strikethrough version to reflect proposed changes (Attachment C).

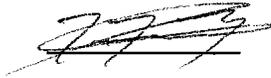
Board Policy 47 currently provides for a work environment free of unlawful discrimination and harassment and prohibits discrimination and harassment based on sex (including gender, pregnancy, childbirth or related medical condition), race,

color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected class (as recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing). Staff believes it is in the best interest of the District to increase the scope of this policy by including retaliation as a prohibited act.

This policy will be reviewed on a regular basis and brought forward to the Board of Directors for review and ratification to ensure that the District continues to have a comprehensive policy.

Staff has provided a copy of the proposed revisions to the Policy to the Otay Water District Employees Association for their review and they had no comments.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

LEGAL IMPACT:

 9-11-2007

None.



General Manager

Attachments

Attachment A - Committee Action

Attachment B - Resolution 4112 - Revisions to Board of Director's Policy 47 - Policy Against Discrimination and Harassment and Complaint Procedure

Exhibit 1 - Board of Director's Policy 47 - Policy Against Discrimination and Harassment and Complaint Procedure

Attachment C - Underline/Strikethrough version of the current Policy Against Discrimination and Harassment and Complaint Procedure to reflect the existing policy



ATTACHMENT A

SUBJECT/PROJECT:	Implement Changes to Board Policy 47 - Policy Against Discrimination and Harassment and Complaint Procedure
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on September 17, 2007. The following comments were made:

- It was noted that staff reviews the District's policies periodically and proposes updates as required.
- An all employee Discrimination and Harassment Training has been scheduled in October 2007 and in preparation for that training, the District's Policy Against Discrimination and Harassment and Complaint Procedure, Policy 47, was reviewed and updates are proposed for the Board's approval.
- Although policies are reviewed periodically, it was discussed that the change in insurance vendor to Special District Risk Management Authority (SDRMA) has prompted an annual review of this policy.
- It was noted that complaints concerning employees under the General Manager's direction will be reviewed under the General Manager purview. If the complaint was against the General Manager then the complaint would be under the purview of the Board of Directors.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on the consent calendar.

RESOLUTION NO. 4112

A RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT REVISING
BOARD OF DIRECTORS POLICY 47,
POLICY AGAINST DISCRIMINATION AND HARASSMENT
AND COMPLAINT PROCEDURE

WHEREAS, the Board of Directors wishes to revise Board Policy 47 Policy against Discrimination and Harassment and Complaint Procedure; and

WHEREAS, the District desires to provide for a work environment free of unlawful discrimination, harassment and retaliation and that prohibits discrimination, harassment and retaliation based on sex (including gender, pregnancy, child birth or related medical condition), race color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected class (as recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District that the attached revised "Policy Against Discrimination and Harassment and Complaint Procedure" shall become effective immediately upon adoption (Exhibit 1).

PASSED, APPROVED AND ADOPTED by the Board of Directors
of Otay Water District at a regular meeting held this 3rd
day of October, 2007.

Ayes:
" Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary

OTAY WATER DISTRICT BOARD OF DIRECTORS POLICY			
Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	Pending

PURPOSE

The purposes of this policy are to (i) advise all employees that the District disapproves of and will not tolerate unlawful discrimination or harassment of its employees, or retaliation against those who report such behavior, and (ii) set forth a procedure for investigating and resolving internal complaints of discrimination, harassment, or retaliation.

POLICY

The District is committed to providing a work environment free of unlawful discrimination, harassment, or retaliation against those who report discrimination or harassment. Discrimination or harassment based on sex (including gender, pregnancy, childbirth or related medical condition), race, color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected class (as recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing) is prohibited. Discrimination or harassment based on the perception that a person has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics, is prohibited. Retaliation against any person who complains of unlawful discrimination or harassment or who provides evidence relating to such a complaint, is prohibited.

This Policy applies to all terms and conditions of employment, including, but not limited to: hiring, placement, advancement, promotion, disciplinary action, layoff, recall, transfer, leave of absence, compensation and training. It applies to each District employee, member of the Board of Directors, and to all vendors doing business with the District.

DEFINITIONS

Discrimination – Any decision or action that is based on an individual’s status as a member of a protected class that adversely affects a District employee or the employee’s work conditions, terms of employment, or work environment.

Harassment – Any decision or action that is based on a District employee’s status as a member of a protected class, made for the purpose of adversely affecting that employee’s work conditions, terms or employment, or work environment. Harassment may include, but is not limited to:

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	Pending

- Verbal conduct such as epithets, derogatory jokes or comments, slurs, or unwelcome sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work;
- Threats and demands to submit to sexual requests as a condition of continued employment or to avoid an adverse consequence, and offers of employment benefits in return for sexual favors.

Protected Class – Any class of persons who share a common sex, race, color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other “protected class” recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing. For purposes of this definition, “sex” includes gender, pregnancy, childbirth, or a pregnancy- or childbirth-related medical condition.

Retaliation – Any decision or action that is based on the fact that a District employee has previously complained of discrimination, harassment, or retaliation prohibited by this Policy (regardless of whether a formal complaint has been made) or has provided evidence in the investigation of another District employee’s complaint under this Policy, made for the purpose of adversely affecting the employee’s work conditions, terms or employment, or work environment.

Sexual harassment – A form of harassment that is based on an employee’s gender but which objectively and subjectively creates an adverse impact on the employee regardless of the purpose or intent of the alleged harasser.

COMPLAINT PROCEDURE

An employee or job applicant who believes he or she has been the victim of discrimination, harassment, or retaliation by another employee, a member of the Board of Directors, or a vendor may make a complaint verbally, or in writing by completing the District’s Discrimination and Harassment Complaint Form. An employee may make a complaint to any of the following:

- Employee’s immediate supervisor;
- Employee’s immediate manager;
- Employee’s department Chief;
- Any supervisor, manager, Department Chief, or Assistant General Manager;

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	Pending

- The Office of Administrative Services;
- The Human Resources Office; or
- General Manager
- President of the Board of Directors (only for complaints against General Manager)

Applicants may make a complaint to any of the following:

- The Human Resources Office;
- The Office of Administrative Services; or
- General Manager

Any person or office described above shall forward each written discrimination complaint to the General Manager or designee within two business days of receiving the complaint. If a complaint is made verbally, the person or office receiving the complaint shall provide written documentation of the complaint, secure the complainant's signature if possible, and forward the written complaint to the General Manager or designee within five business days of receiving the verbal complaint.

If any manager, supervisor, department chief, or Assistant General Manager becomes aware of or suspects discrimination, harassment, or retaliation against a District employee, or any allegation thereof, he/she must immediately notify the Human Resources Manager of the relevant facts and circumstances.

The General Manager or designee may conduct the investigation of alleged discrimination, harassment, or retaliation, or may delegate responsibility for the investigation to another District management employee. If the complaint is against the General Manager, the President of the Board of Directors shall be responsible for conducting the investigation, assigning another management employee, or outside investigator and overseeing the investigation. If the complaint is against the Board of Directors, the General Manager shall be responsible for contracting with an outside investigator to conduct the investigation. The Board will take appropriate action based on the findings.

During its investigation, the District shall take appropriate steps to protect the privacy of all parties involved. This shall not be construed to justify refusing to inform a person who has been accused of violating this Policy of the identity of the complainant and witnesses against him/her, however. Reports of discrimination, harassment, or retaliation may not be made anonymously, but information regarding any report and subsequent investigation will be disseminated on a "need to know" basis.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	Pending

In the event that an investigation will take longer than 60 calendar days to complete, the investigator must notify the complainant of this fact prior to the expiration of 60 days and provide an anticipated completion date, in writing.

If a finding is made that discrimination, harassment, or retaliation has occurred, the District shall take remedial action appropriate to the circumstances, which may include disciplinary action up to and including termination for an employee who has violated this Policy or sanctions for a vendor who has violated this Policy.

Every District employee has a duty to participate in good faith in any investigation conducted under this Policy. Failure to participate in good faith is a ground for disciplinary action appropriate to the circumstances. All employees are encouraged to report in good faith discrimination, harassment, or retaliation. However, reports made maliciously or in bad faith may subject an employee to disciplinary action appropriate to the circumstances up to and including termination.

The action of making a complaint does not preclude a complainant from filing a complaint with the appropriate state or federal agency. For information as to where to file a claim, an employee may contact the Equal Employment Opportunity Commission at (213) 894-1000 or the Department of Fair Employment and Housing at (800) 884-1684.

POLICY HISTORY

Human Resources Policy and Procedure, Effective August 4, 1993.

Revised March 15, 2000.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	<u>Pending</u>

PURPOSE

The ~~purpose~~purposes of this policy ~~is~~are to ~~make clear~~(i) advise all employees that the District disapproves of and will not tolerate unlawful discrimination or harassment ~~against~~of its employees. ~~Harassment may be unlawful whether committed by co workers, managers, supervisors and/ or non employees. This policy also sets~~retaliation against those who report such behavior, and (ii) set forth a procedure for investigating and resolving internal complaints of discrimination ~~or~~, harassment, or retaliation.

POLICY

The District is committed to providing a work environment free of unlawful discrimination ~~and~~, harassment. District policy prohibits, or retaliation against those who report discrimination or harassment. Discrimination or harassment based on sex (including gender, pregnancy, childbirth or related medical condition), race, color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected class (as recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing). ~~The District also prohibits unlawful~~discrimination) is prohibited. Discrimination or harassment based on the perception that ~~anyone~~a person has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. ~~All such discrimination or harassment is unlawful. , is prohibited. Retaliation against any person who complains of unlawful discrimination or harassment or who provides evidence relating to such a complaint, is prohibited.~~

This Policy applies to all terms and conditions of employment, including, but not limited to: ~~–~~ hiring, placement, advancement, promotion, disciplinary action, layoff, recall, transfer, leave of absence, compensation and training. It ~~also~~applies to all persons involved in the operation of the each District and prohibits unlawful harassment by any employee, member of the Board of Directors, and to all vendors doing business with the District, including supervisors and co workers and by third parties such as vendors.

~~Prohibited unlawful harassment may include, but is not limited to, the following behavior:~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	<u>Pending</u>

DEFINITIONS

Discrimination – Any decision or action that is based on an individual’s status as a member of a protected class that adversely affects a District employee or the employee’s work conditions, terms of employment, or work environment.

Harassment – Any decision or action that is based on a District employee’s status as a member of a protected class, made for the purpose of adversely affecting that employee’s work conditions, terms or employment, or work environment. Harassment may include, but is not limited to:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs, or unwelcome sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work ~~because of sex, race, or any other protected basis;~~
- Threats and demands to submit to sexual requests as a condition of continued employment, ~~or to avoid some other loss~~ an adverse consequence, and offers of employment benefits in return for sexual favors; ~~and.~~
- ~~Retaliation for reporting or threatening to report harassment.~~

Protected Class – Any class of persons who share a common sex, race, color, religion, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other “protected class” recognized by the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing. For purposes of this definition, “sex” includes gender, pregnancy, childbirth, or a pregnancy- or childbirth-related medical condition.

Retaliation – Any decision or action that is based on the fact that a District employee has previously complained of discrimination, harassment, or retaliation prohibited by this Policy (regardless of whether a formal complaint has been made) or has provided evidence in the investigation of another District employee’s complaint under this Policy, made for the purpose of adversely affecting the employee’s work conditions, terms or employment, or work environment.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	<u>Pending</u>

Sexual harassment – A form of harassment that is based on an employee’s gender but which objectively and subjectively creates an adverse impact on the employee regardless of the purpose or intent of the alleged harasser.

COMPLAINT PROCEDURE

An employee or job applicant who believes he or she has been the victim of discrimination, harassment, or unlawful discrimination-retaliation by another employee, a member of the Board of Directors, or harassment a vendor may make a complaint ~~orally~~verbally, or in writing by completing the District’s Discrimination and Harassment Complaint Form. ~~Discrimination complaints should be forwarded to the General Manager. Complaints for harassment~~An employee may be made make a complaint to any of the following:

- ~~Immediate~~Employee’s immediate supervisor;
- ~~Immediate~~Employee’s immediate manager;
- ~~Immediate~~Employee’s department Chief;
- Any supervisor, manager, Department Chief, or Assistant General Manager ~~within or outside the department;~~
- The Office of Administrative Services; or
- The Human Resources Office; or
- General Manager
- President of the Board of Directors (only for complaints against General Manager-)

~~If the harassment complaint is against the General Manager, the complaint may be presented directly to the President of the Board of Directors, who shall be responsible for the investigation.~~

Any

Applicants may make a complaint to any of the following:

- The Human Resources Office;
- The Office of Administrative Services; or
- General Manager

Any person or office described above shall forward each written discrimination complaint to the General Manager or designee within two business days of receiving the complaint. If a complaint is made verbally, the person or office receiving the complaint shall ~~reduce~~provide written documentation of the complaint-the complaint to writing,

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject: POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE	Policy Number	Date Adopted	Date Revised
	47	10/11/05	<u>Pending</u>

secure the complainant's signature if possible, and forward the written complaint to the General Manager or designee within five business days of receiving the verbal complaint.

If any manager, supervisor, ~~manager,~~ department chief, or Assistant General Manager who ~~is~~ becomes aware of unlawful or suspects discrimination, harassment, or retaliation against a District employee, or any allegation thereof, he/she must immediately notify the Human Resources Manager ~~immediately upon becoming aware of the harassment~~ of the relevant facts and circumstances.

~~Employees will not be penalized for reporting discrimination or incidents of harassment or for participating in any investigation of such reports. During its investigation of reported harassment, the District will~~ The General Manager or designee may conduct the investigation of alleged discrimination, harassment, or retaliation, or may delegate responsibility for the investigation to another District management employee. If the complaint is against the General Manager, the President of the Board of Directors shall be responsible for conducting the investigation, assigning another management employee, or outside investigator and overseeing the investigation. If the complaint is against the Board of Directors, the General Manager shall be responsible for contracting with an outside investigator to conduct the investigation. The Board will take appropriate action based on the findings.

During its investigation, the District shall take appropriate steps to protect the privacy of all parties involved. This shall not be construed to justify refusing to inform a person who has been accused of violating this Policy of the identity of the complainant and witnesses against him/her, however. Reports of discrimination, harassment, or retaliation may not be made anonymously, but information regarding any report and subsequent investigation will be disseminated on a "need to know" basis.

~~The District will take appropriate remedial action if it determines that unlawful harassment has occurred. An individual who, after investigation, is found to have harassed another employee will be subject to appropriate disciplinary action up to, and including, termination of employment.~~

~~Prompt reporting of unlawful harassment and good faith participation in any subsequent investigation are~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

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~~important. Absent such cooperation, the District may be unable to take action to remedy any unlawful harassment or to prevent its recurrence.~~

~~Malicious reports of harassment, made in bad faith, are damaging to all involved and may be subject to appropriate disciplinary action, up to and including termination of employment.~~

In the event that an investigation will take longer than 60 calendar days to complete, the investigator must notify the complainant of this fact prior to the expiration of 60 days and provide an anticipated completion date, in writing.

If a finding is made that discrimination, harassment, or retaliation has occurred, the District shall take remedial action appropriate to the circumstances, which may include disciplinary action up to and including termination for an employee who has violated this Policy or sanctions for a vendor who has violated this Policy.

Every District employee has a duty to participate in good faith in any investigation conducted under this Policy. Failure to participate in good faith is a ground for disciplinary action appropriate to the circumstances. All employees are encouraged to report in good faith discrimination, harassment, or retaliation. However, reports made maliciously or in bad faith may subject an employee to disciplinary action appropriate to the circumstances up to and including termination.

The action of making a complaint does not preclude ~~the~~ complainant from filing a complaint with the appropriate state or federal agency. For information as to where to file a claim, ~~you an~~ employee may contact the Equal Employment Opportunity Commission at (213) 894-1000 or the Department of Fair Employment and Housing at (800) 884-1684.

POLICY HISTORY

Human Resources Policy and Procedure, Effective August 4, 1993.
 Revised March 15, 2000.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:			
(Chief)			
APPROVED BY:			
(Asst. GM):			
SUBJECT:	Water Conservation Garden (WCG) Board Secretary Support		

GENERAL MANAGER'S RECOMMENDATION:

That the District formally advise the Water Conservation Garden (WCG) that the District will not be providing a staff member to serve as Garden Board Secretary.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To recommend that the District advise the WCG that the District will not be providing a staff member to serve as Garden Secretary.

ANALYSIS:

The Water Conservation Garden's Executive Director has again requested the District consider staffing the Garden Board Secretary position. The Otay Board last year considered a similar request. Please see attached Staff Report dated September 6, 2006.

As noted in the September 2006 Staff Report, the District agreed to make a one-time payment of \$5,000 to the WCG to help fund the Garden Board Secretary. It was understood at the time that this would be a one-time payment to assist the Garden in becoming more self supporting and that the Garden Board would fully fund this position in their budget.

In October 2006, the Garden hired the former Board Secretary from Sweetwater Authority (retired). Unfortunately, at the July 2007 board meeting she announced that she would not continue as secretary beyond September 2007, due to other time commitments. Her departure as Board secretary has again resurrected the issue of asking the agency whose Director is serving as Board President to provide the

secretarial support for Garden activities. The current request is for an estimated 15 hours of executive secretarial support on a monthly basis. The time requirements are concentrated around the board meeting and are not evenly distributed.

Although it is true that in the past the agency serving as Board President also provided secretarial services, it was previously agreed that the Garden would become self-sustaining through funding provided by the WCG members, including Otay.

Given Otay's current secretarial staffing, we are not able to provide support at the level of more than 1/3 of an FTE without Otay hiring added staff to pick up the workload. It is recommended that the Garden pursue the original agreement that it become self sufficient and hire permanent staff to meet its ongoing resource requirements.

FISCAL IMPACT: _____

None



General Manager

Attachment A

Attachment B: Garden Board Secretary Support Staff Report 9/06/06



ATTACHMENT A

SUBJECT/PROJECT:	Water Conservation Garden Board Secretary Support
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on September 17, 2007. The following comments were made:

- It was discussed that Helix Water District had provided the board secretarial staff support until the retirement of their staff member in 2006.
- Following the retirement of this individual, Otay Water District had provided the Water Conservation Garden (WCG) -- in September 2006 -- a one-time payment of \$5000 to help fund the cost of hiring an individual to provide the board secretarial support services through October 2007.
- The WCG then hired the retired board secretary from Sweetwater Authority. In July 2007, this individual submitted her resignation effective September 2007 as other time commitments would no longer allow her to provide the support services. With this individual's departure, the WCG is looking to the agency whose Director serves as the current Board President to provide the board secretary support services.
- It was discussed that Otay Water District does not have the staffing resources available to provide the board secretarial support services to the WCG.
- It is recommended that a temporary staff member be recruited to provide the board secretary support services from November 2007 to February 2008, when the current WCG President's term ends. The committee recommends that the cost not exceed \$1800 [(15 hours @ \$30/hour) X (4 months)]. Otay's Human Resources Department will coordinate with County Water Authority's Human Resources Department if necessary for the recruitment of this individual.

Upon completion of the discussion, the Committee formulated the above recommendations and is forwarding to the Board of Directors on the consent calendar.



STAFF REPORT

TYPE MEETING: Regular Board	MEETING DATE: September 6, 2006
SUBMITTED BY: Mark Watton, General Manager	W.O./G.F. NO: DIV. NO.
APPROVED BY: (Chief)	
APPROVED BY: (Asst. GM):	
SUBJECT: Water Conservation Garden Board Secretary Support	

GENERAL MANAGER'S RECOMMENDATION:

That the Board approve a one time payment of \$5,000 to the Water Conservation Garden (WCG) to provide funding for Board Secretary support.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To present for board consideration the approval of a one time payment of \$5,000 to the Water Conservation Garden to provide funding for Board Secretary support.

ANALYSIS:

The WCG has historically been supported financially and by the staff of the Otay Water District and Helix Water District. Over the years, this financial and staff support has been reduced to an annual contribution of \$75,000 from Otay WD and Helix WD with Helix maintaining the logistical and staff support for the Board Secretary function.

Helix indicates that they desire to terminate their support of the board secretary function to the WCG. The WCG approached the Otay WD and inquired if it intended to take over this function due to the fact that a District board member, Mark Robak, is the current President of the WCG. Otay does not have staff resources to support this function. In discussions with Ms. Eberhardt, it is proposed that Otay WD provide a one-time payment of \$5000 to the WCG to retain support for the board secretary function. This will mitigate the cost of the WCG taking on this duty and allow a smooth budget

transition. It will also assist the WCG in becoming more self-supporting. It is anticipated that in future budget years, the WCG will fully fund this activity.

FISCAL IMPACT: _____

This item was not budgeted in the FY07 operating budget. The District anticipates savings in the General Manager's "Outside Services" and Administration's "Travel" account that will offset this expenditure.

General Manager



ATTACHMENT A

SUBJECT/PROJECT:	Water Conservation Garden Board Secretary Support
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COMMITTEE ACTION:

The Finance and Administration Committee reviewed this item at a meeting held on August 21, 2006. The following comments were made:

- The Water Conservation Garden (WCG) Board Secretary function is generally shared from agency to agency based on which agency's director is the current president of the WCG;
- Director Robak is the current President of the WCG and he has been approached by the garden if the Otay WD would be providing the Board Secretary support as Helix WD indicated that they desire to terminate their support of this function on November 1, 2006;
- Otay WD does not have the personnel resources to support this function and in discussion with Ms. Marty Eberhardt, the Otay WD proposed that the District provide a one-time payment of \$5,000 to the WCG so they may retain Board Secretarial support;
- It was discussed that the \$5,000 would assist the Garden with its budget to cover the cost of the board secretary function. It is anticipated that the WCG will fully fund this activity in future budget years;
- It was noted that by the WCG taking over this function it would also help them to become more self-supporting which is the direction the district would like to see the WCG move toward;
- It was discussed that Helix WD indicated that their cost to support this function was much more than \$5,000 per year and this was certainly more cost effective;

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on the consent calendar.

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.

457504



AGENDA ITEM 6d

STAFF REPORT

TYPE	Regular Board	MEETING	October 3, 2007
MEETING:		DATE:	
SUBMITTED	Mark Watton,	W.O./G.F.	DIV. All
BY:	General Manager	NO:	NO.
APPROVED			
BY:			
SUBJECT:	Adopt Resolution 4113 to Amend Board Policy 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Resolution 4113 (Attachment B) to amend Board Policy 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits (Attachment B, Exhibit 1).

COMMITTEE ACTION:

See Attachment "A".

PURPOSE:

Incorporate revisions to Policy 8 to more accurately reflect the Board member benefits as related to employee benefits.

ANALYSIS:

As a result of the review of health benefits programs and proposed change in health care providers to be effective January, 2008, staff reviewed the language of Board Policy 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits and now recommends a few revisions to the same.

The proposed revisions will clarify that benefits, such as health and insurance, provided or made available to Board members are similar to those provided or made available to employees. The proposed revisions will clarify the manner in which any required Board member contributions will be made, which clarification is necessary because Board members do not receive compensation on a regular basis and it is not possible to withdraw the necessary amounts from payroll as it is done for

employees. The proposed solution is that dependent coverage and any other payments or contributions to be made by the Board members will be directly invoiced to each Board member through the District's Third Party Administrator (TPA).

In connection with health benefits, the District currently pays 100% of the cost of coverage for active employees and 88% of the cost of eligible dependent coverage. The staff did not notify the Board of the change in dependent coverage contribution in January of 2004, when it became effective nor did it apply the contribution to the Board. The Ad Hoc Negotiations Committee met to discuss this item and recommends changing its practice for the Board members to be consistent with that of active employees and that beginning January 2008 Board members would begin contributing 12% of dependent coverage.

The District currently provides up to \$65,000 Life and Accidental Death and Dismemberment Insurance Policy and a \$50,000 Travel Accidental Death and Dismemberment Policy to Board members and management personnel. Working with the District's benefits consultant, the Staff was able to identify very competitive additional portable life insurance policies. Such policies are being offered to management employees and are available to Board members under the same terms. The proposed revisions reflect that information concerning any such additional benefits will be provided to the Board members as it becomes available.

Based on a review with the Ad Hoc Negotiations Committee, it is recommended that the District make provision for Board members to apply and be considered for up to \$250,000 in life insurance coverage, available for up to a 20 year term. (See attachment C for costs.) The premium would be paid by the District during active appointment. These policies would be subject to approval by the provider based on a review of medical history by the life insurance company and include completion of a blood test. If offered by the provider, Board members could purchase a higher limit by contributing the difference in the premium rate. The contribution amount would be invoiced to the board members through the District's Third Party Administrator.

FISCAL IMPACT:



By Board members contributing 12% of the cost of dependent coverage, based on current coverage, this would save the District approximately \$4,320 per year. The estimated cost to implement the Life Insurance would be \$2,850. This results in a net savings of approximately \$1,470 per year.

LEGAL IMPACT: _____

None.



General Manager

Attachments

- Attachment A - Summary of Ad Hoc Negotiations Committee Meeting
- Attachment B - Resolution 4113 to Amend Board Policy 8 -
Directors Compensation, Reimbursement of Expenses
and Group Insurance Benefits
- Attachment C - Strikethrough Version of Policy
- Attachment D - Summary of Life Insurance Quotes



ATTACHMENT A

SUBJECT/PROJECT:	Adopt Resolution 4113 to Amend Board Policy 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits
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COMMITTEE ACTION:

The Ad Hoc Negotiations Committee was held on September 13, 2007. As a result of negotiations, there were a few wrap-up items to discuss regarding Board of Directors Health Benefits.

The Ad Hoc Negotiations Committee recommends that Board members begin contributing 12% of dependent coverage as billed by our Third Party Administrator and that due to the savings of the 12% contribution, the Committee supports the District making a provision for Board members to apply and be considered for up to \$250,000 in life insurance coverage, available for up to a 20 year term.

OTAY WATER DISTRICT
10-1-07

RESOLUTION NO. 4113

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OTAY WATER DISTRICT
AMENDING POLICY NO. 8 - DIRECTORS
COMPENSATION, REIMBURSEMENT OF EXPENSES AND
GROUP INSURANCE BENEFITS

WHEREAS, the Human Resources staff routinely evaluates and makes recommendations to update, revise and replace Board policies, in order to ensure that the policies are maintained to promote best management practices, and

WHEREAS, the Human Resources staff has determined that there is a need to amend Policy No. 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits, in order to provide a more comprehensive description health benefits contribution amounts and update to life insurance amounts.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District as follows:

Amend Policy No. 8 - Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits, in order to provide a more comprehensive description of health benefits contribution amounts and update to life insurance amounts.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 3rd day of October, 2007.

President

ATTEST:

Secretary

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/3/07

Purpose

To provide guidelines for payment of compensation and reimbursement of expenses to Directors in connection with their attendance at meetings or the performance of other authorized business, and for group insurance benefits for Directors.

Background

Members of the Board of Directors ("Directors") attend regular, adjourned or special meetings of the Board of Directors ("Board"). In addition, Directors attend other District meetings, committee meetings, association meetings, and educational seminars on behalf of the District. These meetings and seminars are related to District business, water and water related issues, and California special districts. State statutes authorize District payments for meetings, reimbursements of expenses. State law also authorizes the District to provide health and welfare benefits for active Directors and, in limited circumstances, retired Directors if they served 12 years and were first elected prior to January 1, 1995. The District is also authorized to offer health and welfare benefits for retired Directors who commenced office on or after January 1, 1995, if the recipient participates on a self-pay basis.

Policy

The District will compensate Directors on a per diem basis for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred while traveling on District business to include, lodging, dining, transportation and related incidentals.

A. Directors Per Diem

As provided in Section 1.01 C. of the District Code of Ordinances, each Director shall receive a per diem in the amount of \$100 for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the Board, not to exceed a total of ten (10) days in any calendar month. Attendance at any meeting shown on Exhibit A to this Policy shall be deemed a meeting requested or authorized by the Board. Attendance of meetings shall be in accordance with Exhibit A. The President of the Board or the Board may authorize a Director to attend meetings not listed in Exhibit A when the President or the Board determine that it is in the interest of the District that a Director attend, and that such attendance be compensated and expenses reimbursed. Director's claims for per diem amounts shall be made on a "Board of Directors Per Diem and Mileage Claim Form" (Exhibit B). The President of the Board or the Board may approve reimbursement of expenses outside the per diem limit for a Director, if the

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

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Director submits receipts for all of the related District business expenses.

Attendance at a meeting that is not authorized by this policy (pre-approved meetings) or pre-approved by the President may be approved by the Board for per diem. Director's seeking per diem amounts for these meetings shall request that the item be presented to the Board at its next regularly scheduled meeting for consideration. The decision of the Board shall be final.

When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the \$100 per diem, however, reasonable expenses associated with the extended stay will be reimbursed as specified below.

B. Pre-payment of Otherwise Reimbursable Expenses

The Director may request pre-payment of registration, transportation, and lodging, using the "Board of Directors Travel Request Form" (Exhibit C). Pre-payments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.

C. Reimbursement of Expenses

Each Director shall be reimbursed for travel expenses to and from the meetings described in Exhibit A or for any other authorized District business as follows:

1. Authorization

Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Otay Water District Board President. To request approval of travel, the Director should complete a "Board of Directors Travel Request Form" (Exhibit B) in order to be eligible for compensation and/or reimbursement. Travel requests will be reviewed and approved by the Board President or the Board.

2. Transportation

a. Air Transportation

The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares.

b. Automobile

1. Personal Auto: Directors may use their personal vehicle. The District will reimburse Directors at the current rate/mile as established by the IRS, plus tolls, parking, etc., provided,

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however, if air transportation is available, the total amount of expense paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.

Directors using personal vehicles on District business must maintain a valid California driver's license and the automobile insurance coverage required by the State of California, or make arrangements for a driver who meets the above requirements. The General Manager's Staff will verify that Directors have a valid driver's license. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance will be submitted two times per year, in January and July, and is required to be eligible for mileage reimbursement.

2. Rental Cars: The District will provide a rental car when needed. Such rental car shall be a compact or mid-size class, unless upgrades are offered at no additional cost to the District.

c. Miscellaneous Transportation
Whenever practicable, bus, taxi, rail, shuttle, etc. transportation may be used in lieu of, or in conjunction with, modes above.

3. Meals and Lodging

a. Meals and Beverages
Whenever travel requires meals, the meals, excluding gratuity, shall be reimbursable, provided the Director presents a receipt along with the "Board of Directors Expense Claim Form" (Exhibit D) for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the President or the Board has reviewed and approved the expense item. Meals are reimbursable up to the following maximum rates:

1. Full Day Reimbursement

When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the Director may be

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BOARD OF DIRECTORS POLICY**

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reimbursed for meal expenses up to a maximum rate of \$46 per day. This amount is exclusive of any gratuities.

2. Single Meal Reimbursement

When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate of \$8 for Breakfast, \$13 for lunch, and \$25 for dinner, or amounts determined by the President or the Board to be reasonable for the occasion or circumstances. These amounts and any amount approved by the President or Board shall exclude gratuities.

3. Partial Day Reimbursement

When a director will be traveling for a partial day or where a single meal is provided for by other sources such as pre-paid registration, the maximum reimbursement amount shall be reduced to \$21 when only dinner is not reimbursable; \$33 when only lunch is not reimbursable; and \$38 when only breakfast is not reimbursable, or such other amounts as may be determined by the President or the Board to be reasonable for the occasion or circumstances. In any event all amounts to be reimbursed shall exclude any gratuities.

4. Taxes

The maximum meal reimbursement amounts are inclusive of and assume expenses for taxes. The maximum meal reimbursements shall exclude any and all gratuities.

b. Lodging

The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities or in close proximity when applicable. Or, in the absence of conference accommodations, normal single-room business, government or commercial class accommodation may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 AM or return to home after 12:00 AM, lodging for the night before or the night after will be reimbursable.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

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4. Entertainment

The District shall not cover any expenses incurred for recreation or entertainment.

5. Incidental Expenses

Unavoidable, necessary and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

- a. Telephone Calls (Business): Calls placed by the Director, to the District office, or for the purpose of conducting District business. Business related calls should be itemized on the Director's "Board of Directors Expense Claim Form" (Exhibit D).
- b. Telephone Calls (Personal): One (1) brief personal call each day away from home, up to a \$10 maximum per day.
- c. Telephone Calls (Local): Charges for local calls, for meal or transportation reservations, or for area information related to travel.
- d. Reasonable transportation to local restaurants and to optional functions that are a part of conference events.
- e. Parking fees.
- f. The following expenses are not reimbursable:
 1. Alcoholic beverages
 2. Parking or traffic violations
 3. In-room movies or laundry services

6. Director's Responsibility

- a. Directors must submit a detailed "Board of Directors Expense Claim Form" for reimbursement. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all expenses. If a receipt is lost, the lost receipt must be noted on the "Board of Directors Expense Claim Form" (Exhibit D) and approved by the President or the Board before any payment can be made. Claim forms shall be submitted within 45 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District, which are not reconciled within 45 calendar days, shall be deducted

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BOARD OF DIRECTORS POLICY**

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from the next month's reimbursement.

- b. Expenses will not be reimbursed for meetings that have been pre-paid and not attended. The President or the Board may excuse an absence for a meeting. The absent Director shall provide a verbal or written report at the next regularly scheduled Board meeting stating the reason for the absence and, if appropriate, request that it be excused. Directors will be required to reimburse the district for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.
 - c. When two (2) or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Director's "Board of Directors Expense Claim Form" the identity of the other persons sharing expenses. This will facilitate appropriate allocation of expenses to each participant.
 - d. Expenses incurred by spouses, family members, or guests are the responsibility of the Director.
 - e. Staff will create a quarterly report showing in detail all expenses for the Directors. The report will include all expenses, for example, stipend, mileage, seminar, airline or ground travel, meals, telephone use, the date incurred, and the Director's name. To the extent that Directors report meetings for which they did not receive reimbursement or per diem, those meetings shall be noted on the report. All payments will be listed whether the payment was a reimbursement or direct payment made on behalf of the Director to a vendor. The reports will be presented to the Board of Directors at public meetings.
- D. District Group Insurance Benefits
- 1. Each Director, while serving as a member of the Board of Directors, shall be entitled to the health and welfare and life insurance benefits set forth in the Schedule of Benefits in the District Group Insurance Plan Booklet, which benefits are furnished by the District at District cost, with applicable contributions, for active District employees and Directors. Each active Director shall also be entitled to a \$65,000 term life and accidental death and dismemberment insurance policy (subject to policy requirements and any standard age reduction schedule), a \$50,000 travel accidental death and dismemberment policy. In addition to the foregoing, the District will pay

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BOARD OF DIRECTORS POLICY**

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premiums for additional individual life insurance coverage in an amount of up to \$250,000 for a 20 year term for those active Directors who apply for such coverage with the District's provider and meet the provider's standard underwriting guidelines and policy requirements. If coverage at higher amounts or for a longer term is made available by the provider, each Director may purchase such additional coverage on a self-pay basis.

2. Each former member of the Board of Directors, who served in office after January 1, 1981, who was elected to a term of office that began before January 1, 1995, who is at least 60 years of age, and whose total service at the time of termination is not less than 12 years, shall be entitled to the health and welfare and life insurance benefits set forth in the District Group Insurance Plan Booklet, which benefits are furnished by the District, at District cost, for retired Directors.

E. Miscellaneous

1. The following are not reimbursable expenses:
 - a. Cell phone expenses
 - b. Service fees for internet access
2. The District does not provide equipment, such as fax machines, computers and laptops to board members for District business use.

Attachments

- Exhibit A: Approved Function List
- Exhibit B: "Board of Directors Per Diem and Mileage Claim Form"
- Exhibit C: "Board of Directors Travel Request Form"
- Exhibit D: "Board of Directors Expense Claim Form"

Approved Functions List**Board Policy for payment of per diems and expenses for Director attendance at District meetings:**

The Board reviews its authorization and policy for payment of per diems (pre-approved meetings) annually, in January following reorganization of the Board and election of a new President. Below is the current Board policy:

1. The following meetings are pre-approved for all Directors to attend and receive a per diem and expense reimbursement:
 - Otay Water District Regular and Special Board Meetings
 - Otay committee meetings for committee members only
 - Otay business meetings called by the General Manager and authorized by the President of the Board where individual Directors are requested to attend
 - Except as otherwise specifically excluded in this policy, official District functions that take place during normal business hours where Directors are requested to attend by either the Board President or the Board
 - Semi-annual conference of the Association of California Water Agencies
 - Regular quarterly meetings of the Water Agencies Association of San Diego County
 - Regularly monthly meeting of Council of Water Utilities
 - Business meetings and conferences of the California Special District Association held in San Diego County

All other meetings not listed here require pre-approval by the President or Board.

2. The following meetings are pre-approved for designated Otay Director representatives or designated alternate. The District Secretary will maintain an updated list of designated Director representatives. Any other Director who wishes to attend these meetings and receive a per diem must have approval from the President or Board prior to the event or be designated by the President or Board, as an alternate. The pre-approval shall include the attendance of the Director at the commission, committee, board or meeting and any committee, subcommittee or other official or posted meeting of the agencies, commissions, committees or boards listed below:

EXHIBIT A

- Planning Group and City Commission meetings that fall within the boundaries of each directors district (when issues impacting OWD are discussed)
 - Inter-Agency Committee Meeting
 - METRO (TAC/AFFORD) Commission
 - ACWA or CSDA meetings/conferences
 - Water Conservation Garden
3. The Board President or his designee is pre-authorized to attend District business meetings with cities and other agencies to represent Otay Water District, and may claim a per diem and expenses. Any other Director desiring to attend the same meeting of this nature would require approval to attend from the President or the Board in order to receive a per diem and expense reimbursement.
 4. When the President or the Board appoints a director(s) to a committee, the meeting(s) shall be considered pre-approved for per diem and expense reimbursement.
 5. The following meetings are not eligible for pre-approved per diem claims:
 - a) Attending other Districts' Board meetings
 - b) Otay employee appreciation breakfast, luncheons or dinners
 - c) Retirement receptions
 - d) Otay picnics or dinner-dances or other purely social events
 - e) CWA meeting attendance (by Otay Water District appointed CWA Board Member(s))
 - f) Chamber of Commerce events
 - g) First Friday Breakfasts unless presenting Otay official business to the assembly
 - h) Any political campaign event or function
 6. In order to submit a per diem/travel reimbursement the member must attend at least 50% of the meeting (per day) and the reimbursement request must be submitted within 45 days of the occurrence, otherwise it may be considered attended without per diem. The President of the Board will make the final determination.
 7. All other meetings/conferences/tours/seminars/workshops/functions not listed in this policy must be pre-approved by the Board President or the Board.



**INSTRUCTIONS FOR PREPARATION OF
BOARD OF DIRECTORS PER DIEM CLAIM FORM**

1. Record the date, and name or purpose/issues discussed of meeting attended on behalf of the District.

Note: The District will pay Director's per-diem for one meeting/function per day and the maximum of 10 meetings/functions per month. If a Director attends more than 10 meetings/functions (10 days), the District will reimburse for the mileage and any reimbursable out-of-pocket expenses incurred for these additional meetings.

2. Record number of miles (round trip) driven to attend meeting/function.

The use of personal vehicles in the conduct of official District business shall be reimbursed at the current Internal Revenue Service rate. The Director's expense claim should indicate the nature of the trip. If a trip begins at home, the District will reimburse the mileage from home to destination and return mileage. District insurance does not cover personal vehicles while they are being driven on District business. The reimbursement rate is inclusive of an allowance for insurance costs. The District will reimburse Directors for the deductible under their personal insurance policy should they be involved in an accident while on District business. To be eligible for reimbursement, each Director shall maintain a current California driver's license and at least the minimum vehicle liability insurance required by State law or shall arrange for a driver who meets said standards.

The District will not reimburse the cost of travel of a personal nature taken in conjunction with travel on official business.

Claim forms shall be submitted within 45 calendar days after the meeting date. Expense claims requiring reimbursement to the District which are not reconciled within 45 calendar days, shall be deducted from the next month's reimbursement.

No information on the Per Diem Claim Form may be designated as confidential in nature. All expenses must be fully disclosed on the form.



OTAY WATER DISTRICT
BOARD OF DIRECTORS
TRAVEL REQUEST FORM

Director: _____ Date of Request: _____

Name and Location of Function: _____

Date(s) function to be held: _____

Sponsoring Organization: _____

Request for Prepayment of Fees Related to the Function:

Table with 3 columns: Expense Type, Not Needed, Pre-Payment Requested. Rows include Registration, Airline, Auto Rental, Mileage, Taxi/Shuttle, Lodging, Meals, and Other Expenses.

Lodging Preference: _____

Explanation of Other Expenses: _____

Signature of Director _____ Date of Request _____

For Office Use Only Below This Line

Date of Board Approval: _____

Table with 3 columns: Expense Type, Description, Amount Pre-Paid. Rows include Registration, Airline, Auto Rental, Mileage, Taxi/Shuttle, Lodging, Meals, and Other Expenses.

District Secretary _____ Date Processed _____



**INSTRUCTIONS FOR PREPARATION OF
BOARD OF DIRECTORS EXPENSE CLAIM FORM**

The necessary expenses incurred while traveling on District business including common carrier fares (economy class), automobile rental charges, District business telephone calls, one personal telephone call home each day (\$10 maximum per day), lodging, baggage handling, parking fees, meals, etc. will be reimbursed when documented on the Director's Per Diem and Expense Claim Forms. Receipts must be attached for all meal expenses. If a receipt is lost, the lost receipt should be noted next to the expense and submitted to the President before any reimbursement can be made. Receipts are required for the reimbursement of all expenses.

All receipts must have the nature of the expense and the business purpose noted on the receipt.

The District will not reimburse the cost of travel of a personal nature taken in conjunction with travel on official business.

Meals shall be reimbursed up to \$46 per day, or an amount determined by the President of the Board of Directors to be reasonable for occasion or circumstances, exclusive of any gratuities. Partial days shall be reimbursable at a rate of \$8 for breakfast, \$13, for lunch and \$25 for dinner, or amounts determined by the President of the Board of Directors to be reasonable for the occasion or circumstances, excluding any gratuities. The above amounts may be combined if travel status requires two (2) or more meals. The meal reimbursement amounts are inclusive of and assume expenses for taxes only. Gratuities are not reimbursable and are excluded. Where pre-paid registration includes meals, only meals that are not included in the registration will be reimbursable.

Any receipts that include costs of personal travel (e.g., hotel receipt for employee and spouse) should identify what the cost would have been without personal travel (e.g., single room rate as opposed to double room rate).

Claim forms shall be submitted within 45 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District which are not reconciled within 45 calendar days, shall be deducted from the next month's reimbursement.

No information on the Expense Claim Form may be designated as confidential in nature. All expenses must be fully disclosed on the form.

The following expenses are not reimbursable:

- | | |
|----------------------------------|---|
| a. Alcoholic Beverages | d. Laundry service |
| b. Parking or traffic violations | e. Entertainment or recreation |
| c. In-room movies | f. Expenses incurred by spouses, family members, or guests. |

OTAY WATER DISTRICT BOARD OF DIRECTORS POLICY			
Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/06 <u>3</u> /07

Purpose

To provide guidelines for payment of compensation and reimbursement of expenses to Directors in connection with their attendance at meetings or the performance of other authorized business, and for group insurance benefits for Directors.

Background

Members of the Board of Directors ("Directors") attend regular, adjourned or special meetings of the Board of Directors ("Board"). In addition, Directors attend other District meetings, committee meetings, association meetings, and educational seminars on behalf of the District. These meetings and seminars are related to District business, water and water related issues, and California special districts. State statutes authorize District payments for meetings, reimbursements of expenses. State law also authorizes the District to provide health and welfare benefits for active Directors and, in limited circumstances, retired Directors if they served 12 years and were first elected prior to January 1, 1995. The District is also authorized to offer health and welfare benefits for retired Directors who commenced office on or after January 1, 1995, if the recipient participates on a self-pay basis.

Policy

The District will compensate Directors on a per diem basis for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred while traveling on District business to include, lodging, dining, transportation and related incidentals.

A. Directors Per Diem

As provided in Section 1.01 C. of the District Code of Ordinances, each Director shall receive a per diem in the amount of \$100 for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the Board, not to exceed a total of ten (10) days in any calendar month. Attendance at any meeting shown on Exhibit A to this Policy shall be deemed a meeting requested or authorized by the Board. Attendance of meetings shall be in accordance with Exhibit A. The President of the Board or the Board may authorize a Director to attend meetings not listed in Exhibit A when the President or the Board determine that it is in the interest of the District that a Director attend, and that such attendance be compensated and expenses reimbursed. Director's claims for per diem amounts shall be made on a "Board of Directors Per Diem and Mileage Claim Form" (Exhibit B). The President of the Board or the Board may approve reimbursement of

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/06 <u>3</u> /07

expenses outside the per diem limit for a Director, if the Director submits receipts for all of the related District business expenses.

Attendance at a meeting that is not authorized by this policy (pre-approved meetings) or pre-approved by the President may be approved by the Board for per diem. Director's seeking per diem amounts for these meetings shall request that the item be presented to the Board at its next regularly scheduled meeting for consideration. The decision of the Board shall be final.

When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the \$100 per diem, however, reasonable expenses associated with the extended stay will be reimbursed as specified below.

B. Pre-payment of Otherwise Reimbursable Expenses

The Director may request pre-payment of registration, transportation, and lodging, using the "Board of Directors Travel Request Form" (Exhibit C). Pre-payments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.

C. Reimbursement of Expenses

Each Director shall be reimbursed for travel expenses to and from the meetings described in Exhibit A or for any other authorized District business as follows:

1. Authorization

Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Otay Water District Board President. To request approval of travel, the Director should complete a "Board of Directors Travel Request Form" (Exhibit B) in order to be eligible for compensation and/or reimbursement. Travel requests will be reviewed and approved by the Board President or the Board.

2. Transportation

a. Air Transportation

The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares.

b. Automobile

1. Personal Auto: Directors may use their personal vehicle. The District will reimburse Directors

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/06 <u>3</u> /07

at the current rate/mile as established by the IRS, plus tolls, parking, etc., provided, however, if air transportation is available, the total amount of expense paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.

Directors using personal vehicles on District business must maintain a valid California driver's license and the automobile insurance coverage required by the State of California, or make arrangements for a driver who meets the above requirements. The General Manager's Staff will verify that Directors have a valid driver's license. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance will be submitted two times per year, in January and July, and is required to be eligible for mileage reimbursement.

2. Rental Cars: The District will provide a rental car when needed. Such rental car shall be a compact or mid-size class, unless upgrades are offered at no additional cost to the District.

c. Miscellaneous Transportation
Whenever practicable, bus, taxi, rail, shuttle, etc. transportation may be used in lieu of, or in conjunction with, modes above.

3. Meals and Lodging

a. Meals and Beverages
Whenever travel requires meals, the meals, excluding gratuity, shall be reimbursable, provided the Director presents a receipt along with the "Board of Directors Expense Claim Form" (Exhibit D) for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the President or the Board has reviewed and approved the expense item. Meals are reimbursable up to the following maximum rates:

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/063 /07

1. Full Day Reimbursement
When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the Director may be reimbursed for meal expenses up to a maximum rate of \$46 per day. This amount is exclusive of any gratuities.

2. Single Meal Reimbursement
When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate of \$8 for Breakfast, \$13 for lunch, and \$25 for dinner, or amounts determined by the President or the Board to be reasonable for the occasion or circumstances. These amounts and any amount approved by the President or Board shall exclude gratuities.

3. Partial Day Reimbursement
When a director will be traveling for a partial day or where a single meal is provided for by other sources such as pre-paid registration, the maximum reimbursement amount shall be reduced to \$21 when only dinner is not reimbursable; \$33 when only lunch is not reimbursable; and \$38 when only breakfast is not reimbursable, or such other amounts as may be determined by the President or the Board to be reasonable for the occasion or circumstances. In any event all amounts to be reimbursed shall exclude any gratuities.

4. Taxes
The maximum meal reimbursement amounts are inclusive of and assume expenses for taxes. The maximum meal reimbursements shall exclude any and all gratuities.

- b. Lodging
The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities or in close proximity when applicable. Or, in the absence of conference accommodations, normal single-room business, government or commercial class accommodation may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/06 <u>3</u> /07

it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 AM or return to home after 12:00 AM, lodging for the night before or the night after will be reimbursable.

4. Entertainment

The District shall not cover any expenses incurred for recreation or entertainment.

5. Incidental Expenses

Unavoidable, necessary and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

- a. Telephone Calls (Business): Calls placed by the Director, to the District office, or for the purpose of conducting District business. Business related calls should be itemized on the Director's "Board of Directors Expense Claim Form" (Exhibit D).
- b. Telephone Calls (Personal): One (1) brief personal call each day away from home, up to a \$10 maximum per day.
- c. Telephone Calls (Local): Charges for local calls, for meal or transportation reservations, or for area information related to travel.
- d. Reasonable transportation to local restaurants and to optional functions that are a part of conference events.
- e. Parking fees.
- f. The following expenses are not reimbursable:
 - 1. Alcoholic beverages
 - 2. Parking or traffic violations
 - 3. In-room movies or laundry services

6. Director's Responsibility

- a. Directors must submit a detailed "Board of Directors Expense Claim Form" for reimbursement. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all expenses. If a receipt is lost, the lost receipt must be noted on the "Board of Directors Expense Claim

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/063 /07

Form" (Exhibit D) and approved by the President or the Board before any payment can be made. Claim forms shall be submitted within 45 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District, which are not reconciled within 45 calendar days, shall be deducted from the next month's reimbursement.

- b. Expenses will not be reimbursed for meetings that have been pre-paid and not attended. The President or the Board may excuse an absence for a meeting. The absent Director shall provide a verbal or written report at the next regularly scheduled Board meeting stating the reason for the absence and, if appropriate, request that it be excused. Directors will be required to reimburse the district for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.
- c. When two (2) or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Director's "Board of Directors Expense Claim Form" the identity of the other persons sharing expenses. This will facilitate appropriate allocation of expenses to each participant.
- d. Expenses incurred by spouses, family members, or guests are the responsibility of the Director.
- e. Staff will create a quarterly report showing in detail all expenses for the Directors. The report will include all expenses, for example, stipend, mileage, seminar, airline or ground travel, meals, telephone use, the date incurred, and the Director's name. To the extent that Directors report meetings for which they did not receive reimbursement or per diem, those meetings shall be noted on the report. All payments will be listed whether the payment was a reimbursement or direct payment made on behalf of the Director to a vendor. The reports will be presented to the Board of Directors at public meetings.

D. District Group Insurance Benefits

- 1. Each Director, while serving as a member of the Board of Directors, shall be entitled to the health and welfare and life insurance benefits set forth in the Schedule of Benefits in the District Group Insurance Plan Booklet, which benefits are furnished by the District, at District

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS	08	2/20/91	10/4/063 /07

cost, with applicable contributions, for active District employees and Directors. Each active Director shall also be entitled to a \$65,000 term life and accidental death and dismemberment insurance policy (subject to policy requirements and any standard age reduction schedule), and a \$50,000 travel accidental death and dismemberment policy. In addition to the foregoing, the District will pay premiums for additional individual life insurance coverage in an amount of up to \$250,000 for a 20 year term for those active Directors who apply for such coverage with the District's provider and meet the provider's standard underwriting guidelines and policy requirements. If coverage at higher amounts or for a longer term is made available by the provider, each Director may purchase such additional coverage on a self-pay basis.

2. Each former member of the Board of Directors, who served in office after January 1, 1981, who was elected to a term of office that began before January 1, 1995, who is at least 60 years of age, and whose total service at the time of termination is not less than 12 years, shall be entitled to the health and welfare and life insurance benefits set forth in the District Group Insurance Plan Booklet, which benefits are furnished by the District, at District cost, for retired Directors.

~~For Directors elected to a term of office that began on or after January 1, 1995, the District may provide for continuation of any health or welfare benefits only if the recipient participates on a self-pay basis.~~

E. Miscellaneous

1. The following are not reimbursable expenses:
 - a. Cell phone expenses
 - b. Service fees for internet access
2. The District does not provide equipment, such as fax machines, computers and laptops to board members for District business use.

Attachments

- Exhibit A: Approved Function List
- Exhibit B: "Board of Directors Per Diem and Mileage Claim Form"
- Exhibit C: "Board of Directors Travel Request Form"
- Exhibit D: "Board of Directors Expense Claim Form"

Approved Functions List

Board Policy for payment of per diems and expenses for Director attendance at District meetings:

The Board reviews its authorization and policy for payment of per diems (pre-approved meetings) annually, in January following reorganization of the Board and election of a new President. Below is the current Board policy:

1. The following meetings are pre-approved for all Directors to attend and receive a per diem and expense reimbursement:
 - Otay Water District Regular and Special Board Meetings
 - Otay committee meetings for committee members only
 - Otay business meetings called by the General Manager and authorized by the President of the Board where individual Directors are requested to attend
 - Except as otherwise specifically excluded in this policy, official District functions that take place during normal business hours where Directors are requested to attend by either the Board President or the Board
 - Semi-annual conference of the Association of California Water Agencies
 - Regular quarterly meetings of the Water Agencies Association of San Diego County
 - Regularly monthly meeting of Council of Water Utilities
 - Business meetings and conferences of the California Special District Association held in San Diego County

All other meetings not listed here require pre-approval by the President or Board.

2. The following meetings are pre-approved for designated Otay Director representatives or designated alternate. The District Secretary will maintain an updated list of designated Director representatives. Any other Director who wishes to attend these meetings and receive a per diem must have approval from the President or Board prior to the event or be designated by the President or Board, as an alternate. The pre-approval shall include the attendance of the Director at the commission, committee, board or meeting and any committee, subcommittee or other official or posted meeting of the agencies, commissions, committees or boards listed below:

EXHIBIT A

- Planning Group and City Commission meetings that fall within the boundaries of each directors district (when issues impacting OWD are discussed)
 - Inter-Agency Committee Meeting
 - METRO (TAC/AFFORD) Commission
 - ACWA or CSDA meetings/conferences
 - Water Conservation Garden
3. The Board President or his designee is pre-authorized to attend District business meetings with cities and other agencies to represent Otay Water District, and may claim a per diem and expenses. Any other Director desiring to attend the same meeting of this nature would require approval to attend from the President or the Board in order to receive a per diem and expense reimbursement.
 4. When the President or the Board appoints a director(s) to a committee, the meeting(s) shall be considered pre-approved for per diem and expense reimbursement.
 5. The following meetings are not eligible for pre-approved per diem claims:
 - a) Attending other Districts' Board meetings
 - b) Otay employee appreciation breakfast, luncheons or dinners
 - c) Retirement receptions
 - d) Otay picnics or dinner-dances or other purely social events
 - e) CWA meeting attendance (by Otay Water District appointed CWA Board Member(s))
 - f) Chamber of Commerce events
 - g) First Friday Breakfasts unless presenting Otay official business to the assembly
 - h) Any political campaign event or function
 6. In order to submit a per diem/travel reimbursement the member must attend at least 50% of the meeting (per day) and the reimbursement request must be submitted within 45 days of the occurrence, otherwise it may be considered attended without per diem. The President of the Board will make the final determination.
 7. All other meetings/conferences/tours/seminars/workshops/functions not listed in this policy must be pre-approved by the Board President or the Board.



**INSTRUCTIONS FOR PREPARATION OF
BOARD OF DIRECTORS PER DIEM CLAIM FORM**

1. Record the date, and name or purpose/issues discussed of meeting attended on behalf of the District.

Note: The District will pay Director's per-diem for one meeting/function per day and the maximum of 10 meetings/functions per month. If a Director attends more than 10 meetings/functions (10 days), the District will reimburse for the mileage and any reimbursable out-of-pocket expenses incurred for these additional meetings.

2. Record number of miles (round trip) driven to attend meeting/function.

The use of personal vehicles in the conduct of official District business shall be reimbursed at the current Internal Revenue Service rate. The Director's expense claim should indicate the nature of the trip. If a trip begins at home, the District will reimburse the mileage from home to destination and return mileage. District insurance does not cover personal vehicles while they are being driven on District business. The reimbursement rate is inclusive of an allowance for insurance costs. The District will reimburse Directors for the deductible under their personal insurance policy should they be involved in an accident while on District business. To be eligible for reimbursement, each Director shall maintain a current California driver's license and at least the minimum vehicle liability insurance required by State law or shall arrange for a driver who meets said standards.

The District will not reimburse the cost of travel of a personal nature taken in conjunction with travel on official business.

Claim forms shall be submitted within 45 calendar days after the meeting date. Expense claims requiring reimbursement to the District which are not reconciled within 45 calendar days, shall be deducted from the next month's reimbursement.

No information on the Per Diem Claim Form may be designated as confidential in nature. All expenses must be fully disclosed on the form.



OTAY WATER DISTRICT
BOARD OF DIRECTORS
TRAVEL REQUEST FORM

Director: _____ Date of Request: _____
Name and Location of Function: _____
Date(s) function to be held: _____
Sponsoring Organization: _____

Request for Prepayment of Fees Related to the Function:

Table with 3 columns: Expense Type, Not Needed, Pre-Payment Requested. Rows include Registration, Airline, Auto Rental, Mileage, Taxi/Shuttle, Lodging, Meals, and Other Expenses.

Lodging Preference: _____
Explanation of Other Expenses: _____

Signature of Director _____ Date of Request _____

For Office Use Only Below This Line

Date of Board Approval: _____

Table with 3 columns: Expense Type, Description, Amount Pre-Paid. Rows include Registration, Airline, Auto Rental, Mileage, Taxi/Shuttle, Lodging, Meals, and Other Expenses.

_____ District Secretary _____ Date Processed



**INSTRUCTIONS FOR PREPARATION OF
BOARD OF DIRECTORS EXPENSE CLAIM FORM**

The necessary expenses incurred while traveling on District business including common carrier fares (economy class), automobile rental charges, District business telephone calls, one personal telephone call home each day (\$10 maximum per day), lodging, baggage handling, parking fees, meals, etc. will be reimbursed when documented on the Director's Per Diem and Expense Claim Forms. Receipts must be attached for all meal expenses. If a receipt is lost, the lost receipt should be noted next to the expense and submitted to the President before any reimbursement can be made. Receipts are required for the reimbursement of all expenses.

All receipts must have the nature of the expense and the business purpose noted on the receipt.

The District will not reimburse the cost of travel of a personal nature taken in conjunction with travel on official business.

Meals shall be reimbursed up to \$46 per day, or an amount determined by the President of the Board of Directors to be reasonable for occasion or circumstances, exclusive of any gratuities. Partial days shall be reimbursable at a rate of \$8 for breakfast, \$13, for lunch and \$25 for dinner, or amounts determined by the President of the Board of Directors to be reasonable for the occasion or circumstances, excluding any gratuities. The above amounts may be combined if travel status requires two (2) or more meals. The meal reimbursement amounts are inclusive of and assume expenses for taxes only. Gratuities are not reimbursable and are excluded. Where pre-paid registration includes meals, only meals that are not included in the registration will be reimbursable.

Any receipts that include costs of personal travel (e.g., hotel receipt for employee and spouse) should identify what the cost would have been without personal travel (e.g., single room rate as opposed to double room rate).

Claim forms shall be submitted within 45 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District which are not reconciled within 45 calendar days, shall be deducted from the next month's reimbursement.

No information on the Expense Claim Form may be designated as confidential in nature. All expenses must be fully disclosed on the form.

The following expenses are not reimbursable:

- | | |
|----------------------------------|---|
| a. Alcoholic Beverages | d. Laundry service |
| b. Parking or traffic violations | e. Entertainment or recreation |
| c. In-room movies | f. Expenses incurred by spouses, family members, or guests. |

Otay Water District

Individual Life Insurance Premiums

Face Amount:	DISTRICT-PROVIDED																			
	\$250,000				\$300,000				\$400,000				\$500,000				\$750,000			
Level Prem (Yrs):	10	15	20	30	10	15	20	30	10	15	20	30	10	15	20	30	10	15	20	30
Board Member 1	312.50	392.50	497.50	807.50	363.00	459.00	585.00	957.00	464.00	592.00	760.00	1,256.00	565.00	725.00	935.00	1,555.00	817.50	1,057.50	1,372.50	2,302.50
Board Member 2	312.50	392.50	497.50	807.50	363.00	459.00	585.00	957.00	464.00	592.00	760.00	1,256.00	565.00	725.00	935.00	1,555.00	817.50	1,057.50	1,372.50	2,302.50
Board Member 3	652.50	860.00	1,037.50		771.00	1,020.00	1,233.00		1,008.00	1,340.00	1,624.00		1,245.00	1,660.00	2,015.00		1,837.50	2,460.00	2,992.50	
Board Member 4	312.50	392.50	497.50	807.50	363.00	459.00	585.00	957.00	464.00	592.00	760.00	1,256.00	565.00	725.00	935.00	1,555.00	817.50	1,057.50	1,372.50	2,302.50
Board Member 5	210.00	247.50	320.00	547.50	240.00	285.00	372.00	645.00	300.00	360.00	476.00	840.00	360.00	435.00	580.00	1,035.00	510.00	622.50	840.00	1,522.50
Total			2,850.00																	



AGENDA ITEM 7

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Joseph R. Beachem, Chief Financial Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)			
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	That the Board, in Conformance with Proposition 218, Receive for Consideration Public Comment via Protest Letters along with other Verbal Protests Regarding the Proposed Rate Increases		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item to provide the Board copies of written protests received by the District regarding the proposed rate increases. The written protests should be considered along with other verbal protests received during the public hearing.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To provide the Board copies of the written protests received by the District regarding the proposed rate increases. The written protests should be considered along with other verbal protests received during the public hearing.

ANALYSIS:

Subsequent to the "Bighorn - Desert View Water Agency v. Virtil (Kelley)" case it has become the District's practice to notice all affected customers of all proposed rate increases and to hold a public hearing in order to receive public comment. The notices outline the proposed increase, the reason for the increase, and inform the customers of their right to protest either via letter or in person at the public hearing. There have been a total of 61,361 notices sent to customers and 18 written protests have been received. (Attachment B)

The process to hold this hearing requires that customers receive the hearing notice no less than 45 days prior to the hearing. In compliance with this requirement, the District set a hearing date of October 3, 2007 and sent notices to all customers by August 15, 2007.

Last year, one version of the notice was used for all customers. This notice included all information relating to all customers making it difficult to navigate. While this notice met the requirements, it contained a tremendous amount of information making it difficult for any one customer to find the information that affected their specific bill.

This year, at the request of the Board of Directors, staff produced six different notices tailored to the specific customer groups. The following table shows the various groupings of customers, the number of notices, and a reference of the attached notice. This approach not only met the requirements of the notice but assisted the customer to focus on only those changes that affected them.

Residential Water	-	43,847	(Attachment C)
Commercial Water	-	1,593	(Attachment D)
Residential Water/Sewer	-	3,576	(Attachment E)
Residential Sewer	-	1,156	(Attachment F)
Commercial Sewer	-	78	(Attachment G)
Property Owners	-	<u>11,111</u>	(Attachment H)
Total Number of Notices	-	<u>61,361</u>	

Each of these notices clearly explains the amount of the increase and the need for the increase. Four weeks after the mailing, the Customer Service department had received a total of 12 calls. As of September 13th, a total of 18 letters have been received and collected via the District Secretary. Any letters received after this date will be provided to the Board in the board package or at the public hearing. The division breakdown of the 18 protest letters is as follows:

Division 1	-	5	protest letters
Division 2	-	4	protest letters
Division 3	-	1	protest letter
Division 4	-	0	protest letters
Division 5	-	8	protest letters

In compliance with Proposition 218, these protests along with any verbal protests received during the hearing are to be considered by the Board prior to any action on rates.

FISCAL IMPACT: 

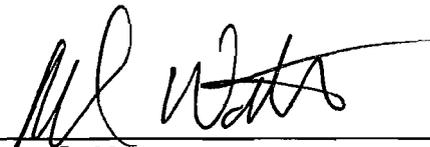
None.

STRATEGIC OUTLOOK:

Through well-established financial policies and wise management of funds, the District will continue to guarantee fiscal responsibility to its ratepayers and the community at large.

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A) Committee Action Form
- B) Protest Letters
- C) Residential Water Notice
- D) Commercial Water Notice
- E) Residential Water/Sewer Notice
- F) Residential Sewer Notice
- G) Commercial Sewer Notice
- H) Property Owners Notice



ATTACHMENT A

SUBJECT/PROJECT:

That the Board, in Conformance with Proposition 218, Receive for Consideration Public Comment via Protest Letters along with other Verbal Protests Regarding the Proposed Rate Increases

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on September 17, 2007. The following comments were made:

- It was noted that this staff report serves as a vehicle to deliver to the Board of Directors copies of the letters of opposition that the District has received with regard to the proposed rate increases.
- Proposition 218 requires that the board receive copies of all letters of opposition and that they hold a public hearing to receive the publics' comments.
- Staff will be requesting that the board approve the rate increases following the public hearing.

It was noted that this was an informational item only.



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

September 13, 2007

Mr. & Mrs. Edward & Cristina del Toro
1312 Coronado Avenue
Spring Valley, CA 91977

Dear Mr. & Mrs. del Toro:

This is to confirm receipt of your letter of opposition with regard to the District's proposed rate increases. We appreciate your taking a moment to share with us your thoughts.

Water conservation is a significant concern of the District and work on conservation programs are always ongoing. The District does encourage conservation through its rate structure. It currently has a tiered pricing structure in which high water use customers pay a higher rate than those who use less water/conserve. While this increase affects all customers across the board – low and high water users – additional adjustments to the tiers will be considered as we continue to review our conservation programs.

Again, thank you for your letter as your comments are valuable to the District. A copy of your letter will be provided to the members of the District's Board of Directors so that it may be considered during the public hearing scheduled on October 3, 2007. Your comments will be included as part of the formal hearing record.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Cruz".

Susan Cruz,
Board Secretary



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619 www.otaywater.gov

September 13, 2007

Mr. George Rapciewicz
3010 Blue Oak Ct.
Spring Valley, CA 91978

Dear Mr. Rapciewicz:

This is to confirm receipt of your letter of opposition with regard to the District's proposed rate increases. We appreciate your taking a moment to share with us your thoughts.

A copy of your letter will be provided to the members of the District's Board of Directors so that it may be considered during the public hearing scheduled on October 3, 2007. Your comments will be included as part of the formal hearing record.

Again, thank you for your letter as your comments are valuable to the District.

Sincerely,

A handwritten signature in cursive script, appearing to read "Susan Cruz".

Susan Cruz,
Board Secretary

To the City Water District 83107

I do Not agree to the
HO increase. I strongly believe
we already pay enough for this
new Community ~~Rate~~ rate
the time to Re-evaluate your
decision.

Thank you
Esmeralda Casarez
Homeowner

I protest

SEP 6 2007



Ms. Esmeralda Casarez
1325 Monument Trail Dr.
Chula Vista, CA 91915

SAN DIEGO CA 9

05 SEP 07 PM 7



Board Secretary
City Water District
2554 Sweetwater Spring
Spring Valley, CA

MICHAEL J. CARCHIDI
2064 WATERBURY
CHULA VISTA, CA 91913-2312

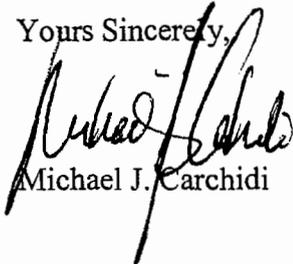
AUG 27 2007

August 20, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

I am opposed to the proposed rate increases as outlined in your latest newsletter.

Yours Sincerely,



Michael J. Carchidi

08/27/07

Div 1

August 21, 2007

Rec'd
8/24/07

Otay Water District
ATTN: Board Secretary
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Re: Notice of Public Hearing for Property Owners
Proposed increase regarding water and sewer rates

Dear Secretary,

This letter is in regards to the proposed increase in rates for water and sewer service provided by the Otay Water District. I will be unable to attend the public hearing scheduled for October 3, 2007. This letter is my submitted protest and that I am against the proposed increase that the Board of Directors are considering adopting affecting property owners. The costs that the district is seeking for support of services needs to be reviewed further and taken from another source within the water district and not the property owners.

Again, my written protest opposing adoption of increased rates to property all property owners within the district's service area.

Sincerely,



Tim Hormuth
1253 Calle Tesoro
Chula Vista, CA 91915

Div 1

Lisa Piancone
605 San Pablo Place
Chula Vista, CA 91914

Reid
8/24/07

August 21, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Re: Protest of Proposed New Water Rates

Dear Board Secretary,

Please make it known that I protest the proposed new water rates.

Thank you.

Sincerely,



Lisa Piancone
Homeowner
605 San Pablo Place
Chula Vista, CA 91914

To Board Secretary and any concerned
Otay Water District personnel involved in
Proposed hikes in water rates.

AUG 21 2007

Catherine and Richard Hibbard
do not believe the rate increase
is necessary at this time and
oppose any rate increase.

Thank you for your consideration

Richard Hibbard
Catherine L Hibbard

Hibbards
651 Gotham St
Chula Vista Ca
91913

SAN DIEGO CA 921

20 AUG 07 PM 5 T



Board Secretary
Otay Water District
2554 Sweetwater Springs L

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

AUG 27 2007

Otay Water District Board of Directors,

In regards to your proposed rate increase in water use, I object to any rate increase unless the Otay Water District and the Metropolitan Water District publicly consider and determine realistic water use guidelines within the region.

It is acknowledged that there is an impending potable water crisis all across our nation. My concern is that raising water rates will impose a burden on those who can least afford it and merely inconvenience the well off. For example, those who develop a lush lawn have no problem with wasting water in the process of maintaining this unnatural vegetation - unnatural for our region that is. To increase their rates will not reduce the water use. Typically, these individuals claim that they pay for the water so they can do as they please. My view is that the water belongs to everyone and the resource is finite. Just because someone can afford to consume a greater share of the community's resource does not give them the right to do so.

I would like to see some enforceable guidelines on water usage, guidelines that define how much lawn area can be allowed; regulations that limit or restrict the construction of swimming pools in private yards.

In addition, I would like to see a public discussion on the construction of any new golf courses. This activity has got to be the most flagrant waste of the public's most valuable resource, and for something that has but a very limited benefit to the general public.

It is time to stand up for what is right and what is needed as a community and to stop defending the few who benefit from the current lack of regulation and guidelines. Serious conservation for all citizens must come before the knee-jerk response of rate increases to solve a problem. I'm hoping that the Board will be of strong character and open up a community discussion on how to preserve our limited water supply for all.

Thank you

kl
Kenn Colclasure
274 E. Rienstra St.
Chula Vista
91911

cc: Board
Mark
Armendo

Marg M. Coindreau
1540 Red Willow Place
Chula Vista, CA 91915

August 17, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

AUG 21 2007

RE: Proposed Rate Increase

Dear Board Secretary,

Let me begin by saying I've lived in Southern California over thirty years: twenty-eight years in Los Angeles and three years in Chula Vista (Eastlake). When I moved to Eastlake in January 2004 I thought the area was lovely, quaint and a good place for my daughter to raise her family. My views have since been altered. As much as I was glad to leave the rat race of Los Angeles and come to what I thought was a peaceful place away from big city crowds, which was true for me at first, I've come to experience a series of changes in the Eastlake-Chula Vista-San Diego area that I find appalling.

As for the water rate increase, I *vehemently* oppose such a thing. Homeowners shouldn't be made to pay for the dilemma that the Otay Water District faces. Responsible for the Water District having to work harder to improve the water (and etc.) delivery and processing is directly related to the gross infestation of illegals coming from Mexico. They do not own homes and never will own a home, they do not pay property taxes, they do not pay HOA dues and fees that keep the landscape and surrounding areas looking pleasant, and very few actually pay income tax because they have no legal status. Yet they leech off everything homeowners pay for through tax dollars and HOA dues and fees. Not to mention state services such as health care, food stamps, and freebees the state of California is willing to hand over to them while the rest of us pay for it. And, WE (me and 98% of the hard working, tax paying legal citizens) have about reached the end of our rope. We are "fee" and "rate increase" weary! Don't do it!

I'm an English-only speaking, educated, well-read, well-traveled, normally empathetic, always observant, grandmother who would like to see her grandchildren grow up somewhere else, out of California, far away from the Mexico border. Ten years from now there won't be enough money in print to funnel to these illegals and their migration. In addition, the sub-contractor California Sub-Meters, 5858 Mt. Alifan Drive, Suite 110, San Diego, CA 92111-2730 (put in place by the developer) already charge an *outrageous* amount for water, tons of fees, sewer, etc., and, in fact, my water has been running twice as much as my gas and electric, and yet no one in Sacramento, the BBB, or Otay Water District has ever heard of them.

The answer to your problem, since the illegals are already getting away with murder, put a row of empty barrels at the border with a sign that reads "Deposit \$1000—Your Free Ride Is Over." And, I'd put law enforcement in charge of collection. OR, the Mexican government could give them a million dollars each so they can buy a home and pay property taxes and HOA fees for themselves. So, WE OPPOSE ALL INCREASES, *period*.


Marg M. Coindreau

DIV 2

Acc# 200.1252.01

16 August 2007

Stay Water District

AUG 20 2007

I received your "notice of Public Hearings" for another raise in our water rates. I have been a homeowner & water user of Stay Water District for 39 years. You just had a raise less than a year ago of over 10%. My July water bill had fees of 1925. I realize that inflation is rising even tho the government agents will not admit it at 15% annually. You have given me good service over these past 39 years, so I can't complain then but please consider us 82 year old WWII veterans who made it possible for you to even have a company. We have limited incomes, everything is going through the roof. Fuel, groceries, taxes etc. Please remember us when you finally decide "what's fair" & JUST!!! I pay my water bill every month on the 28th day. Never a late payment so I would appreciate it if you moderate "a little bit" thank you

305 Spruce Street
Chula Vista Ca 91914
Ph. 619-520-83

William B Yancey Sr

DIV 2

From: George Rapciewicz

3010 Blue Oak Ct

Spring Valley, Ca. 91978

760-809-2694

To: Board Secretary, Otay Water District

Subject: Water rate increase

AUG 20 2007

Board Secretary:

I oppose that Otay Water District from raising my current water rate. The current rates are already high enough as they are, the housing market is completely ruined and the gas and electric out here is entirely too high as is. Increasing the water rates would cause our Home Owners Association fees to go up which are already higher than most San Diego coastal cities and I practically live in the desert. There is no need to raise the rates anymore than what they already are. What people need to do is be more conservative. What the water district needs to do is relay conservation methods out to everyone in your 125.5 mile jurisdiction, not raise rates.

I do not see where customer service should be an issue here. No one calls the water district really unless its construction work related, broken mains, or some sort of sewage back up. Your employees are already paid well, get adequate overtime, and do an outstanding job as is. What seems to be the problem?

Respectfully


George Rapciewicz

Div 3

SEP 10 2007

09-08-07

TO: Otay Water District
FROM: Edward & M. Cristina del Toro
RE: Proposed water rate increase

Please be advised that this letter serves as our written protest of the proposed water rate increases within the Otay Water District.

Our household uses ten units or less of water every month and has ever since May 1990, when we first became customers of Otay Water District. The water system fee on our monthly bill is always more than our water charge fee except for the latest bill where the water charge fee is nineteen cents more than the water system fee. At times, the water system fee is double that of our water charge fee. You can confirm this by reviewing our past monthly bills. Our family is very conscious of the importance of conserving water. We do not take for granted that there will always be sufficient water available whenever one needs it. Water is a very precious commodity in our eyes and we have taken measures to equip our home with water saving aerators on our home's faucets, shower heads with on/off buttons, low flow toilets and nozzle sprayers on outdoor hoses. We have landscaping that requires minimal water usage. Plus we do not let water run needlessly when using the sink, shower or outdoor hoses.

Customers who use ten units or less of water a month should be exempt from proposed water rate increases as a reward for using less water than other customers and as an incentive to get those customers who use more than ten units to start conserving water to decrease their usage to under ten units a month. Customers who consistently conserve water by using ten units or less a month should not be overlooked and lumped in the same category as the customers who use more than ten units of water a month for it appears then that the Otay Water District does not appreciate the water conservation efforts made by some of its customers. Customers who use more than ten units of water should be subject to paying the increase for not making efforts to conserve water as they appear not to care how much their water bill is.

Thank you for your consideration in this matter.

Edward del Toro
M. Cristina del Toro

Edward and M. Cristina del Toro
1312 Coronado Avenue
Spring Valley CA 91977

Div 3

Just a Note...

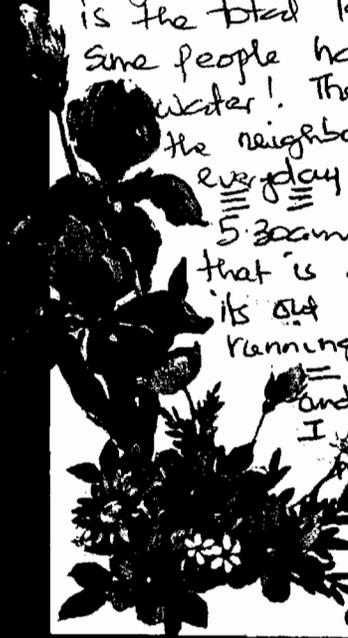


AUG 21 2007

Judith Popp
1456 Vista Grande Rd
El Cajon Ca
92019
A/c # 230-0105-14

To Whom it Concerns,

I realize there are price hikes in everything to-day, and my complaint is the total lack of responsibility some people have to conserve water! There are people in the neighborhood who water everyday (sprinkler) from 5:30am - 6:00am to me that is a total waste! It's out on the street and running down my driveway and that's two neighbors I just observed this morning that their patio was like a pool. So if you want us to do our part with a 20 gallon challenge



DEAR BOARD SECRETARY

AUG 27 2007

THIS IS MY WRITTEN STATEMENT TO OBJECT TO THE
PROPOSE WATER RATE INCREASE.

Marie Norman

MARIE NORMAN

3133 COTTONWOOD SPRINGS LANE

JANUOL, CA. 91935

Mazin Younan
4108 Ponce De Leon Dr.
La Mesa, CA 91941

DISTRICT

2007 SEP 13 AM 8:55

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Mazin Younan

DIV 5

Maher Younan
923 Avenida Del Oceano
El Cajon, CA 92019

DISTRICT
2007 SEP 13 AM 8:55

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Maher Younan

Div 5

Mark Younan
11455 Shadow Ranch Rd.
La Mesa, CA 91941

W DIST
2007 SEP 13 AM 8:55

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Mark Younan

DIV 5

Mouyad Makani
2410 Sawgrass Street
El Cajon, CA 92019

2007 SEP 13 AM 8:56

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Mouyad Makani

DIV 5

Basil Younan
2450 Sawgrass Street
El Cajon, CA 92019

OTAY WATER DISTRICT

2007 SEP 13 AM 8:56

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Basil Younan

DIV 5

Riyadh Makani
11602 Avenida Anacapa
El Cajon, CA 92019

NOT
2007 SEP 13 AM 8:56

September 12, 2007

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir or Madam

Subject: Rate Increase

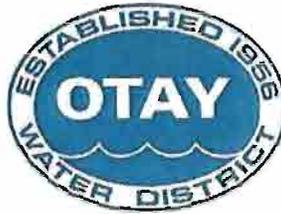
I am writing to you to oppose your proposal for increasing the water rate.

Sincerely,

Riyadh Makani

DIV 5

*Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
(619) 670-2777
www.otaywater.gov*

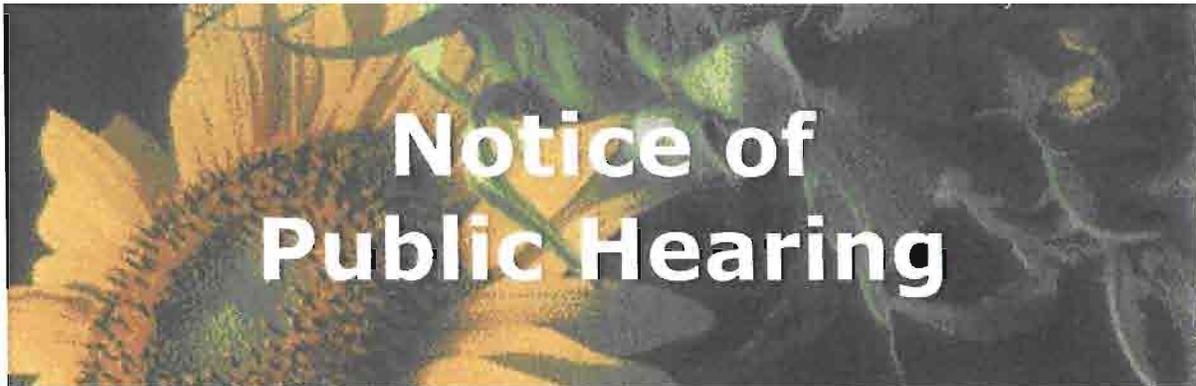


Dedicated to community service.

PRSR STD
US POSTAGE

PAID

PERMIT No. 2
SAN DIEGO, CA



Please be advised there will be a Public Hearing regarding water rates:

**Wednesday, October 3, 2007
3:30 p.m. in the Board Meeting Room
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978**

Notice to residential water customers...



This notice contains important information regarding rates. The Otay Water District provides service to your community. All property owners within the district's service area are being notified of proposed rate increases.

The district is a revenue neutral public agency meaning only those charges sufficient to support your service are billed to customers. Each end user pays their fair share of the cost of water acquisition and delivery, as well as the operation and maintenance of the public water facilities.

An analysis of costs and revenues of the district indicates a 5.4% rate increase for water is needed effective January 1, 2008. This year, 100% of the rate increase is due



The Otay Water District is a recognized leader in recycled water program.



to higher water costs from our wholesale suppliers (the San Diego County Water Authority [CWA], the Metropolitan Water District of Southern California [MWD], and the City of San Diego).

If adopted, the new rate structure would maintain the high level of service customers receive, the integrity of the water systems, and a balanced budget.



The Otay Water District was established in 1956 to provide water to the San Diego's East

The Otay Water District is the proud recipient of the San Diego Taxpayers Association's Golden Watchdog of the Year award.

The Otay Water District was founded in 1956 to serve as a public water utility, more specifically, a California special district, authorized in 1956 by the State Legislature under the provisions of the Municipal Water District Act of 1911. The district distributes water to more than 190,000 ratepayers within approximately 125 square miles of southeastern San Diego County including the communities of Jamul, La Presa, Rancho San Diego, Spring Valley, eastern Chula Vista, Otay Mesa, and unincorporated communities adjacent to southern El Cajon and La Mesa.

If you oppose this action, you may attend the public hearing on Wednesday, October 3, 2007, and deliver your written protest. You may also send your written protest, which shall include your name and the property address.

To be considered, your protest must be received prior to the close of the public hearing. Immediately following the hearing, the Board of Directors will consider adoption of the proposed rates.

Mail written objections to:

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Rate Comparisons: For a conserving customer (using 10 units of water per month or 10 HCF), Otay is the 6th lowest cost provider of 24 water agencies in San Diego county.

For a typical customer (using 15 HCF), Otay is the 8th lowest cost provider of 24 water agencies in San Diego county.

Otay Receives National Budget Award



The Otay Water District announced it has again received the Government Finance Officers Association of the United States and Canada's (GFOA) Distinguished Budget Presentation Award for its budget. The FY 2006-07 award reflects a commitment to meeting the highest principles of governmental budgeting.

The Distinguished Budget Presentation Award

is presented to only a handful of California's more than 3,400 special districts. Recipients of the award are viewed as "pioneers" leading efforts to improve the quality of budgeting in the public sector and the award reflects the best in governmental finance. Winning the award three years in a row represents a significant achievement.

The GFOA is a non-profit professional associa-

tion serving 14,000 government finance professionals throughout North America.

The Distinguished Budget Presentation Awards Program is the only national award in governmental budgeting.

The award-winning 2007 Budget and the 2006 Comprehensive Annual Financial Report are available for viewing or downloading at www.otaywater.gov.

Proposed New Water Rates In Detail...

For a typical single-family residential customer, as of January 1, 2008, their estimated bill will increase by \$2.48. Your bill may vary from this example based on meter size, water consumption, and geographic location.

Consumption	MWD/CWA Fixed Charge ³		Monthly System Charge ¹		Water Rate ²		Energy Charge ³		Additional Water Charge by Improvement District ⁴		Total	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
15 Units (typical)	\$3.55	\$3.85	\$11.30	\$12.30	\$27.50	\$28.55	\$1.77	\$1.86	\$0.91	\$0.95	\$45.03	\$47.51

Single-Family Residential (Block rate structure for water based on usage)		
No. of Units (HCF= 1 Unit = 748 gallons)	Current	Proposed
Lifeline ⁵	\$1.08	\$1.12
0 - 10	\$1.78	\$1.85
11 - 35	\$1.94	\$2.01
Over 35	\$2.83	\$2.94

Improvement District Charges ⁷		
District No.	Current	Proposed
1	.06¢	.07¢
3	.15¢	.16¢
10	.23¢	.24¢

Attached Residential ⁶		
No. of Units	Current	Proposed
0 - 4	\$1.78	\$1.85
5 - 15	\$1.94	\$2.01
Over 15	\$2.83	\$2.94

Footnotes:

- 1 This fee is based on the meter size. The fee is shown is for average customers using a 3/4" water meter.
- 2 This cost varies based on water usage and can be calculated using the Single-Family Residential table.
- 3 This fee may vary depending on the geographic location of the property within the district. Your bill will differ based on your water consumption. The average energy charge is increasing from 11.76¢ to 12.37¢ for each unit due to increased power costs to the district.
- 4 This fee may vary depending on the geographic location of the property within the district. Your bill will differ based on your water consumption. Your bill will also vary due to special fees in various improvement districts.
- 5 Lifeline discounts apply toward the first five units when overall consumption is 10 units or less.
- 6 Except for the rates shown, all other applicable charges are the same as Single-Family.
- 7 Improvement District charges do not apply to the first five units of water used per month.

Important Information Inside

It's Easy To Conserve Water.

San Diego County has a semi-arid climate that receives only about 10 inches of rainfall per year. This does not provide enough water to meet local needs and the region must import as much as 90 percent of its water from the Colorado River and Northern California.

To maintain our quality of life and ensure adequate water supplies now and for future generations, San Diego county residents are

encouraged to make a conscious effort to use our limited supply of water as efficiently as possible.

The Otay Water District offers a number of programs to save water both indoors and outdoors. For useful ways to conserve water, visit our website www.otaywater.gov and click on any of the useful conservation links.

Or, visit the Water Conservation Garden located

on the campus of Cuyamaca College. The 4.5 acre demonstration garden has more than 400 varieties of drought tolerant, native, and California Friendly plants to inspire any gardener.

For more information about operating hours, tours or classes at the Water Conservation Garden, visit their website at www.thegarden.org.



District Receives Upgraded Bond Rating.

The credit rating agency, Standard and Poors, has upgraded the bond rating of the Otay Water District from A+ to AA-. Fitch Ratings, another prominent credit rating agency, also gave the district the same rating.

The AA- rating reflects the increased credit worthiness of the district, and means it paid less interest on \$42 million in bonds it issued for several construction projects.

The projects include two 10 million-gallon reservoirs, a pump station, and a recycled water pipeline that will connect the district to the City of San Diego's South Bay Water Reclamation Facility.

“The AA- rating from these prominent credit rating agencies is a strong measure of the district’s ability to meeting its financial obligations, and it validates all the work we are doing on behalf of our customers,” said Joe Beachem, Otay Chief Financial Officer. “It’s a tribute to the commitment, vision and direction of the district, and the savings for our customers are real and significant,” added Beachem.

Credit ratings range from “AAA” the highest rating possible to “D” for default. An upgrade reflects the rating agencies’ independent assessment of the district’s overall capacity of meeting its

financial obligations.

In a press release announcing its action, Fitch Ratings noted “The AA- rating reflects Otay’s diversification of its imported water supply, strong financial performance, strategic planning practices, and substantial revenue funding of ongoing capital needs related to growth in the service territory.”

Savings to district customers as a result of the upgrade could total as much as \$1.5 million, while the infrastructure upgrades “will result in improved supply diversity and reliability of Otay’s water supply,” according to Fitch.



Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
(619) 670-2777
www.otaywater.gov

Attachment D

PRSRST STD
US POSTAGE

PAID
PERMIT No. 2
SAN DIEGO, CA



**Please be advised there will be a Public Hearing on
water rates:**

**Wednesday, October 3, 2007
3:30 p.m. in the Board Meeting Room
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978**

NOTICE OF PUBLIC HEARING FOR COMMERCIAL WATER CUSTOMERS

This notice contains important information regarding water rates. The Otay Water District provides service to your community. All property owners within the district's service area are being notified of a proposed rate increase.

The Otay Water District is a revenue neutral public agency meaning only those charges sufficient to support service are billed to customers. Each end user pays their fair share of the cost of water acquisition and delivery, as well as the operation and maintenance of the public water facilities.

An analysis of costs and revenues of the district indicates a proposed 5.4% rate increase for water is needed effective January 1, 2008. This year, 100% of the rate increase is due to higher water costs from our wholesale suppliers (the San Diego County Water Authority [CWA], the Metropolitan Water District of Southern California [MWD], and the City of San Diego). If adopted, the new rate structure would maintain the high level of service customers receive, the integrity of the water system, and a balanced budget.

If you oppose this action, you may attend the public hearing on Wednesday, October 3, 2007, and deliver your written protest. You may also send your written protest, which shall include your name and the property address. To be considered, your protest must be received prior to the close of the public hearing. Immediately following the hearing, the Board of Directors will consider adoption of the proposed rates. Mail written objections to: **Board Secretary**, Otay Water District, 2554 Sweetwater Springs Blvd., Spring Valley, CA 91978.



Recipient of the San Diego County Taxpayers Association's Golden Watchdog of the Year award for 2007.

Monthly Charges					
Customer Classes: Multi-Residential, Business, Combined Domestic/ Agriculture, Publicly-Owned, Commercial Agricultural, Non-Agricultural Irrigation, Recycled Irrigation using Non-potable and Recycled					
System Charge					
	Potable / Recycled	Potable	Recycled	MWD & CWA Fixed Charge*	
Meter Size	Current	Proposed		Current	Proposed
3/4"	22.00	24.00	27.85	3.55	3.85
1"	33.90	36.95	42.90	5.65	6.15
1-1/2"	47.65	51.95	60.30	10.65	11.60
2"	59.60	64.95	75.40	18.45	20.05
3"	95.90	104.55	121.30	34.05	36.95
4"	109.80	119.70	138.90	58.20	63.15
6"	219.45	239.20	277.60	106.45	115.50
10"	418.90	456.60	529.90	276.75	300.30

*Not charged to Non-Agricultural Irrigation and Recycled.

Water Unit Charges		
Customer Class: Multi-Residential		
Number of HCF Furnished	Current	Rate per HCF Proposed
0-4	1.78	1.85
5-15	1.94	2.01
Over 15	2.83	2.94

Customer Classes: Business, Combined Domestic, Agriculture, Commercial Agricultural, Non-Agricultural Irrigation, Special Agreement		
Number of HCF Furnished	Current	Rate per HCF Proposed
All HCF	1.91	1.98

Customer Classes: Publicly-Owned, Recycled Using Non-Potable and Recycled		
Number of HCF Furnished	Current	Rate per HCF Proposed
All HCF	1.73	1.75

Customer Class: Publicly-Owned		
Number of HCF Furnished	Current	Rate per HCF Proposed
All HCF	1.99	2.06

Improvement District Charges		
District No.	Current	Proposed
1	.06¢	.07¢
3	.15¢	.16¢
10	.23¢	.24¢

Fire Service System Charges	
From \$23.30 to \$25.40	
Customer Class: Multi-Residential or Multi-Commercial	
Additional Occupancy Unit Charge from \$3.53 to \$3.85	

Customer Classes: Recycled, Irrigation using Non-Potable and Recycled		
Number of HCF Furnished	Current	Rate per HCF Proposed
All HCF	1.65	1.67

Customers paying two times the water rate (such as Tank Trucks, Temporary Construction Meters and service outside the Otay Water District or an Improvement District) are impacted by the changes in their base rates.

*Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
(619) 670-2777
www.otaywater.gov*



Dedicated to community service.

Attachment E

PRSRT STD
US POSTAGE
PAID
PERMIT No. 2
SAN DIEGO, CA



Please be advised there will be a Public Hearing regarding water and sewer rates:

**Wednesday, October 3, 2007
3:30 p.m. in the Board Meeting Room
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978**

Notice to residential water and sewer customers...



This notice contains important information regarding water and sewer rates. The Otay Water District provides service to your community. All property owners within the district's service area are being notified of proposed rate increases.

The district is a revenue neutral public agency meaning only those charges sufficient to support your service are billed to customers. Each end user pays their fair share of the cost of water acquisition and delivery, as well as the operation and maintenance of the public water and sewer facilities.

An analysis of costs and revenues of the district indicates a 5.4% rate increase for water is needed effective January 1, 2008. This year, 100% of the rate increase is due to higher water costs from our wholesale suppliers (the San Diego County Water

Authority [CWA], the Metropolitan Water District of Southern California [MWD], and the City of San Diego). The analysis also indicates that a 17% rate increase for sewer is needed due to the higher cost for sewage treatment, energy, labor, and materials.



The Otay Water District was established in 1956 to provide water to the San Diego's East County and South Bay.

If adopted, the new rate structure would help the district maintain the high level of service customers receive, the integrity of the water and sewer systems, and a balanced budget.



The Otay Water District is a recognized leader in recycled water program.



The Otay Water District is the proud recipient of the San Diego Taxpayers Association's Golden Watchdog of the Year award.

The Otay Water District is a water and sewer service agency, more specifically, a California special district, authorized in 1956 by the State Legislature under the provisions of the Municipal Water District Act of 1911. The district provides water service to approximately 190,000 customers within 125.5 square miles of southeastern San Diego County including the communities of Spring Valley, La Presa, Rancho San Diego, Jamul, eastern Chula Vista, and Otay Mesa along the international border with Mexico.

The district also owns and operates a wastewater collection and reclamation system, providing public sewer service to 15,200 sewer customers through 4,630 accounts to homes and businesses within the Jamacha drainage basin.

If you oppose these actions, you may attend the public hearing on Wednesday, October 3, 2007, and deliver your written protest. You may also send your written

protest, which shall include your name and the property address.

To be considered, your protest must be received prior to the close of the public hearing. Immediately following the hearing, the Board of Directors will consider adoption of the proposed rates.

Mail written objections to:

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Rate Comparisons: For a conserving customer (using 10 units of water per month or 10 HCF), Otay is the 6th lowest cost provider of 24 water agencies in San Diego county.

For a typical customer (using 15 HCF), Otay is the 8th lowest cost provider.



Otay Receives National Budget Award

The Otay Water District announced it has again received the Government Finance Officers Association of the United States and Canada's (GFOA) Distinguished Budget Presentation Award for its budget. The FY 2006-07 award reflects a commitment to meeting the highest principles of governmental budgeting.

The Distinguished Budget Presentation Award is presented to only

a handful of California's more than 3,400 special districts. Recipients of the award are viewed as "pioneers" leading efforts to improve the quality of budgeting in the public sector and the award reflects the best in governmental finance. Winning the award three years in a row represents a significant achievement.

The GFOA is a non-profit professional association serving 14,000 gov-

ernment finance professionals throughout North America.

The Distinguished Budget Presentation Awards Program is the only national award in governmental budgeting.

The award-winning 2007 Budget and the 2006 Comprehensive Annual Financial Report are available for viewing or downloading at www.otaywater.gov.

Proposed New Water and Sewer Rates in Detail...

For a typical single-family residential customer, as of January 1, 2008, the water portion of their bill will increase by \$2.48 and the sewer portion will increase by .55¢. The water portion of your bill will vary based on meter size, water consumption, and geographic location.

Consumption	MWD/CWA Fixed Charge ¹		Monthly System Charge ¹		Water Rate ²		Energy Charge ³		Additional Water Charge by Improvement District ⁴		Total	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
15 Units (typical)	\$3.55	\$3.85	\$11.30	\$12.30	\$27.50	\$28.55	\$1.77	\$1.86	\$0.91	\$0.95	\$45.03	\$47.51

Single-Family Residential (Block rate structure for water based on usage)			
No. of Units (HCF= 1 Unit = 748 gallons)	Current	Proposed	
Lifeline ⁵	\$1.08	\$1.12	
0 - 10	\$1.78	\$1.85	
11 - 35	\$1.94	\$2.01	
Over 35	\$2.83	\$2.94	

Attached Residential ⁶		
No. of Units	Current	Proposed
0 - 4	\$1.78	\$1.85
5 - 15	\$1.94	\$2.01
Over 15	\$2.83	\$2.94

Improvement District Charges ⁷		
District No.	Current	Proposed
1	.06¢	.07¢
3	.15¢	.16¢
10	.23¢	.24¢

Sewer	Base Fee		Usage Fee		Total	
	Current	Proposed	Current	Proposed	Current	Proposed
Average	\$32.70	\$9.75	\$ 0.00	\$23.50	\$32.70	\$33.25

Understanding the sewer charges on your bill -

If approved, rates will be based on your winter water consumption for the months of December through March of the previous year (minus a 15% usage discount, recognizing that not all water used flows to the sewer system). The rate structure would be phased-in over a three year period to allow customers time to adjust their use patterns. Regardless of actual water use during the first year of the phase-in period, the usage fee will be calculated using a maximum water consumption of 18 units (after the 15% usage discount). The second and third year calculations will similarly use maximums of 22 and 30 units, respectively. The proposed rate effective January 1, 2008, is \$1.41 per unit.

Footnotes:

1. This fee is based on the meter size. The fee is shown is for average customers using a 3/4" water meter.
2. This cost varies based on water usage and can be calculated using the Single-Family Residential table.
3. This fee may vary depending on the geographic location of the property within the district. Your bill will differ based on your water consumption. The average energy charge is increasing from 11.76¢ to 12.37¢ for each unit due to increased power costs to the district.
4. This fee may vary depending on the geographic location of the property within the district. Your bill will differ based on your water consumption. Your bill will also vary due to special fees in various improvement districts.
5. Lifeline discounts apply toward the first five units when overall consumption is 10 units or less.
6. Except for the rates shown, all other applicable charges are the same as Single-Family.
7. Improvement District charges do not apply to the first five units of water used per month.

Important Information Inside

It's Easy To Conserve Water.

San Diego County has a semi-arid climate that receives only about 10 inches of rainfall per year. This does not provide enough water to meet local needs and the region must import as much as 90 percent of its water from the Colorado River and Northern California.

To maintain our quality of life and ensure adequate water supplies now and for future generations, San Diego county residents are

encouraged to make a conscious effort to use our limited supply of water as efficiently as possible.

The Otay Water District offers a number of programs to save water both indoors and outdoors. For useful ways to conserve water, visit our website www.otaywater.gov and click on any of the useful conservation links.

Or, visit the Water Conservation Garden located on the campus of Cuya-

maca College. The 4.5 acre demonstration garden has more than 400 varieties of drought tolerant, native, and California Friendly plants to inspire any gardener.

For more information about operating hours, tours or classes at the Water Conservation Garden, visit their website at www.thegarden.org.



District Receives Upgraded Bond Rating.

The credit rating agency, Standard and Poors, has upgraded the bond rating of the Otay Water District from A+ to AA-. Fitch Ratings, another prominent credit rating agency, also gave the district the same rating.

The AA- rating reflects the increased credit worthiness of the district, and means it paid less interest on \$42 million in bonds it issued for several construction projects.

The projects include two 10 million-gallon reservoirs, a pump station, and a recycled water pipeline that will connect the district to the City of San Diego's South Bay Water Reclamation Facility.

"The AA- rating from these prominent credit rating agencies is a strong measure of the district's ability to meeting its financial obligations, and it validates all the work we are doing on behalf of our customers," said Joe Beachem, Otay Chief Financial Officer. "It's a tribute to the commitment, vision and direction of the district, and the savings for our customers are real and significant," added Beachem.

Credit ratings range from "AAA" the highest rating possible to "D" for default. An upgrade reflects the rating agencies' independent assessment of the district's overall capacity of meeting its

financial obligations.

In a press release announcing its action, Fitch Ratings noted "The AA- rating reflects Otay's diversification of its imported water supply, strong financial performance, strategic planning practices, and substantial revenue funding of ongoing capital needs related to growth in the service territory."

Savings to district customers as a result of the upgrade could total as much as \$1.5 million, while the infrastructure upgrades "will result in improved supply diversity and reliability of Otay's water supply," according to Fitch.



NOTICE OF PUBLIC HEARING FOR COMMERCIAL SEWER CUSTOMERS

This notice contains important information regarding commercial sewer rates. The Otay Water District provides sewer service to your community. All customers within the district's service area are being notified of a proposed rate increase.

The Otay Water District is a revenue neutral public agency meaning each end user pays their fair share of the cost of sewer collection and disposal, as well as the operation and maintenance of the public sewer system. Only those charges needed to support service are billed to customers.

An analysis of costs and revenues of the district indicates a proposed 1.7% rate increase effective January 1, 2008, is needed due to the higher cost for sewage treatment, energy, labor, and materials. If adopted, the new rate structure would maintain the integrity of the sewer collection and treatment system, and a balanced budget.

If you oppose this action, you may attend the public hearing on Wednesday, October 3, 2007, and deliver your written protest. You may also send your written protest, which shall include your name and the property address. To be considered, your protest must be received prior to the close of the public hearing. Immediately following the hearing, the Board of Directors will consider adoption of the proposed rates. Mail written objections to: **Board Secretary**, Otay Water District, 2554 Sweetwater Springs Blvd., Spring Valley, CA 91978.



Recipient of the San Diego County Taxpayers Association's Golden Watchdog of the Year award for 2007.

How are non-residential sewer rates calculated?

To meet State of California requirements, customers must pay their fair share of sewer costs. The Otay Water District is required to determine sewer rates in accordance with the State's Revenue Program Guidelines. The formula takes into consideration the cost associated with daily flow, chemical oxygen demand (COD) and the removal of suspended solids (SS). The COD and SS determine the strength factor as being high, medium or low, consistent the State Water Resources Control Board guidelines.

Monthly bills are calculated based on Assigned Service Units (ASU). One ASU is equal to the demand placed on the system by a residential unit. ASUs are calculated by multiplying the daily flow by the strength factor.

$$\text{Daily Flow} \times \text{Strength Factor} = \text{Assigned Service Unit}$$

Strength Factors

1.0	Churches
1.0	Low Strength Commercial
1.238	Medium Strength Commercial
2.203	High Strength Commercial

The sewer bill is then calculated by multiplying ASUs by the rate per ASU. This charge is increasing .55¢ per ASU from \$32.70 to \$33.25. The proposed 1.7% rate increase would become effective January 1, 2008.

NOTICE OF PUBLIC HEARING FOR PROPERTY OWNERS

This notice contains important information regarding water and sewer rates. Otay Water District provides service to your community. All property owners within the district's service area are being notified of proposed water and sewer rate increases, even if they do not have active service with the district.

The district is a revenue neutral public agency meaning only those charges sufficient to support service are billed to customers. Each end user pays their fair share of the cost of water acquisition and delivery, as well as the operation and maintenance of the public water and sewer facilities.

An analysis of costs and revenues of the district shows that a 5.4% rate increase for water is needed effective January 1, 2008. This year, 100% of the rate increase is due to higher water costs from our wholesale suppliers (the San Diego County Water Authority, the Metropolitan Water District of Southern California, and the City of San Diego). The analysis also indicates that a 1.7% rate increase for sewer is needed due to the higher cost for sewage treatment, energy, labor, and materials. If adopted, the new rate structure would help the district maintain the high level of service customers receive, the integrity of the water and sewer systems, and a balanced budget.

If you oppose these actions, you may attend the public hearing on Wednesday, October 3, 2007, and deliver your written protest. You may also send your written protest, which shall include your name and the property address. To be considered, your protest must be received prior to the close of the public hearing. Immediately following the hearing, the Board of Directors will consider adoption of the proposed rates. Mail written objections to: **Board Secretary**, Otay Water District, 2554 Sweetwater Springs Blvd., Spring Valley, CA 91978.



*Recipient of the San Diego County Taxpayers Association's
Golden Watchdog of the Year award for 2007.*

About the Otay Water District -

The Otay Water District is a water and sewer service agency, more specifically, a California special district, authorized in 1956 by the State Legislature under the provisions of the Municipal Water District Act of 1911. Its ordinances, policies, taxes and rates for service are set by five directors, elected by voters in their respective divisions to serve staggered, four-year terms on the governing board. The board of directors meets in open public session on the first Wednesday of each month at 3:30 p.m., at district headquarters. The public is welcome to attend these meetings.

The district provides water service to customers within 125.5 square miles of southeastern San Diego County, California. Otay facilities serve the water and sewer service needs of approximately 190,000 people living in the communities of Spring Valley, La Presa, Rancho San Diego, Jamul, eastern Chula Vista, and Otay Mesa along the international border with Mexico. The potable water delivered by the district is purchased from the San Diego County Water Authority, which in turn, purchases this water from the region's primary importer, the Metropolitan Water District of Southern California.

The Otay Water District also owns and operates a wastewater collection and reclamation system, providing public sewer service to 15,200 sewer customers through 4,630 accounts to homes and businesses within the Jamacha drainage basin. At the heart of this system is the Ralph W. Chapman Water Recycling Facility. Each day, the Chapman facility produces up to 1.3 million gallons of high-quality recycled water. Through a dedicated distribution system, the recycled water is transported to eastern Chula Vista where it is used to irrigate golf courses, playing fields, public parks, roadway landscapes, and open space.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Rita Bell, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph R. Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Adopt Ordinance No. 513 Amending Section 25, Rates and Conditions for Water Service; and Section 53, Fees, Rates, Charges and Conditions for Sewer Service of the District's Code of Ordinances		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Ordinance No. 513 of the Board of Directors of Otay Water District Amending Section 25, Rates and Conditions for Water Service; and Section 53, Fees, Rates, Charges and Conditions for Sewer Service of the District's Code of Ordinances

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To obtain approval from the Board, to adopt Ordinance No. 513 amending the following items in Section 25, Rates and Conditions for Water Service; and Section 53, Fee, Rates, Charges and Conditions for Sewer Service.

Amending the following sections:

Section 25.03 Water Rates, Charges and Fees

E. Rates and Charges for Water Service

1. (b)&(c) Domestic Service
2. (b), (c)&(d) Multiple Residential
3. (b), (c)&(d) Business, Domestic and Agricultural Combined
4. (c) Publicly-Owned Establishments
5. (b)&(c) Commercial Agricultural
- 7.1.(b)&(h) Non-Agricultural Irrigation Water Service

- 7.2.(b)&(d) Irrigation using Non-Potable and Reclaimed Water
 - 8.(c)&(d) Reclaimed Water
 - 9.(b) Water Service under Special Agreements
 - 13.(c) Service for Fire Protection
 - G. Energy Charges for Pumping Water
- Section 53.11 Sewer Service Rates and Charges
- E. (1)-(6) Commercial Sewer Charges User Classification

Adding the following items in Section 53 Fees, Rates, Charges, and Conditions for Sewer Service:

- Section 53.11 Sewer Service Rates and Charges
- B. Residential Sewer Charges (1), (2), (3) & (4)
 - C. Single Residential Winter Averaging (1), (2), (3) & (4)
 - D. Multi-Residential Charges (1), (2) & (3)
 - E. Commercial Sewer Charges Institutional

Deleting the following item in Section 53 Fees, Rates, Charges and Conditions for Sewer Service:

Section 53.12 Reduced Sewer Charges for Low-Income Customers

ANALYSIS:

SUMMARY

In the April 2007 budget workshop, the Board of Directors adopted the FY 2008 budget and was presented with the updated six-year rate model. Leading up to this meeting, the budget process evaluated revenues, expenditures, and construction costs for the 2008 fiscal year, and projected these costs and revenues out an additional five years within the rate model. The rate model looks at the impact on reserves and debt ratios to ensure financial stability. As a result of the budget process, the following rate increases and methodology changes are recommended as prescribed in the attached Code of Ordinances:

- A 5.4% rate increase for Potable and Recycled customers (See Attachment C Section 25.03). This pass-through rate increase is due entirely to the rate increases implemented by the San Diego County Water Authority (CWA) and the Metropolitan Water District (MWD).

- A 1.7% increase for sewer customers and a change in methodology to a winter-consumption based sewer charge (See Attachment D Sections 53.11 and 53.12). These sewer rate changes were approved at the May 2, 2007 budget workshop and are subject to a Proposition 218 hearing. This rate increase is to cover cost increases including pass-through increases, new regulations, and operating increases.

FISCAL IMPACT: _____

The Fiscal Year 2008 budget anticipated the additional revenues that will be generated by these rate increases. These revenues ensure continued funding for the District's administration, maintenance, and operations, and are consistent with the recently adopted Strategic Plan.

The proposed increase in potable revenues is approximately \$1,127,000 and for recycled revenues the increase is \$97,600. The change in sewer rates will bring more equity to ratepayers and generate approximately \$22,600 in additional revenue.

These rate increases are needed to balance the Operating Budget and ensure the financial stability.

STRATEGIC GOAL:

Ensure financial health through formalized policies, prudent investing, and efficient operations.

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A. Committee Action Form
- B. Ordinance No. 513
- C. Strike-through copy of Section 25
- D. Strike-through copy of Section 53
- E. Proposed copy of Section 25
- F. Proposed copy of Section 53



ATTACHMENT A

SUBJECT/PROJECT:

Adopt Ordinance No. 513 Amending Section 25, Rates and Conditions for Water Service; and Section 53, Fees, Rates, Charges and Conditions for Sewer Service of the District's Code of Ordinances

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on September 17, 2007. The following comments were made:

- Staff reviewed past events and actions by the board related to the proposed rate increases:
 - May 2, 2007:
The Board approved, in concept, of the proposed winter consumption based sewer methodology rate structure.
 - May 29, 2007:
The Board adopted the Fiscal Year 2007 budget.
 - July 10, 2007:
Staff presented to the board the proposed Proposition 218 notices to be mailed to the district's customers.
 - August 16, 2007:
Proposition 218 notices were mailed to the district's customers.
 - October 3, 2007:
A public hearing will be held to hear the public's comments with regard to the proposed rate increases. Staff will be requesting that the board adopt the proposed rate increases following the hearing.
- The committee inquired how many customers had utilized the District's website calculator to estimate water and sewer bills if the proposed rate increases were implemented. Staff indicated that they did not have the figure, but would check with the district's Information Technology Department. **(Staff had inquired with the IT Department and the water calculator had 98 visits and the sewer calculator received 55 visits from August 15 through September 23).**
- The committee suggested that a notice be included in the customer pipeline newsletter regarding the website calculator tool.

- Staff noted that they were submitting the website calculator tool for an Innovation Award to the California Society of Municipal Finance Officers.

It was noted that this was an informational item only.

ORDINANCE NO. 513

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT AMENDING SECTIONS 25, RATES AND CHARGES FOR WATER SERVICE, AND SECTION 53, SEWER SERVICE RATES AND CHARGES, OF THE DISTRICT'S CODE OF ORDINANCE

BE IT ORDAINED by the Board of Directors of Otay Water District that the language in Section 25, Rates and Charges for Water Service, and Section 53, Sewer Service Rates and Charges, of the District's Code of Ordinances be amended as per attached copy.

NOW, THEREFORE, BE IT RESOLVED that the amendments to Sections 25 and 53 of the Code of Ordinances shall become effective January 1, 2008 upon adoption of this ordinance.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 3rd day of October, 2007, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President

ATTEST:

Secretary

SECTION 25

RATES AND CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property located in a water improvement district within the District. 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.12, 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 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 below. Said rates, charges and fees may be increased up to five (5) percent per year to pass through increases in costs imposed by the San Diego County Water Authority ("CWA") and/or the Metropolitan Water District ("MWD").

- A. Set-up Fees for Accounts. A set-up fee of \$10 shall be charged for each account transferred to another customer. A deposit will be required of all customers who do not own the property to be served. See Section 25.04 for deposit amounts.
- B. Monthly System Charge. Each water service customer shall pay a system charge for water system replacement, maintenance and operation expenses. The charge shall be made monthly under each water service account and shall be based on the size of the water meter or meters in service, as set forth in Paragraph E of this Section 25.03 for each category of water service described. The system charge shall start upon installation of the meter.
- C. Monthly MWD & CWA Fixed Charges. Each water service customer shall pay a monthly MWD & CWA fixed charge, as set forth below, to pass-through fixed charges from these agencies to pay the following: MWD Readiness to Serve Charge and Capacity Reservation Charge; SDCWA Infrastructure Access Charge; Customer Service Charge and Emergency Storage Charge.

D. Water Conservation Program.

1. The Otay Water District has adopted a Water Shortage Contingency Plan with three conservation stages as defined in Section 39.06.
2. The water shortage contingency Plan establishes water savings targets depending on water supply conditions to discourage excessive use of water during a water shortage.
3. Each conservation stage shall become effective within the District as provided in section 39.07.
4. District reduction goals for each conservation stage shall go into effect as of the effective date of the stage. The goals are set forth in section 39.07.

E. Rates and Charges for Water Service. The rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC SERVICE

(a) Defined as: Water service for single residential household and other domestic uses (other than that provided for in Paragraph 2 below).

(b) The base rates for water furnished under each block of service under this category shall be as follows:

Number of H.C.F. Furnished	Rate per H.C.F.
1 - 5	\$1.0812
6 - 10	\$1.7885
11 - 35	\$2.0194
Over 36	\$2.8394

Customers who use more than 10 units per month shall not receive the benefit of the lower rate for units 1 through 5. These customers will pay \$1.7885 for units 1 through 5.

(c) The monthly system charges for water service in this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	112.30	3.5585	14.8516.15
1"	1519.80	5.656.15	23.8025.95

1-1/2"	3538.75	10.6511.60	46.4050.35
2"	5964.6095	18.4520.05	78.0585.00

2. MULTIPLE RESIDENTIAL

- (a) Defined as either individually metered or master metered: Water service for multiple residential households including for example duplex, townhomes, apartments and mobile homes.
- (i) Individual metered further defined as multiple dwelling units that have individual meters for each unit.
- (ii) Master metered further defined as multiple dwelling units that share a meter.
- (b) The base rates of water furnished for each dwelling unit under each block of service in this category shall be as follows:

Number of H.C.F. Furnished	Rate per H.C.F.
0 - 4	\$1.7885
Over 4- 15	\$1.942.01
Over 15	\$2.8394

- (c) The monthly system charges for water service in this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	22.0024.00	3.5585	2527.5585
1"	33.9036.95	5.656.15	3943.5510
1-1/2"	47.6551.95	1011.650	5863.3055
2"	59.6064.95	1820.05.45	7885.0500
3"	95.90104.55	3436.095	129.95141.50
4"	109.80119.70	5863.2015	168182.0085
6"	219239.4520	106115.4550	325354.9070
10"	418456.6.900	276300.7530	695756.9.650

- (d) In addition to charges for water furnished, a monthly charge will be made for service provided through one meter to more than one occupancy at the rate of \$33.53-85 per month for each unit in a multiple residential building.

3. BUSINESS, DOMESTIC AND AGRICULTURAL COMBINED

- (a) Defined as: Water service for commercial or industrial business establishments; and domestic and agricultural combined (which is service provided through one meter but which combination

is not provided for under the category of COMMERCIAL AGRICULTURAL).

- (b) The base rate for water furnished under this category shall be \$1.91-98 per H.C.F.
- (c) In addition to charges for water furnished, a monthly charge will be made for service provided through one meter to more than one occupancy at the rate of \$3.53-85 per month for each unit in a commercial or industrial building.
- (d) The monthly system charge for water service under this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.0022.00	3.85—3.55	27.8525.55
1"	36.9533.90	6.155.65	43.1039.55
1-	51.9547.65	11.6010.65	63.5558.30
1/2"			
2"	64.9559.60	20.0518.45	85.0078.05
3"	104.5595.90	36.9534.05	141.50129.95
4"	119.70109.80	63.1558.20	182.85168.00
6"	239.20219.45	115.50106.45	354.70325.90
10"	456.60418.90	300.30276.75	756.90695.65

4. PUBLICLY-OWNED ESTABLISHMENTS

- (a) Defined as: Water service for any public or governmental agency, which does not include service solely for landscape watering or irrigation purposes.
- (b) The base rate for water furnished under this category shall be \$0.08 more per H.C.F. than the Business rate due to the District's inability to collect availability charges.
- (c) The monthly system charge for water service under this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.0022.00	3.853.55	27.8525.55
1"	36.9533.90	6.155.65	43.1039.55
1-1/2"	51.9547.65	11.6010.65	63.5558.30
2"	64.9559.60	20.0518.45	85.0078.05
3"	104.5595.90	36.9534.05	141.50129.95
4"	119.70109.80	63.1558.20	182.85168.00
6"	239.20219.45	115.50106.45	354.70325.90

10" 418456~~.9600~~ 276300.7530 695756.6590

5. COMMERCIAL AGRICULTURAL

(a) Defined as: Water service for growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for 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.

(b) The base rate for water furnished under this category shall be \$1.91~~98~~ per H.C.F.

Agricultural water customers authorized to participate in MWD's "Interim Agricultural Water Program" (IAWP) shall receive a \$0.33 discount per H.C.F. from the base rate and shall be subject to the following provisions under the program: During a water shortage, IAWP customers are required to reduce their water usage by 30%. Additional cutbacks required beyond 30% will be applied to IAWP and M&I customers equally.

(c) The monthly system charge for this category of water service shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00 22.00	3.85 3.55	27.85 25.55
1"	36.95 33.90	6.15 5.65	43.10 39.55
1-1/2"	51.95 47.65	11.60 10.65	63.55 58.30
2"	64.95 59.60	20.05 18.45	85.00 78.05
3"	104.55 95.90	36.95 34.05	141.50 129.95
4"	119.70 109.80	63.15 58.20	182.85 168.00
6"	239.20 219.45	115.50 106.45	354.70 325.90
10"	456.60 418.90	300.30 276.75	756.90 695.65

- (d) Commercial agricultural water service shall be furnished only under the following conditions:
 - (i) Upon request of the District each customer for such service shall sign and file with the District a written certification, in the form prescribed by the District, stating that the said water service is being used or will be used exclusively for agricultural purposes as defined above.
 - (ii) Commercial agricultural water service shall be furnished on an interruptible basis. When the demand for such service from a customer or customers exceeds the District supply of water available for such service, or where the capacity of District facilities is not adequate to meet the demand for service, the District may reduce or cease delivery of water for agricultural purposes pending the restoration of the supply of water or the availability of facilities to deliver water in the amounts requested.

6. TEMPORARY WATER SERVICE

- (a) Defined as: Water service provided on a temporary basis pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the base rate for water furnished under this category shall be two times the base rate charged customers in the same category of service on a permanent meter basis.
- (c) If the customer is in an Improvement District and has paid capacity 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.

7. NON-AGRICULTURAL IRRIGATION WATER SERVICE

1. IRRIGATION USING POTABLE WATER

- (a) Defined as: Potable water service provided solely for irrigation of landscaping as defined in Section 0.02 of the Code in open space areas including those owned by public or private entities. This service can be provided on a permanent or temporary meter basis.

- (b) Base Rate: For privately owned permanent water service under this category, the base rate for water furnished shall be \$1.91-98 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than the privately-owned rate due to the District's inability to collect availability charges.
- (c) Allocation under normal conditions (i.e., no conservation stage in effect): An irrigator may receive a seasonably adjusted allotment of water equal to approximately 46 inches per year per square foot, for the actual area to be irrigated* (as defined in Section 0.02 of the Code). It is the customer's responsibility to provide to the District accurate and current area measurements.
- (d) Allocation when conservation stage alert in effect: During a Stage II water shortage where the District needs to reduce its overall water demand by 25% or more, the District's non-agricultural irrigation accounts will be allocated water based upon their irrigated landscape square footage. During a stage III water shortage, all outdoor irrigation may be prohibited as referenced in section 39.06.
- (e) Water allocation enforced during shortage conditions: During a stage II water shortage where the District is expected to reduce its water use by 25% or more, non-agricultural irrigation accounts will be expected to adhere to their water allocation or pay penalties as a result of exceeding their allocation.
- (f) Multiple Accounts: Customers with multiple meters may request the monthly allocation provided for in Section 25.03.E.7(c) and (d) to be applied to the entire site served by

*The allocation of 80% of the evapotranspiration rate for cool season grass grown in the District has been determined to be more than adequate for the effective irrigation of virtually any plant material.

those meters. Exceptions or modifications to this provision may be approved by the General Manager on a case-by-case basis.

- (g) Temporary Water Service: For temporary water service under this category, the water service rate shall be two times the rate for permanent service under (b) above.
- (h) Monthly system charge: The monthly system charge for potable non-agricultural irrigation water service shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

2. IRRIGATION USING NON-POTABLE AND RECLAIMED WATER

- (a) Defined as: Non-potable and reclaimed water service provided solely for irrigation of landscaping as defined in Section 0.02 of the Code in open space areas including those owned by public or private entities. This service can be provided on a permanent or temporary meter basis. See Section 25.03.E.7.1(a) and (b) for other requirements regarding the authorized use of non-potable and reclaimed water.
- (b) Base Rate: For privately owned permanent water service under this category, the base rate for water furnished shall be \$1.65-67 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than privately-owned rate due to the District's inability to collect availability charges.
- (c) Temporary Water Service: For temporary water service under this category, the water service rate shall be two times the rate for permanent service under (b) above.

- (d) Monthly system charge: The monthly system charge for non-potable and reclaimed non-agricultural irrigation water service shall be as follows:

Meter Size	System Charge
3/4"	22.00 27.85
1"	33.90 42.90
1-1/2"	47.65 60.30
2"	59.60 75.40
3"	95.90 121.30
4"	109.80 138.90
6"	219.45 277.60
10"	418.90 529.70

8. RECLAIMED WATER

- (a) Defined as: Non-potable water service provided from water produced by the District's water reclamation plant and other non-potable sources and offered for sale by the District for purposes other than irrigation or landscaping (see 25.03.E.7.2 above for irrigation purposes). Reclaimed water is non-potable. Reclaimed water shall not be used for domestic purposes and all other uses must comply with federal, state and local laws and regulations regarding use of reclaimed water.
- (b) The provisions of this Code, relating to cross-connections and backflow protective devices, shall be strictly enforced for use of reclaimed water.
- (c) The base rate for privately owned permanent service under this category shall be ~~\$1.65~~67 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than the privately-owned rate due to the District's inability to collect availability charges.
- (d) The monthly system charge for permanent reclaimed water service shall be as follows:

Meter Size	System Charge
3/4"	27.85 22.00
1"	42.90 33.90
1-1/2"	60.30 47.65
2"	75.40 59.60
3"	121.30 95.90
4"	138.90 109.80

6"	277.60219.45
10"	<u>529.70418.90</u>

9. 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, 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 for water furnished shall be \$1.91-98 per H.C.F.

10. 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 service.
- (b) The rate for water furnished under this category shall be two times the rate for BUSINESS, DOMESTIC AND AGRICULTURAL COMBINED in section 25.03.E.3. Payment of charges shall be made as provided in paragraph 10(c)(4); provided that there shall be a minimum charge of \$15 for this service.
- (c) Requirement for Use of Water Meter

- (1) To receive such service, the customer shall use a water meter furnished by the District to measure the amount of water furnished. The customer shall deposit the following amount with the District for use of the meter:

Meter Size Deposit

4"	\$850
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- (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 used 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) On or before the first day of each month following issuance of the water meter the District shall issue its statement for water service furnished during the preceding month.
 - (ii) The statement shall be based on the amount of water actually used, which shall be determined by District reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
 - (iii) Where the actual amount of water used cannot be made as provided in (ii) District shall issue its statement for charges based on estimates of water that may have been used. Such estimates shall be 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.
 - (iv) Payments shall be made by each customer of this service in accordance with Section 34 of this Code.

11. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for property outside the exterior boundaries of the District. This service will be provided only upon prior approval of the General Manager when there is a surplus of water available over and above the existing needs for service in the District. This service is temporary and may be terminated on written notice from the District. Customers for this service are sometimes referred to as "outside users."
- (b) Customers applying for this category of service shall pay an application fee of \$500.
- (c) The rate for metered water furnished under this category shall be two times the rate charged customers for the same category of water service on a permanent meter basis under this Section 25.03, plus a monthly system charge at the rate set forth in the category of water service being furnished.
- (d) Customers requesting only a 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 the category of water service being furnished.

12. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service on a temporary basis for property lying 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 of \$275. 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 temporary service will be reviewed periodically until it is determined that the property must be annexed to an improvement district.

- (c) The rate for water furnished under this category shall be two times the rate charged customers for the same category of water service on a permanent meter basis under this Section 25.03, plus a monthly system charge at the rate set forth in the category of water service being furnished.
- (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.

13. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District for use solely in 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 shall be ~~\$23.30~~25.40 per month for each connection to a District water main made for fire protection service.

14. 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.

F. Surcharges for Quantities of Water Used in Excess of Monthly Base Usage Allowance. In addition to the water rates and charges in this Section 25.03, a surcharge shall be paid by each customer for water furnished through permanent meters one inch or greater in size, when, in any month, the number of units of water furnished to the customer exceeds the monthly usage allowance, shown in the schedule set forth below for the size of meter being used. A unit is 100 cubic feet or 748 gallons of water. Surcharges shall be applied at the rate of \$0.04 per unit

for the number of units of water shown in Category I usage in said schedule, and at the rate of \$0.06 per unit for the number of units shown in Category II Usage in said schedule.

The surcharges shall be made monthly in accordance with the following schedule:

Meter Size	Non-Surcharge Monthly Usage Allowance	Category I Usage at \$0.04 per Unit	Category II Usage at \$0.06 per unit
5/8"-3/4"	30	None	None
1"	75	76-225	226 & over
1-1/2"	150	151-400	401 & over
2"	240	241-600	601 & over
3"	480	481-1200	1201 & over
4"	750	751-1800	1801 & over
6"	1500	1501-4000	4001 & over
10"	3450	3451-8000	8001 & over

G. Energy Charges for Pumping Water. In addition to water rates and other charges provided for in this Section 25.03, potable water 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 of ~~\$0.032~~-034 per 100 cubic feet of water for each 100 feet of lift or fraction thereof above the base elevation of 450 feet.

H. Additional Water Charge for Service in the North District. 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 of \$0.08 per H.C.F. for water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for the customer's account under Section 25.03.E.1 DOMESTIC SERVICE. The North District area is defined in Section 0.02 of this Code

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 borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.

I. 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 of \$0.27 per H.C.F. of water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03.E.1 DOMESTIC SERVICE. 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 in Section 25.03.B, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge of \$2.00 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 borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

J. 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 the ID 3, ID 10 and La Presa Water Service Zones shall pay an additional charge per H.C.F. of water furnished by the District as follows:
 - a. ID 3 \$.02 per H.C.F.
 - b. ID 10 \$.10 per H.C.F.
 - c. La Presa \$.02 per H.C.F.

2. For subsequent years this surcharge shall increase according to the following schedule:

- a. ID 3

Calendar Year	Amount
1995	.03
1996	.04
1997	.05
1998	.06
1999	.07
2000	.08
2001	.09
2002	.10

2003	.11
2004	.12
2005	.13
2006	.14
2007	.15
2008	.16
2009	.17
2010	.18
2011	.19
2012	.20
2013	.21

b. ID 10

Calendar Year Amount

1995	.11
1996	.12
1997	.13
1998	.14
1999	.15
2000	.16
2001	.17
2002	.18
2003	.19
2004	.20
2005	.21
2006	.22
2007	.23
2008	.24
2009	.25
2010	.26
2011	.27
2012	.27
2013	.27
2014	.27
2015	.27
2016	.27
2017	.27
2018	.27

c. La Presa

Calendar Year Amount

1996	.03
1999	.04
2002	.05
2005	.06
2008	.07
2009	.07
2010	.07
2011	.08
2012	.08
2013	.08

3. The additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03.E.1 DOMESTIC SERVICE.
4. All proceeds from charges collected pursuant to this Section 25.03.J 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 DEPOSIT BY LESSEES OR NON-OWNERS OF PROPERTY

A. AMOUNT OF DEPOSIT

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, shall be as follows:

Meter Size	Deposit for All Categories of Service		The
	With Owner's Guarantee	Without Owner's Guarantee	
3/4"	\$35	\$75	
1"	\$75	\$150	
1-1/2"	\$100	\$200	
2"	\$180	\$360	
3"	\$400	\$800	
4"	\$675	\$1,350	
6"	\$1,650	\$3,300	
8"	\$2,200	\$4,400	
10"	\$2,750	\$5,500	

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 rent payments, house payments,

utility payments, 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 refund the deposit to the customer.

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 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE

53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, where applicable.

53.02 SERVICE AREAS

A. Service Areas. Sewer service shall be furnished by the District only to property located in Improvement District No. 14 ("I.D. 14"), Improvement District No. 18 ("I.D. 18"), and Assessment District No. 4 ("A.D. 4"), and the Russell Square Sewer Service Area. Sewer service to property located outside such areas may be furnished only upon annexation to ID 18.

53.03 ACQUISITION OF SEWER CONNECTIONS FOR SERVICE IN I.D. 14, I.D. 18 AND A.D. 4

A. There shall be no connection capacity fee for sewer service to parcels already annexed into Improvement District No. 14, Improvement District No. 18 and Assessment District No. 4 on or after December 16, 1998.

53.04 ACQUISITION AND PURCHASE OF SEWER CAPACITY FOR SERVICE IN THE RUSSELL SQUARE SEWER SERVICE AREA

A. District Acceptance of Sewer Facilities for Russell Square Area. Under an Agreement with Cal Dorado Development, Inc., dated June 28, 1981, the District accepted title to a sewer pump station, force main and appurtenances for a sewage system to provide sewer service to the residential dwelling units to be constructed within the parcels of land in San Diego County Tentative Parcel Map 17150. Under an Agreement with Cal Dorado Development, Inc., dated June 18, 1981, the District agreed to provide service to such parcels on the terms and conditions contained therein. On October 1, 1984, pursuant to Resolution No. 2139, the District Board of Directors accepted title to the facilities.

B. Designation of Russell Square Sewer Area. The geographical area described on the District Map entitled "Russell Square Sewer Service Area," dated October 11, 1988, on file in the office of the District Secretary, is hereby designated as the Russell Square Sewer Service Area.

C. Connection Fees for Connections for Sewer Service through the Russell Square Sewer Pump Station.

1. Establishment of Sewer Connection Fee

There is hereby established a connection fee for each EDU of sewer service provided through a connection to the District Russell Square Pump Station. The number of EDUs for the connection shall be as set forth in Section 53.09 of the Code. The amount of the fee shall be determined at the rate of \$7,500 for each EDU of service. Payment of the fee shall be made by an applicant for sewer service through the Russell Square Pump Station at the time application for service is made. Since the Russell Square Pump Station and force main were constructed by the developer or his assignee, at their expense, for the purpose of providing service to the parcels within Tentative Parcel Map 17150, the said fee of \$7,500 for each EDU shall not apply for connections for sewer service to the parcels within said map. Such exempt parcels are currently identified as Assessor Parcel Nos. 497-011-41, 497-011-42, 497-011-44, 497-011-46 and 497-011-47.

2. There is hereby established a monthly sewer service charge to cover normal operational costs of the Russell Square Pump Station and force mains. The amount of the charge shall be \$200 per month for each EDU of service provided through the Russell Square Pump Station. This charge shall be reviewed by the Board of Directors from time to time to assure that such charges cover the costs for operation of the sewer facilities.
3. The charges received by the District under 1 and 2 above shall be maintained in a separate account and shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.
4. In addition the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11; and the annexation fee for annexation to Improvement District No. 18, if it is necessary to annex the parcel of land prior to receiving sewer service.

53.05 CHARGES FOR INSTALLATION OF SEWER LATERALS

Upon application for construction of one or more sewer laterals, the customer shall pay such charges for the installation determined on the basis of actual costs incurred by the District in performing the work. At the time of application, the District will estimate the total costs to perform the work." The customer shall deposit the estimated amount with the District prior to commencement of the work. If actual costs incurred are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If the costs incurred by the District exceed the amount deposited, the customer shall reimburse the District for the additional costs.

53.06 PAYMENT OF FEES. All fees prescribed in the Code shall become owing, due and payable at the time application is made to connect a premise to the sewer system of the District. The fees shall be paid to the District prior to the issuance of any permit authorizing the connection of such premise to the District sewer system. If the proposed connection cannot be made, the fee may be refunded when approved by the General Manager.

53.07 SEWER SERVICE USE CHANGES RESULTING IN INCREASED SYSTEM UTILIZATION. The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08. Wastewater Discharge Permit Issuance and Limitation.

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewerage system.
2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater dis-

charge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.

3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the previous wastewater discharge permit shall be subject to district sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

53.09. Basis for Determination of EDUs.

1. The number of EDUs for sewer service shall be determined on the following basis:

a) Residential Facilities EDUs

- 1) Single Family Residence 1.0
(Includes manufactured homes, and mobile homes which are on private lots

A secondary structure with a kitchen is considered an additional EDU

- 2) Apartments and Multiple Family Housing 1.0
Each individual living unit

- 3) Residential condominiums 1.0
Each individual living unit

- 4) Mobile Home and Trailer Parks 1.0
Per each individual space

b) Commercial/Industrial Facilities

- 1) Food Service Establishments

- a) Take-out restaurants with dis-

- posable utensils, no dishwasher
and no public restrooms 3.0
- b) Miscellaneous food establishments -
ice cream/yogurt shops, bakeries
(sales on premise only) 3.0
- c) 1) Take-out/eat-in restaurants with
disposable utensils, but with
seating and public restrooms 3.0
- 2) For restaurants with reusable
utensils, seating and public
restrooms one EDU is assigned
for each six-seat unit as fol-
lows: 0-18 seats - 3.0 EDU
(minimum). Each additional 6
seat unit will be assigned 1.0 EDU.
- 2) Hotels and Motels
- a) Per living unit without kitchen 0.38
- b) Per living unit with kitchen 0.60
- 3) Commercial, Professional, Industrial
Buildings, Establishments not specifi-
cally listed herein
- a) Any office, store or industrial
condominium or establishments.
First 1,000 sq. ft. 1.2
- Each additional 1,000 sq. ft. or
portion thereof -0.7
- b) Where occupancy type or usage is
unknown at the time of application
for service, the following EDUs
shall apply. This shall include,
but not be limited to, shopping
centers, industrial parks and profes-
sional office buildings.
- First 1,000 sq. ft. of gross build-

- | | | |
|----|---|-----|
| | ing floor area | 1.2 |
| | Each additional 1,000 square feet of gross building floor area. Portions less than 1,000 sq. ft. will be prorated. | 0.7 |
| 4) | Self-service laundry per washer | 1.0 |
| 5) | Churches, theaters and auditoriums per each 150 person seating capacity, or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses.) | 1.5 |
| 6) | <u>Schools</u> | |
| | a. Elementary Schools - For each 50 pupils or fraction thereof | 1.0 |
| | b. Junior High Schools - For each 40 pupils or fraction thereof | 1.0 |
| | c. High Schools, Colleges and Universities - For each 24 pupils or fraction thereof | 1.0 |

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including resident staff and housekeepers (to be the same EDU as a single-family residence). 1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10

TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

A. Transfer or Assignment

EDU sewer connection rights obtained by a customer may not be transferred or assigned to any other person, firm or corporation, except for (i) a transfer to a financial institution which provides any or all financing for the acquisition of such connection rights, or (ii) a transfer or assignment to a subsequent purchaser of the property for which the connection rights were acquired; provided that the rights so assigned must be used only for the property for which such were initially acquired.

B. Resale of Connection Rights

If a customer desires to make a transfer, other than as authorized in Paragraph (a), or to sell all or any portion of the EDU sewer connection rights acquired, such must be returned to the District. The District will acquire the EDU connection rights on the terms and conditions provided for in the agreement under which the connection rights were obtained.

53.11

SEWER SERVICE RATES AND CHARGES

A. Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer.

B. Residential Sewer Charges

- (1) Winter Average Determination. Sewer service usage fee shall be based on the "Winter Average" water consumption, measured in units of hundred cubic feet (HCF). For Otay water customers, the winter period is December through March, and for Helix water customers, the winter period is January through April. The winter average for Otay is calculated by adding the four months of the preceeding winter together and dividing by four. The winter average for Helix is calculated by adding the two billing periods of the four months together and dividing by four. For both Otay and Helix

water customers, this average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the "Winter Average" for billing purposes.

- (2) Usage Fee. The usage fee rate of \$1.41 is multiplied by the "Winter Average" calculation for each customer (after the above noted 15% discount). This fee shall be charged on a monthly basis for an entire calendar year, until a new "Winter Average" is determined for the following year.
- (3) Base Fee. The monthly base fee is \$9.75 for a ¾ inch water meter and \$14.25 for a 1 inch or greater water meter.
- (4) The average residential sewer charge shall be calculated by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for ¾" meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. Effective January 1, 2008, the average residential sewer charge is \$33.26 per ASU.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.
- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1), (2), & (3) above.
- (3) The maximum "Winter Average" for individually metered residential customers is (after the 15% discount) as follows:
 - i. January through December 2008 - 18 units
 - ii. January through December 2009 - 22 units
 - iii. After December 31, 2009 - 30 units
- (4) New Customers. New Customers that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 18 - 15% discount = 15.3 units for single individually metered households.

D. Multi-Residential Charges

- (1) Defined as: Sewer service for master metered water service for multiple residential households

including for example; duplex, townhomes, apartments, and mobile homes.

(2) The monthly sewer bill for the complex is calculated by adding a ¾" base fee (as described in 5.11.B (3)) times the number of units in the complex plus the usage fee (as described in 5.11.B (1) & (2) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)

(3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 8 units less a 15% discount to equal 6.8 units for each multiple-residential unit in a master metered residential complex.

BE. Commercial Sewer Charges

(1) B-ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.

(2)—The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).

(3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.

(4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.

(5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.

(6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The

strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user:

User Classification

Residential

Low-Strength Commercial = 1.000 Strength Factor

Car wash
General office and buildings
Barber and beauty shops
—Department, retail stores and general commercial
Hospitals and convalescent homes
Laundromat, laundry and dry cleaners
Professional office or office building
Warehouse
Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

Bars without dining facilities
Bowling alley
Hotels without dining facilities or cooking facilities
Auto repair/sales shop and service station
Shopping centers
Other uses having a similar strength as determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
Hotel with dining facilities
Restaurant and bars with food
Supermarkets
Other uses having a similar strength as determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength Commercial.

Schools: For public schools flow is based on average daily attendance ("ADA") for the prior school year, including summer school, as reported by schools to meet state requirements. Private schools will be required to file a report verifying

their attendance. For elementary schools 50 students shall equal 1 ASU. For junior high schools 40 students shall equal 1 ASU and for high schools 24 students equals 1 ASU. The formula for schools shall be the same as applies to single-family residential.

Colleges: For colleges, flow is based on the number of Certificated and Classified Staff, and students enrolled in each school session (Spring, Summer, and Fall):

$$\begin{aligned}
 \text{Gallons per day (GPD)} &= \frac{\text{no. of students and staff} \times \text{no. of weeks Spring session}}{\text{no. of students and staff} \times \text{no. of weeks Summer session}} \\
 &+ \frac{\text{no. of students and staff} \times \text{no. of weeks Fall session}}{\text{no. of staff} \times \text{no. of non-session weeks}} \\
 &\times 23 \div 52
 \end{aligned}$$

$$\begin{aligned}
 \text{ASU} &= \frac{\text{Daily Flow} \times \text{Strength Factor}}{[(\text{GPD} \times 85\%) \div 250] \times 1.000}
 \end{aligned}$$

The minimum charge for commercial shall be no lower than 1 ASU at low strength. Charges are determined each fiscal year. The formula is set forth in the annual budget, which is incorporated herein by reference.

C.F. Charges to Cover the State Loan Program for the Treatment Facility. A \$54 fee per ASU shall be attached to the property tax bills to cover the annual payment on the \$5,000,000 state loan until such loan is paid in full.

D.G. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:

1. Residential (per ASU):

~~Effective on January 1, 2007 the rate per ASU will be: 2007 - \$32.70~~

~~2. Mobile Home Parks and Trailer Parks:~~

~~The rate for mobile home parks and trailer parks shall be .76 per space times the applicable rate for a single-family residential user.~~

~~31. Commercial and Institutional (per ASU):~~

~~Commercial users shall be charged based upon the ASUs derived in Section 53.0911-B BE.(4) multiplied by the single-family average residential rate Section 53.11 B.(4).~~

~~42. Industrial and Other Users~~

~~Charges determined by the Board of Directors on a case-by-case basis.~~

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.

~~53.12 REDUCED SEWER CHARGES FOR LOW-INCOME CUSTOMERS~~

~~A. Eligibility. Residents of single-family residences, apartments, condominiums, mobile homes and other multi-family residential units are eligible for the reduced sewer service charge only if they are on individual water meters. The Department Head-Finance shall have the authority to certify eligibility for a reduced sewer service charge, in the amount of 70% of the rate charged other residential users upon application by the occupant. The occupant shall meet the following criteria:~~

Number in Household	Total Gross Annual Income of Household Does Not Exceed
1	\$11,000
2	12,550
3	14,160
4	15,700
5	16,700
6	17,650

7	18,650
8	19,650
Over 9	\$1,000 Additional per Person

~~B. Application Contents. The occupant of premises subject to a sewer charge may request a reduced sewer service charge by filing a completed District application form. The applicant shall furnish data regarding the type of unit, number of people in the household and proof of total annual gross income of the household. Application forms may be obtained from the District's Finance Department. Certification of eligibility shall be annually established with the Department Head-Finance.~~

SECTION 25

RATES AND CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property located in a water improvement district within the District. 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.12, 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 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 below. Said rates, charges and fees may be increased up to five (5) percent per year to pass through increases in costs imposed by the San Diego County Water Authority ("CWA") and/or the Metropolitan Water District ("MWD").

- A. Set-up Fees for Accounts. A set-up fee of \$10 shall be charged for each account transferred to another customer. A deposit will be required of all customers who do not own the property to be served. See Section 25.04 for deposit amounts.
- B. Monthly System Charge. Each water service customer shall pay a system charge for water system replacement, maintenance and operation expenses. The charge shall be made monthly under each water service account and shall be based on the size of the water meter or meters in service, as set forth in Paragraph E of this Section 25.03 for each category of water service described. The system charge shall start upon installation of the meter.
- C. Monthly MWD & CWA Fixed Charges. Each water service customer shall pay a monthly MWD & CWA fixed charge, as set forth below, to pass-through fixed charges from these agencies to pay the following: MWD Readiness to Serve Charge and Capacity Reservation Charge; SDCWA Infrastructure Access Charge; Customer Service Charge and Emergency Storage Charge.

D. Water Conservation Program

1. The Otay Water District has adopted a Water Shortage Contingency Plan with three conservation stages as defined in Section 39.06.
2. The water shortage contingency Plan establishes water savings targets depending on water supply conditions to discourage excessive use of water during a water shortage.
3. Each conservation stage shall become effective within the District as provided in section 39.07.
4. District reduction goals for each conservation stage shall go into effect as of the effective date of the stage. The goals are set forth in section 39.07.

E. Rates and Charges for Water Service. The rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC SERVICE

- (a) Defined as: Water service for single residential household and other domestic uses (other than that provided for in Paragraph 2 below).
- (b) The base rates for water furnished under each block of service under this category shall be as follows:

Number of H.C.F. Furnished	Rate per H.C.F.
1 - 5	\$1.12
6 - 10	\$1.85
11 - 35	\$2.01
Over 36	\$2.94

Customers who use more than 10 units per month shall not receive the benefit of the lower rate for units 1 through 5. These customers will pay \$1.85 for units 1 through 5.

- (c) The monthly system charges for water service in this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	12.30	3.85	16.15
1"	19.80	6.15	25.95
1-1/2"	38.75	11.60	50.35
2"	64.95	20.05	85.00

2. MULTIPLE RESIDENTIAL

- (a) Defined as either individually metered or master metered: Water service for multiple residential households including for example duplex, town homes, apartments and mobile homes.
- (i) Individual metered further defined as multiple dwelling units that have individual meters for each unit.
- (ii) Master metered further defined as multiple dwelling units that share a meter.
- (b) The base rates of water furnished for each dwelling unit under each block of service in this category shall be as follows:

Number of H.C.F. Furnished	Rate per H.C.F.
0 - 4	\$1.85
Over 4- 15	\$2.01
Over 15	\$2.94

- (c) The monthly system charges for water service in this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

- (d) In addition to charges for water furnished, a monthly charge will be made for service provided through one meter to more than one occupancy at the rate of \$3.85 per month for each unit in a multiple residential building.

3. BUSINESS, DOMESTIC AND AGRICULTURAL COMBINED

- (a) Defined as: Water service for commercial or industrial business establishments; and domestic and agricultural combined (which is service provided through one meter but which combination

is not provided for under the category of COMMERCIAL AGRICULTURAL).

- (b) The base rate for water furnished under this category shall be \$1.98 per H.C.F.
- (c) In addition to charges for water furnished, a monthly charge will be made for service provided through one meter to more than one occupancy at the rate of \$3.85 per month for each unit in a commercial or industrial building.
- (d) The monthly system charge for water service under this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

4. PUBLICLY-OWNED ESTABLISHMENTS

- (a) Defined as: Water service for any public or governmental agency, which does not include service solely for landscape watering or irrigation purposes.
- (b) The base rate for water furnished under this category shall be \$0.08 more per H.C.F. than the Business rate due to the District's inability to collect availability charges.
- (c) The monthly system charge for water service under this category shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

5. COMMERCIAL AGRICULTURAL

- (a) Defined as: Water service for growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for 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.

- (b) The base rate for water furnished under this category shall be \$1.98 per H.C.F.

Agricultural water customers authorized to participate in MWD's "Interim Agricultural Water Program" (IAWP) shall receive a \$0.33 discount per H.C.F. from the base rate and shall be subject to the following provisions under the program: During a water shortage, IAWP customers are required to reduce their water usage by 30%. Additional cutbacks required beyond 30% will be applied to IAWP and M&I customers equally.

- (c) The monthly system charge for this category of water service shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

- (d) Commercial agricultural water service shall be furnished only under the following conditions:
 - (i) Upon request of the District each customer for such service shall sign and file with the District a written certification, in the form prescribed by the District, stating that the said water service is being used or will be used exclusively for agricultural purposes as defined above.
 - (ii) Commercial agricultural water service shall be furnished on an interruptible basis. When the demand for such service from a customer or customers exceeds the District supply of water available for such service, or where the capacity of District facilities is not adequate to meet the demand for service, the District may reduce or cease delivery of water for agricultural purposes pending the restoration of the supply of water or the availability of facilities to deliver water in the amounts requested.

6. TEMPORARY WATER SERVICE

- (a) Defined as: Water service provided on a temporary basis pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the base rate for water furnished under this category shall be two times the base rate charged customers in the same category of service on a permanent meter basis.
- (c) If the customer is in an Improvement District and has paid capacity 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.

7. NON-AGRICULTURAL IRRIGATION WATER SERVICE

1. IRRIGATION USING POTABLE WATER

- (a) Defined as: Potable water service provided solely for irrigation of landscaping as defined in Section 0.02 of the Code in open space areas including those owned by public or private entities. This service can be provided on a permanent or temporary meter basis.

- (b) Base Rate: For privately owned permanent water service under this category, the base rate for water furnished shall be \$1.98 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than the privately-owned rate due to the District's inability to collect availability charges.
- (c) Allocation under normal conditions (i.e., no conservation stage in effect): An irrigator may receive a seasonably adjusted allotment of water equal to approximately 46 inches per year per square foot, for the actual area to be irrigated* (as defined in Section 0.02 of the Code). It is the customer's responsibility to provide to the District accurate and current area measurements.
- (d) Allocation when conservation stage alert in effect: During a Stage II water shortage where the District needs to reduce its overall water demand by 25% or more, the District's non-agricultural irrigation accounts will be allocated water based upon their irrigated landscape square footage. During a stage III water shortage, all outdoor irrigation may be prohibited as referenced in section 39.06.
- (e) Water allocation enforced during shortage conditions: During a stage II water shortage where the District is expected to reduce its water use by 25% or more, non-agricultural irrigation accounts will be expected to adhere to their water allocation or pay penalties as a result of exceeding their allocation.
- (f) Multiple Accounts: Customers with multiple meters may request the monthly allocation provided for in Section 25.03.E.7(c) and (d) to be applied to the entire site served by those meters. Exceptions or modifications to

*The allocation of 80% of the evapotranspiration rate for cool season grass grown in the District has been determined to be more than adequate for the effective irrigation of virtually any plant material.

this provision may be approved by the General Manager on a case-by-case basis.

- (g) Temporary Water Service: For temporary water service under this category, the water service rate shall be two times the rate for permanent service under (b) above.
- (h) Monthly system charge: The monthly system charge for potable non-agricultural irrigation water service shall be as follows:

Meter Size	System Charge	MWD & CWA Fixed Charge	Charge per Month
3/4"	24.00	3.85	27.85
1"	36.95	6.15	43.10
1-1/2"	51.95	11.60	63.55
2"	64.95	20.05	85.00
3"	104.55	36.95	141.50
4"	119.70	63.15	182.85
6"	239.20	115.50	354.70
10"	456.60	300.30	756.90

2. IRRIGATION USING NON-POTABLE AND RECLAIMED WATER

- (a) Defined as: Non-potable and reclaimed water service provided solely for irrigation of landscaping as defined in Section 0.02 of the Code in open space areas including those owned by public or private entities. This service can be provided on a permanent or temporary meter basis. See Section 25.03.E.7.1(a) and (b) for other requirements regarding the authorized use of non-potable and reclaimed water.
- (b) Base Rate: For privately owned permanent water service under this category, the base rate for water furnished shall be \$1.67 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than privately-owned rate due to the District's inability to collect availability charges.
- (c) Temporary Water Service: For temporary water service under this category, the water service rate shall be two times the rate for permanent service under (b) above.

- (d) Monthly system charge: The monthly system charge for non-potable and reclaimed non-agricultural irrigation water service shall be as follows:

Meter Size	System Charge
3/4"	27.85
1"	42.90
1-1/2"	60.30
2"	75.40
3"	121.30
4"	138.90
6"	277.60
10"	529.70

8. RECLAIMED WATER

- (a) Defined as: Non-potable water service provided from water produced by the District's water reclamation plant and other non-potable sources and offered for sale by the District for purposes other than irrigation or landscaping (see 25.03.E.7.2 above for irrigation purposes). Reclaimed water is non-potable. Reclaimed water shall not be used for domestic purposes and all other uses must comply with federal, state and local laws and regulations regarding use of reclaimed water.
- (b) The provisions of this Code, relating to cross-connections and backflow protective devices, shall be strictly enforced for use of reclaimed water.
- (c) The base rate for privately owned permanent service under this category shall be \$1.67 per H.C.F. For publicly owned permanent water service, the base rate shall be \$0.08 more per H.C.F. than the privately-owned rate due to the District's inability to collect availability charges.
- (d) The monthly system charge for permanent reclaimed water service shall be as follows:

Meter Size	System Charge
3/4"	27.85
1"	42.90
1-1/2"	60.30
2"	75.40
3"	121.30
4"	138.90
6"	277.60
10"	529.70

9. 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, 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 for water furnished shall be \$1.98 per H.C.F.

10. 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 service.
- (b) The rate for water furnished under this category shall be two times the rate for BUSINESS, DOMESTIC AND AGRICULTURAL COMBINED in section 25.03.E.3. Payment of charges shall be made as provided in paragraph 10(c)(4); provided that there shall be a minimum charge of \$15 for this service.

(c) Requirement for Use of Water Meter

- (1) To receive such service, the customer shall use a water meter furnished by the District to measure the amount of water furnished. The customer shall deposit the following amount with the District for use of the meter:

Meter Size Deposit	
4"	\$850

- (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 used 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) On or before the first day of each month following issuance of the water meter the District shall issue its statement for water service furnished during the preceding month.
 - (ii) The statement shall be based on the amount of water actually used, which shall be determined by District reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
 - (iii) Where the actual amount of water used cannot be made as provided in (ii) District shall issue its statement for charges based on estimates of water that may have been used. Such estimates shall be 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.
 - (iv) Payments shall be made by each customer of this service in accordance with Section 34 of this Code.

11. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for property outside the exterior boundaries of the District. This service will be provided only upon prior approval of the General Manager when there is a surplus of water available over and above the existing needs for service in the District. This service is temporary and may be terminated on written notice

from the District. Customers for this service are sometimes referred to as "outside users."

- (b) Customers applying for this category of service shall pay an application fee of \$500.
- (c) The rate for metered water furnished under this category shall be two times the rate charged customers for the same category of water service on a permanent meter basis under this Section 25.03, plus a monthly system charge at the rate set forth in the category of water service being furnished.
- (d) Customers requesting only a 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 the category of water service being furnished.

12. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service on a temporary basis for property lying 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 of \$275. 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 temporary service will be reviewed periodically until it is determined that the property must be annexed to an improvement district.
- (c) The rate for water furnished under this category shall be two times the rate charged customers for the same category of water service on a permanent meter basis under this Section 25.03, plus a monthly system charge at the rate set forth in the category of water service being furnished.
- (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.

13. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District for use solely in 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 shall be \$25.40 per month for each connection to a District water main made for fire protection service.

14. 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.

F. Surcharges for Quantities of Water Used in Excess of Monthly Base Usage Allowance. In addition to the water rates and charges in this Section 25.03, a surcharge shall be paid by each customer for water furnished through permanent meters one inch or greater in size, when, in any month, the number of units of water furnished to the customer exceeds the monthly usage allowance, shown in the schedule set forth below for the size of meter being used. A unit is 100 cubic feet or 748 gallons of water. Surcharges shall be applied at the rate of \$0.04 per unit for the number of units of water shown in Category I usage in said schedule, and at the rate of \$0.06 per unit for the number of units shown in Category II Usage in said schedule.

The surcharges shall be made monthly in accordance with the following schedule:

Meter Size	Non-Surcharge Monthly Unit Usage Allowance	Category I Usage at \$0.04 per Unit	Category II Usage at \$0.06 per unit
5/8"-3/4"	30	None	None
1"	75	76-225	226 & over
1-1/2"	150	151-400	401 & over
2"	240	241-600	601 & over
3"	480	481-1200	1201 & over
4"	750	751-1800	1801 & over
6"	1500	1501-4000	4001 & over
10"	3450	3451-8000	8001 & over

G. Energy Charges for Pumping Water. In addition to water rates and other charges provided for in this Section 25.03, potable water 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 of \$0.034 per 100 cubic feet of water for each 100 feet of lift or fraction thereof above the base elevation of 450 feet.

H. Additional Water Charge for Service in the North District. 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 of \$0.08 per H.C.F. for water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for the customer's account under Section 25.03.E.1 DOMESTIC SERVICE. The North District area is defined in Section 0.02 of this Code

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 borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.

I. 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 of \$0.27 per H.C.F. of water furnished by the District;

provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03.E.1 DOMESTIC SERVICE. 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 in Section 25.03.B, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge of \$2.00 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 borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

J. 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 the ID 3, ID 10 and La Presa Water Service Zones shall pay an additional charge per H.C.F. of water furnished by the District as follows:
 - a. ID 3 \$.02 per H.C.F.
 - b. ID 10 \$.10 per H.C.F.
 - c. La Presa \$.02 per H.C.F.
2. For subsequent years this surcharge shall increase according to the following schedule:

a. ID 3

Calendar Year Amount

1995	.03
1996	.04
1997	.05
1998	.06
1999	.07
2000	.08
2001	.09
2002	.10
2003	.11
2004	.12
2005	.13
2006	.14
2007	.15
2008	.16

2009	.17
2010	.18
2011	.19
2012	.20
2013	.21

b. ID 10

Calendar Year Amount

1995	.11
1996	.12
1997	.13
1998	.14
1999	.15
2000	.16
2001	.17
2002	.18
2003	.19
2004	.20
2005	.21
2006	.22
2007	.23
2008	.24
2009	.25
2010	.26
2011	.27
2012	.27
2013	.27
2014	.27
2015	.27
2016	.27
2017	.27
2018	.27

c. La Presa

Calendar Year Amount

1996	.03
1999	.04
2002	.05
2005	.06
2008	.07
2009	.07
2010	.07
2011	.08
2012	.08
2013	.08

3. The additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03.E.1 DOMESTIC SERVICE.

4. All proceeds from charges collected pursuant to this Section 25.03.J 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

DEPOSIT BY LESSEES OR NON-OWNERS OF PROPERTY

A. AMOUNT OF DEPOSIT

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, shall be as follows:

Meter Size	Deposit for All Categories of Service	
	With Owner's Guarantee	Without Owner's Guarantee
3/4"	\$35	\$75
1"	\$75	\$150
1-1/2"	\$100	\$200
2"	\$180	\$360
3"	\$400	\$800
4"	\$675	\$1,350
6"	\$1,650	\$3,300
8"	\$2,200	\$4,400
10"	\$2,750	\$5,500

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 rent payments, house payments, utility payments, 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 refund the deposit to the customer.

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 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, where applicable.

53.02 SERVICE AREAS

A. Service Areas. Sewer service shall be furnished by the District only to property located in Improvement District No. 14 ("I.D. 14"), Improvement District No. 18 ("I.D. 18"), and Assessment District No. 4 ("A.D. 4"), and the Russell Square Sewer Service Area. Sewer service to property located outside such areas may be furnished only upon annexation to ID 18.

53.03 ACQUISITION OF SEWER CONNECTIONS FOR SERVICE IN I.D. 14, I.D. 18 AND A.D. 4

A. There shall be no connection capacity fee for sewer service to parcels already annexed into Improvement District No. 14, Improvement District No. 18 and Assessment District No. 4 on or after December 16, 1998.

53.04 ACQUISITION AND PURCHASE OF SEWER CAPACITY FOR SERVICE IN THE RUSSELL SQUARE SEWER SERVICE AREA

A. District Acceptance of Sewer Facilities for Russell Square Area. Under an Agreement with Cal Dorado Development, Inc., dated June 28, 1981, the District accepted title to a sewer pump station, force main and appurtenances for a sewage system to provide sewer service to the residential dwelling units to be constructed within the parcels of land in San Diego County Tentative Parcel Map 17150. Under an Agreement with Cal Dorado Development, Inc., dated June 18, 1981, the District agreed to provide service to such parcels on the terms and conditions contained therein. On October 1, 1984, pursuant to Resolution No. 2139, the District Board of Directors accepted title to the facilities.

B. Designation of Russell Square Sewer Area. The geographical area described on the District Map entitled "Russell Square Sewer Service Area," dated October 11, 1988, on file in the office of the District Secretary, is hereby designated as the Russell Square Sewer Service Area.

C. Connection Fees for Connections for Sewer Service through the Russell Square Sewer Pump Station.

1. Establishment of Sewer Connection Fee

There is hereby established a connection fee for each EDU of sewer service provided through a connection to the District Russell Square Pump Station. The number of EDUs for the connection shall be as set forth in Section 53.09 of the Code. The amount of the fee shall be determined at the rate of \$7,500 for each EDU of service. Payment of the fee shall be made by an applicant for sewer service through the Russell Square Pump Station at the time application for service is made. Since the Russell Square Pump Station and force main were constructed by the developer or his assignee, at their expense, for the purpose of providing service to the parcels within Tentative Parcel Map 17150, the said fee of \$7,500 for each EDU shall not apply for connections for sewer service to the parcels within said map. Such exempt parcels are currently identified as Assessor Parcel Nos. 497-011-41, 497-011-42, 497-011-44, 497-011-46 and 497-011-47.

2. There is hereby established a monthly sewer service charge to cover normal operational costs of the Russell Square Pump Station and force mains. The amount of the charge shall be \$200 per month for each EDU of service provided through the Russell Square Pump Station. This charge shall be reviewed by the Board of Directors from time to time to assure that such charges cover the costs for operation of the sewer facilities.
3. The charges received by the District under 1 and 2 above shall be maintained in a separate account and shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.
4. In addition the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11; and the annexation fee for annexation to Improvement District No. 18, if it is necessary to annex the parcel of land prior to receiving sewer service.

53.05 CHARGES FOR INSTALLATION OF SEWER LATERALS

Upon application for construction of one or more sewer laterals, the customer shall pay such charges for the installation determined on the basis of actual costs incurred by the District in performing the work. At the time of application, the District will estimate the total costs to perform the work. The customer shall deposit the estimated amount with the District prior to commencement of the work. If actual costs incurred are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If the costs incurred by the District exceed the amount deposited, the customer shall reimburse the District for the additional costs.

53.06 PAYMENT OF FEES. All fees prescribed in the Code shall become owing, due and payable at the time application is made to connect a premise to the sewer system of the District. The fees shall be paid to the District prior to the issuance of any permit authorizing the connection of such premise to the District sewer system. If the proposed connection cannot be made, the fee may be refunded when approved by the General Manager.

53.07 SEWER SERVICE USE CHANGES RESULTING IN INCREASED SYSTEM UTILIZATION. The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08. Wastewater Discharge Permit Issuance and Limitation.

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewerage system.
2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater discharge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.

3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the previous wastewater discharge permit shall be subject to district sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

53.09. Basis for Determination of EDUs.

1. The number of EDUs for sewer service shall be determined on the following basis:

a)	<u>Residential Facilities</u>	EDUs
1)	Single Family Residence (Includes manufactured homes, and mobile homes which are on private lots A secondary structure with a kitchen is considered an additional EDU	1.0
2)	Apartments and Multiple Family Housing Each individual living unit	1.0
3)	Residential condominiums Each individual living unit	1.0
4)	Mobile Home and Trailer Parks Per each individual space	1.0
b)	<u>Commercial/Industrial Facilities</u>	
1)	<u>Food Service Establishments</u>	
a)	Take-out restaurants with disposable utensils, no dishwasher and no public restrooms	3.0
b)	Miscellaneous food establishments - ice cream/yogurt shops, bakeries (sales on premise only)	3.0
c) 1)	Take-out/eat-in restaurants with disposable utensils, but with seating and public restrooms	3.0

- 2) For restaurants with reusable utensils, seating and public restrooms one EDU is assigned for each six-seat unit as follows: 0-18 seats - 3.0 EDU (minimum). Each additional 6 seat unit will be assigned 1.0 EDU.
- 2) Hotels and Motels
- a) Per living unit without kitchen 0.38
- b) Per living unit with kitchen 0.60
- 3) Commercial, Professional, Industrial Buildings, Establishments not specifically listed herein
- a) Any office, store or industrial condominium or establishments.
First 1,000 sq. ft. 1.2
- Each additional 1,000 sq. ft. or portion thereof 0.7
- b) Where occupancy type or usage is unknown at the time of application for service, the following EDUs shall apply. This shall include, but not be limited to, shopping centers, industrial parks and professional office buildings.
- First 1,000 sq. ft. of gross building floor area 1.2
- Each additional 1,000 square feet of gross building floor area. Portions less than 1,000 sq. ft. will be prorated. 0.7
- 4) Self-service laundry per washer 1.0
- 5) Churches, theaters and auditoriums per each 150 person seating capacity, or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses.) 1.5

6) Schools

- a. Elementary Schools - For each 50 pupils or fraction thereof 1.0
- b. Junior High Schools - For each 40 pupils or fraction thereof 1.0
- c. High Schools, Colleges and Universities - For each 24 pupils or fraction thereof 1.0

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including resident staff and housekeepers (to be the same EDU as a single-family residence). 1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10 TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

A. Transfer or Assignment

EDU sewer connection rights obtained by a customer may not be transferred or assigned to any other person, firm or corporation, except for (i) a transfer to a financial institution which provides any or all financing for the acquisition of such connection rights, or (ii) a transfer or assignment to a subsequent purchaser of the property for which the connection rights were acquired; provided that the rights so assigned must be used only for the property for which such were initially acquired.

B. Resale of Connection Rights

If a customer desires to make a transfer, other than as authorized in Paragraph (a), or to sell all or any portion of the EDU sewer connection rights acquired, such must be returned to the District. The District will acquire the EDU connection rights on the terms and conditions provided for in the agreement under which the connection rights were obtained.

53.11 SEWER SERVICE RATES AND CHARGES

A. Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer.

B. Residential Sewer Charges

- (1) Winter Average Determination. Sewer service usage fee shall be based on the ``Winter Average'' water consumption, measured in units of hundred cubic feet (HCF). For Otay water customers, the winter period is December through March, and for Helix water customers, the winter period is January through April. The winter average for Otay is calculated by adding the four months of the preceeding winter together and dividing by four. The winter average for Helix is calculated by adding the two billing periods of the four months together and dividing by four. For both Otay and Helix water customers, this average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the ``Winter Average'' for billing purposes.
- (2) Usage Fee. The usage fee rate of \$1.41 is multiplied by the ``Winter Average'' calculation for each customer (after the above noted 15% discount). This fee shall be charged on a monthly basis for an entire calendar year, until a new ``Winter Average'' is determined for the following year.
- (3) Base Fee. The monthly base fee is \$9.75 for a $\frac{3}{4}$ inch water meter and \$14.25 for a 1 inch or greater water meter.
- (4) The average residential sewer charge shall be calculated by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for $\frac{3}{4}$ '' meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. Effective January 1, 2008, the average residential sewer charge is \$33.26 per ASU.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.
- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1), (2), & (3) above.
- (3) The maximum ``Winter Average'' for individually metered residential customers is (after the 15% discount) as follows:

- i. January through December 2008 -
18 units
- ii. January through December 2009 -
22 units
- iii. After December 31, 2009 - 30 units

(4) New Customers. New Customers that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 18 - 15% discount = 15.3 units for single individually metered households.

D. Multi-Residential Rate Charges

(1) Defined as: Sewer service for master metered water service for multiple residential households including for example; duplex, townhomes, apartments, and mobile homes.

(2) The monthly sewer bill for the complex is calculated by adding a $\frac{1}{4}$ " base fee (as described in 5.11.B (3)) times the number of units in the complex plus the usage fee (as described in 5.11.B (1) & (2) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)

(3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 8 units less a 15% discount to equal 6.8 units for each multiple-residential unit in a master metered residential complex.

E. Commercial Sewer Charges

- (1) ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.
- (2) The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).
- (3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.

- (4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.
- (5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.
- (6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user:

User Classification

Low-Strength Commercial = 1.000 Strength Factor

Car wash
 General office and buildings
 Barber and beauty shops
 Department, retail stores and general commercial
 Hospitals and convalescent homes
 Laundromat, laundry and dry cleaners
 Professional office or office building
 Warehouse
 Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

Bars without dining facilities
 Bowling alley
 Hotels without dining facilities or cooking facilities
 Auto repair/sales shop and service station
 Shopping centers
 Other uses having a similar strength as determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
 Hotel with dining facilities
 Restaurant and bars with food

Supermarkets
Other uses having a similar strength as
determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength
Commercial.

Schools: For public schools flow is based on
average daily attendance ("ADA") for the prior
school year, including summer school, as
reported by schools to meet state requirements.
Private schools will be required to file a
report verifying their attendance. For
elementary schools 50 students shall equal 1
ASU. For junior high schools 40 students shall
equal 1 ASU and for high schools 24 students
equals 1 ASU. The formula for schools shall be
the same as applies to single-family
residential.

Colleges: For colleges, flow is based on the
number of Certificated and Classified Staff,
and students enrolled in each school session
(Spring, Summer, and Fall):

$$\begin{aligned} \text{Gallons per day (GPD)} &= \text{no. of students and staff x} \\ &\quad \text{no. of weeks Spring} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of students and staff} \\ &\quad \text{x no. of weeks Summer} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of students and staff} \\ &\quad \text{x no. of weeks Fall} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of staff x no. of non-} \\ &\quad \text{session weeks)} \\ &x \quad 23 \div 52 \end{aligned}$$

$$\begin{aligned} \text{ASU} &= \text{Daily Flow x Strength Factor} \\ &= [(\text{GPD} \times 85\%) \div 250] \times 1.000 \end{aligned}$$

The minimum charge for commercial shall be no lower
than 1 ASU at low strength. Charges are determined
each fiscal year. The formula is set forth in the
annual budget, which is incorporated herein by
reference.

F. Charges to Cover the State Loan Program for the
Treatment Facility. A \$54 fee per ASU shall be attached to
the property tax bills to cover the annual payment on the
\$5,000,000 state loan until such loan is paid in full.

G. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:

1. Commercial and Institutional (per ASU):

Commercial users shall be charged based upon the ASUs derived in Section 53.11E.(4) multiplied by the single-family average residential rate Section 53.11 B.(4).

2. Industrial and Other Users

Charges determined by the Board of Directors on a case-by-case basis.

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.



AGENDA ITEM 8a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	James Cudlip, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	Joseph R. Beachem, Chief financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM):		
SUBJECT:	Adopt Resolution No. 4109 to Implement the Proposed Antifraud Policy, Policy No. 50		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Resolution No. 4109 to implement the proposed Antifraud Policy, Policy No. 50 (see Attachment B).

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

New national standards for internal control over financial reporting and audits of financial statements have emphasized the need for active antifraud programs and controls. The proposed Antifraud Policy defines the District's commitment to minimize fraud risk and the procedures for reporting and investigating known or suspected incidents of fraud, as well as employees' responsibility to report any known or suspected fraudulent activity.

ANALYSIS:

The Auditing Standards Board is the senior technical body of the American Institute of Certified Public Accountants (AICPA), which sets national standards for auditing matters. In May 2006, the Auditing Standards Board issued Statement on Auditing Standards (SAS) No. 112, titled "Communicating Internal Control Related Matters Identified in an Audit." This SAS mandates that antifraud programs and controls are one of the required areas of internal control that auditors must take into account, as a part of the auditor's financial review of an entity and their communication to the entity's governing board concerning internal control matters. Specifically, a deficiency in the

area of antifraud programs and controls is considered a significant deficiency in internal control.

SAS No. 112 does not identify any minimum requirements for a business entity's antifraud program. Rather, it is up to the entity to show what steps they have taken to identify, report, investigate, and take action on in the event fraud is suspected or known to have occurred. It is left to the specific auditor's observation, review, determination and opinion as to whether the business entity's actions are sufficient to constitute a program that is free of deficiencies. Discussions with the District's auditors (Teamam, Ramirez & Smith, Inc.), identified the need for a District policy specifically addressing the issue of fraud prevention.

The Antifraud Policy that has been drafted for the Board's approval sets a standard of zero tolerance regarding fraud, and pledges to investigate any fraud or suspected fraud without regard to the suspected wrongdoer's length of service, position, title, or relationship to the District. The Policy also: 1) defines fraud; 2) gives examples of actions that constitute fraud; 3) outlines management's responsibilities; 4) establishes reporting responsibilities for all employees; 5) sets standards for acting in good faith, no retaliation, and confidentiality; 6) describes the actions to be taken and responsibility for investigations; 7) establishes a protocol and lines of communication for reporting to the General Manager and the Board of Directors; and 8) describes steps to be taken for corrective action.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

Demonstrate financial health through formalized policies, prudent investing, and efficient operations.

LEGAL IMPACT:

None.



GENERAL MANAGER

Attachments:

- A) Committee Action Form
- B) Antifraud Policy No. 50
- C) Resolution No. 4109



ATTACHMENT A

SUBJECT/PROJECT:	Adopt Resolution No. 4109 to Implement the Proposed Antifraud Policy, Policy No. 50
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on September 17, 2007. The following comments were made:

- It was discussed that the Auditing Standards Board periodically publishes Statements on Auditing Standards (SAS). In May 2006 the Auditing Standards board issued SAS 112 which mandates that auditors identify whether or not the entity has an active antifraud program for internal control.
- SAS 112 does not indicate any minimum requirements for antifraud programs, but that the organization must show the actions they have taken to identify, report, investigate and respond to suspected fraud.
- Staff held three training sessions on antifraud for employees and management.
- Staff is also proposing that the presented Antifraud Policy, be implemented as Board of Directors Policy No. 50. If the policy is adopted, it will be included and reviewed with new employees as part of the New Hire Orientation Program.
- It was noted that the policy would then be reviewed on a yearly basis for any required updates.
- The committee suggested that verbiage within item 9, Reporting, on page 3 of the proposed policy be revised from "report the findings to the President of the District's Board of Directors," to "report the findings to the Board of Directors." The committee felt that the current president is very good at keeping board members apprised of District issues, however, this may not be true in the future. The revised verbiage would assure the full board is kept apprised of such issues.
- It was discussed that this policy would not cover issues such as an employee overstating his/her background or degree. That area is covered under a HR Policy that references background checks, finger printing, etc. It

was noted that the District's policy covering that area is very comprehensive.

- The Antifraud Policy is intended to address and prevent internal fraud and it would also cover "agents" and temporary contract employees working for the district.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors as an action item.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
ANTIFRAUD POLICY	50	10/03/07	

PURPOSE

The purpose of this policy is to establish guidelines and assign responsibility for the development of controls and conducting of investigations to aid in the prevention, detection and reporting of fraud against the District.

SCOPE

The District has a zero tolerance for fraud and will investigate any fraud or suspected fraud without regard to the length of service, position / title, or relationship to the District of the suspected wrongdoer(s). An employee who directly observes or otherwise knows of fraudulent activity and fails to report it is in violation of this policy and may be subject to discipline as a result of this failure to act, up to and including termination of employment.

BACKGROUND

The Otay Water District's Pre-Employment Policies require a through background investigation which includes fingerprinting to ascertain a candidate's criminal history. The Employee Standards of Conduct requires all personnel to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the District, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. This policy applies to all directors, officers, employees, volunteers, and agents of the Otay Water District.

POLICY

1. Definition of Fraud:

Fraud is defined as the intentional deception, false representation or concealment of a material fact, misappropriation of resources, or manipulation of data to the advantage or disadvantage of a person or entity. Fraud is not restricted to instances in which monetary or material benefits are received or denied, but may include intangible benefits such as status, power, and position.

2. Actions Constituting Fraud:

Examples of fraud include but are not limited to the following:

- Forgery, falsification or alteration of documents or instruments (timesheets, payroll records, travel and expense claims, checks, bank drafts, promissory notes, securities, invoices, purchase orders, receipts, other financial documents, contracts, vendor agreements, electronic files, etc.).
- Misappropriation of funds, securities, supplies, inventory, or any other assets achieved through the use of deception or willful concealment.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiteering as a result of insider knowledge of District activities.
- Bribery and corruption.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
ANTIFRAUD POLICY	50	10/03/07	

- Authorizing or accepting payments or payments in kind for goods or services not performed, or for hours not worked.
- Destruction, removal, theft or inappropriate use of records, furniture, fixtures, equipment, or any other assets achieved through the use of deception or willful concealment.
- Any violation of Federal, State, or local laws related to fraud or dishonest activities.
- Any similar or related irregularity or action.

3. Management Responsibilities:

The General Manager's Office is responsible for the prevention and detection of fraud, misappropriations, and other irregularities. District management shall identify the risks to which systems, operations and procedures are exposed, and develop, maintain and ensure compliance with an appropriate and effective internal control system to provide reasonable assurance for the prevention and detection of fraud. Each member of management shares in this responsibility and shall familiarize themselves with the risks and exposures inherent in their area of responsibility and be alert for any indication of irregularity.

4. Reporting Responsibilities:

Employees who know, or should reasonably suspect under the circumstances before them, that another employee is committing fraud have a duty to report such knowledge or suspicion to District management, including the facts and/or observations upon which such knowledge is based. Failure to so report may result in disciplinary action. In most cases, an employee's immediate supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with their supervisor or is not satisfied with their supervisor's response they should speak with the Manager of Human Resources or anyone in management whom they feel is more appropriate, including District's Legal Counsel.

Employees must not attempt to personally conduct investigations/interviews/interrogations, or discuss any details of the suspected fraudulent act with unauthorized personnel.

5. Acting in Good Faith:

Anyone filing a complaint concerning suspected fraudulent activity is presumed to do so in good faith and have reasonable grounds for believing the information disclosed indicates improper or illegal activity. However, any allegations found to be unsubstantiated and made in bad faith or for malicious reasons, may constitute grounds for disciplinary action under the District's discipline policy against the person filing the complaint.

6. No Retaliation:

No executive, manager, supervisor, or employee who in good faith reports suspected fraudulent activity shall suffer harassment, retaliation or adverse employment consequences. An employee who retaliates against a person who has reported a violation in good faith is subject to disciplinary action under the District's discipline policy.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
ANTIFRAUD POLICY	50	10/03/07	

7. Confidentiality:

Violations or suspected violations may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Information pertaining to the investigation shall not be disclosed or discussed with anyone other than those who have a legitimate need to know for the proper discharge of their duties.

8. Investigation:

The General Manager, or designee, shall investigate all fraudulent or suspected fraudulent acts. Based on the severity of the allegations an immediate decision will be made concerning coordinating the investigation with the appropriate law enforcement officials. District legal counsel may also be involved in the process, as deemed appropriate. The investigator(s) shall take immediate steps as needed to secure statements, physical assets including computers and any records thereon, and all other potentially evidential documents. Affected employees shall cooperate fully with investigators, including regulatory or law enforcement personnel.

Where an initial investigation reveals that there are reasonable grounds for suspicion and to facilitate the ongoing investigation, the suspected wrongdoer(s) may be suspended in accordance with District policies and procedures.

9. Reporting:

The investigator is responsible for keeping the General Manager informed of the status of all investigations and findings. Upon completion of the investigation the General Manager will then, as deemed appropriate, report the findings to the President of the District's Board of Directors. If an investigation substantiates that fraudulent or illegal activity has occurred, decisions to prosecute and/or refer the investigation results to the appropriate regulatory agencies for independent investigation will be made in conjunction with legal counsel.

10. Corrective Action:

The District will take the necessary steps, including legal action, to recover any losses arising from fraud or attempted fraud. This may include action against third parties involved in the fraud whose negligence contributed to the fraud. Management is responsible for taking the appropriate corrective action to ensure adequate controls exist to detect and prevent a recurrence of fraudulent activity.

11. Waste and Abuse:

Nothing in this policy shall preclude the District from investigating alleged or possible waste or abuse of District property, funds, or resources, regardless of whether the actions investigated constitute fraud or arise from an investigation of alleged or possible fraud. Nothing in this policy shall preclude the District from taking disciplinary action, where appropriate, for substantiated waste or abuse, regardless of whether the discovery of the waste or abuse arose from an investigation of alleged or possible fraud.

RESOLUTION NO. 4109

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT IMPLEMENTING
ANTIFRAUD POLICY NO. 50

WHEREAS, the Otay Water District Board of Directors have been presented with an Antifraud Policy for the Otay Water District; and

WHEREAS, the Antifraud Policy has been reviewed and considered by the Board, and

WHEREAS, it is in the interest of the District to adopt the Antifraud Policy; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Otay Water District that the Antifraud Policy for the District, incorporated herein by reference, is hereby adopted as the District's Antifraud Policy.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Otay Water District at a board meeting held this 3rd day of October 2007, by the following vote:

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Director Jaime Bonilla and Director Larry Brietfelder	W.O./G.F. NO:	DIV. NO. All
SUBJECT:	STATUS REPORT BY THE AD HOC COMMITTEE FOR FENTON BUSINESS CENTER		

GENERAL MANAGER'S RECOMMENDATION:

None - Not an action item.

COMMITTEE ACTION: _____

This report by the Ad Hoc Committee for Fenton Business Center is for information only and does not require Board action.

PURPOSE:

To provide the Board an update related to the misconnection at the Fenton Business Center, located at 871 Harold Place, Chula Vista, CA.

ANALYSIS:

On Friday, September 14, 2007 the Ad Hoc Committee for Fenton Business Center consisting of Director Jaime Bonilla and Director Larry Breitfelder met to discuss the status of the misconnection at the Fenton Business Center. The meeting was chaired by Director Bonilla with General Manager and staff present. Also present were Sara Katz, Katz and Associates, Myrna Marston, Marston and Marston, Richard Carlson, Water Specialist Consultants and Mike McGuire, of Malcolm Pirnie.

Director Bonilla opened the meeting stating that it is critical for the District to regain the trust of the customers of the Otay Water District, and that the District should make every effort to identify the impact of the misconnection and to resolve issues in a fair and expeditious manner.

The following items were discussed at the meeting:

- Status update on the misconnection at the Fenton Business Center.
- Presentation of the claims received and the status of SDRMA's review of claims.
- Status of the identification, selection and retention of subject matter experts in various fields.
- Expert discussion on the composition and regulation of recycled water, and related studies and results.
- Discussion of communication plan for tenants of Fenton Business Center, Otay customers and the general public.

A status report was given by the General Manager, Mark Watton detailing that as a result of complaints by tenants of the Fenton Business Center related to the appearance of the water in their suites, on Friday, August 17, 2007, and follow-up testing, it was discovered that the potable system for the Fenton Business Center was connected to the recycled system. There are a total of twenty-three (23) suites at the Center and as of August 17, 2007, seventeen (17) suites were occupied.

The water connection was immediately corrected and pursuant to orders from the California Department of Public Health (CDPH), the internal system at the Fenton Business Center was flushed and disinfected to clean out any residues of the recycled water. By orders of the CDPH "Do Not Drink The Water" notices were posted at each suite.

The system was declared fully potable water on Thursday, August 23, 2007, and "Do Not Drink The Water" notices were removed from all the suites except one. The remaining suite was sampled the same day and the result of the test was satisfactory on Saturday, August 25, 2007. The one remaining "Do Not Drink the Water" notice was removed on Tuesday, September 4, 2007.

Once service was reinstated, the CDPH ordered the District to provide weekly sampling for at least four weeks commencing on August 27, 2007. To date, all results from these weekly samplings have met or exceeded Federal Drinking Water Guidelines.

An update on the claims received as of the meeting date was provided by SDRMA's adjustor Mr. Ed Garbo of CMA Adjusters. The District has received ten claims. Six of the ten claims were

prepared by counsel to the claimants. One claim has been settled since the Ad Hoc Committee meeting. Staff will continue to work with the SDRMA and the adjustor to process the claims as quickly as possible.

Mike McGuire and Richard Carlson, discussed issues related to the composition and regulation, studies and results, and pathogens and toxicology of recycled water. In addition, the discussions included the retention of subject matter experts in various fields including a Medical Doctor and an expert in infectious diseases. These experts would be retained by the District through the District's Counsel, Garcia, Calderon and Ruiz, to provide expert opinion related to recycled water.

Sara Katz, and Myrna Marston, led the discussion related to a proposed communications plan. The discussion included methods of communication to Otay customers, elected officials, and the general public. It was decided that specific communications with tenants of the Fenton Business Center would be handled directly by the General Manager. Also discussed were the preparation of fact sheets on recycled water and the misconnection for Otay staff and the general public and the use of the District's website to provide information and contact information related to the misconnection.

A meeting was proposed with the tenants of the Fenton Business Center to include the General Manager, and the experts from various fields including a Medical Doctor, and an infectious disease specialist. A meeting has been tentatively scheduled for Thursday, October 11, 2007, and if needed, on Friday, October 12, 2007. Staff is coordinating meetings with individual tenants who have indicated they want to meet with the District.

A meeting is also being coordinated with the group of tenants represented by an attorney. This meeting will also include the District's General Counsel, subject matter experts and the General Manager.

The meeting was adjourned and the Ad Hoc Committee for Fenton Business Center will schedule additional meetings as the chairman determines necessary.

After the Ad Hoc Committee meeting, the District completed and has submitted to the CDPH a response to its August 24, 2007, request for an incident report related to the misconnection at the Fenton Business Center. The District's response is dated September 24, 2007, and was delivered to the CDPH on September

25, 2007. Please see Attachment A for a full copy of the report. The report provides a background of the misconnection, including a chronology of the events leading up to the discovery of the misconnection, the work done to bring the potable system back to acceptable federal guidelines, and identifies improvements to Otay procedures to prevent future misconnections and cross-connections.

Additional safeguards proposed to prevent another incident include:

- Coat the recycled water curb stops with purple paint by using a product that is impervious to field conditions.
- Take a chlorine residual reading, TDS sample, and a pressure reading from the meter location at the time of connection.
- Expand Supervisor's role in the enforcement of written guidelines.
- Before the city in which a project is located issues a Certificate of Occupancy, District staff will take a TDS sample on-site.

On Friday, September 14, 2007, CDPH reduced the number of required sampling test from weekly to every two weeks. Bi-weekly sampling started on Wednesday, September 26, 2007, and is anticipated to continue until further notice from CDPH.

As a follow up to this incident, the District's Water Operations staff conducted inspections and testing of potable water services in all areas where dual mains for potable and recycled are installed. As of Tuesday, September 18, 2007, the District has tested 639 potable water meters that are in close proximity to the recycled systems, including those serving all residential, schools, parks, and medical centers. No other misconnections have been identified.

Attachment A: Letter dated September 24, 2007 to
Mr. Sean Sterchi, P.E.
District Engineer
California Department of Public Health

ATTACHMENT A



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

September 24, 2007

Mr. Sean Sterchi, P.E.
District Engineer
Division of Drinking Water and Environmental Management
California Department of Public Health (CDPH)
1350 Front Street, Room 2050
San Diego, CA 92101

Subject: Misconnection Incident Report
Fenton Business Center – 871 Harold Place, Chula Vista, CA 91914

Dear Mr. Sterchi:

This is in response to your letter dated August 24, 2007, requesting the Otay Water District (District) prepare and submit a complete Incident Report on the recycled water misconnection at the Fenton Business Center located at 871 Harold Place, Chula Vista. The information contained herein also includes other actions the District is taking to make sure all existing and improved procedures are adhered to in regards to the installation and documentation of potable and recycled water infrastructure, as well as additional test procedures to address customer concerns related to water quality.

The following documents are enclosed with this Incident Report for your review:

Attachment A is an Operations' chronological report of the incident as of September 18, 2007. This report is provided in descending chronological order for your convenience. As seen in the report, the District followed the instructions of CDPH and complied with its requirements to ensure the health and safety of the tenants, employees, and customers of the Fenton Business Park. The latest laboratory test results of September 14, 2007 confirmed the HPC samples were within the federal guidelines for potable water.

Attachment B is the Staff Report to the District's Board of Directors dated September 5, 2007. Attachment B includes Exhibits 1-10, which were provided to the Board as part of the package of information with the report.

Attachment C is a PowerPoint presentation titled, "Verifying System Safety and Improving Internal Procedures to Prevent Future Misconnections and Cross-Connections."

Events Leading to Misconnection

As presented in the Staff Report dated September 5, 2007 to the Board of Directors, it became apparent from the research that has been completed to date, that a variety of tasks performed by outside parties involved in the construction of the Fenton Business Center were deficient and played a role in causing confusion, which ultimately contributed to this misconnection. The final check and documentation is the responsibility of District Engineering Inspection staff who failed to follow certain written guidelines.

The Developer's decision to change certain aspects of the project during construction led to the Engineer of Record altering previously approved construction plans and omitted certain water service laterals serving the Fenton Business Center on their as-built drawings. This fact contributed to the confusion around this installation of a recycled lateral. The Contractor, who installed the water facilities on Fenton Street, installed a 2-inch irrigation service that was not recorded on the Engineer of Record's as-built construction drawings.

District inspectors did not follow proper guidelines by failing to require the Contractor to process construction changes made in the field. In addition, we have reason to believe there is some confusion and potential mis-documentation between the "redlined" field construction plans and the final "as-built" drawings produced by the Engineer of Record.

Redlined documents are not traditionally retained. We believe the Engineer of Record may have an electronic copy and the District sent a letter advising him to retain all records. If they do have a copy of the redlined field construction plans, it will answer questions and may shed light on how the as-built plans were prepared, as well as providing a new avenue for additional safeguards to institute in this area.

On July 6, 2005, the Contractor who constructed the on-site plumbing facilities for the Fenton Business Center installed the point of connection for the potable water service to an irrigation service lateral, as shown on working plans approved by the City of Chula Vista (City). We obtained a set of the approved grading plans from the City showing a potable service connection to two of the buildings from an irrigation lateral. This set of plans provided by the Developer's Engineer of Record to the City and other parties also shows two laterals on Fenton Street that are not shown on the as-built construction drawings provided to the District.

The Contractor requested that a District inspector install a potable meter on Fenton Street. The inspector complied with the request, but failed to follow written guidelines to ensure the meter was installed at the proper location connected to a potable main and failed to document properly the field change. This action contributed to the misconnection of potable service to the recycled water irrigation lateral.

Again, all of these factors together, those of the Developer, the Contractor, the Engineer of Record, and the District contributed to the misconnection.

District Response to Misconnection and Improvements to Construction and Customer Response Procedures

The misconnection was discovered Friday, August 17. Staff immediately disconnected the building water connection and, with the approval of the CDPH, flushed all building potable plumbing system piping with potable water and disinfected the pipes with highly chlorinated water which was left in place overnight. The following morning all building potable plumbing systems were flushed and water samples were taken. All sample results were negative for total coliform and E. coli. Tuesday, August 21, District staff met with the Fenton Business Center owners and their tenants to answer questions and provide information. Thursday evening, August 23, permanent potable water service was restored to the Fenton Business Center, as allowed by both the CDPH and the County of San Diego's Department of Environmental Health.

As a follow up to this incident, the District's Water Operations staff has completed checking potable water services in areas where dual mains for potable and recycled are installed. The District tested more than 639 potable water meters that are in close proximity to recycled systems, including those serving all residential, schools, parks, and medical centers. We encountered no other misconnections to the recycled system. Operations staff is also performing a TDS test on all new meter installations to verify that potable water is being delivered to all new potable water meter sets.

Since the discovery of the misconnection, the standard practice for water quality calls has been modified. In addition to the above practices, when there are recycled pipelines in the area, water system operators have been instructed to take a TDS reading and chlorine residual test for all customer calls related to water quality. These tests are to be taken on the customer's side of the water meter at the closest point possible to the potable meter. The results from these tests are then compared with the water of a hydrant or appurtenance nearby to confirm the water is potable. In addition, water system supervisors and the system operations manager are alerted any time on-site testing is taken on a customer's side of the meter.

Further, to ensure that no similar incidences occur in the future, District staff has focused on improving the inspection approval, documentation, and testing processes. It is clear that both minor and major changes in construction activities must be included in the documentation on as-built construction drawings. Consequently, staff will scan all "redline" construction drawings from both the Contractor and inspector reports and related documents for future review.

Mr. Sean Sterchi, P.E.
Misconnection Incident Report - Fenton Business Center
September 24, 2007
Page 4.

Additional safeguards include:

- Coat the recycled water curb stops with purple paint by using a product that is impervious to field conditions.
- Take a chlorine residual reading, TDS sample, and a pressure reading from the meter location at the time of connection.
- Expand Supervisor's role in the enforcement of written guidelines.
- Before the city in which a project is located issues a Certificate of Occupancy, District staff will take a TDS sample on-site.

In summary, the District greatly appreciates all your assistance throughout this incident. The positive manner in which you and your agency handled this matter was an important part of helping us resolve this unfortunate incident. An update of the Incident Report and the revised internal policies and new proposed procedures will be submitted to your office by November 30, 2007.

If you have any questions, please feel free to contact Manny Magaña at (619) 670-2257.

Sincerely,
OTAY WATER DISTRICT



Mark Watton
General Manager

MW/MM:jf

Enclosures

cc: Manny Magaña
Rod Posada
Pedro Porras
Yuri Calderon
Melissa Valdovinos

ATTACHMENT A

Otay Water District Misconnection Incident Report as of September 18, 2007

**Eastlake Business Center II, Phase I
Fenton Business Center
871 Harold Place
Chula Vista, CA 91914**

Tuesday, September 18, 2007

The District has tested over 630 potable water meters that were in close proximity to recycled systems, this included all residential, schools, parks, and medical centers, and we encountered no further incidences.

Friday, September 14, 2007

The following message was sent to the Fenton Business Park tenants and owners concerning the samples taken on September 12, 2007:

"The results from lab tests of water samples taken on September 12, 2007 showed the general potable water quality for the buildings met federal guidelines. As an outcome, the State Department of Public Health has authorized the District to move to a biweekly testing regiment. The full test results will be mailed to the District and will be available and distributed early next week."

Thursday, September 13, 2007

Alma Ortega-Carrillo took Giardia, Cryptosporidium, and general bacteria samples at Fenton Business Center. She took the samples from the potable and the recycled systems. These samples were sent to MWH Laboratory in Monrovia.

Water system operators continue TDS and chlorine residual testing on potable meters near recycled mains in the Otay WD. No misconnections found as of 1:00 PM today. Operations staff held a meeting to discuss the repainting of green recycled appurtenances on systems built before the purple ID was adopted to purple, and painting and tagging of recycled curb stops. Proposed methods will be brought forward to Pedro next week.

Wednesday, September 12, 2007

Julie Swiggers shadowed the EnviroMatrix lab technician as he collected potable bacteriological and HPC samples at Fenton Business Center. Double sample were taken.

Water system operators continue TDS and chlorine residual testing on potable meters near recycled mains in the Otay WD. No misconnections found. The Otay WD is in the process of contacting outside companies to provide cost estimates for TDS and chlorine testing at the potable meter sites. As of today, staff completed checking potable meters that were to be completed in-house and they will begin testing in areas considered for outsourcing. Approximately 430 meters remain to be checked. The estimated time needed to check the remaining meters is 5 working days.

Tuesday, September 11, 2007

Water system operators continue TDS and chlorine residual testing on potable meters near recycled mains in the Otay WD. No misconnections found.

Monday, September 10, 2007

Alma Ortega-Carrillo took two samples, potable and recycled, at Fenton Business Center. Each sample consisted of 52 bottles. The samples were taken at the No. 2 test cock on the potable RP and the recycled test station. These samples will be tested for a variety of items, including organics, bacteriological, pharmaceutical, and personal care products and other constituents as well. These samples were transported via courier to MWH Laboratory in Monrovia. Water system operators continue TDS and chlorine residual testing on potable meters near recycled mains in the Otay WD. No misconnections found.

Friday, September 7, 2007

TDS and chlorine residual testing on potable meters near recycled mains continue within the Otay WD. No misconnections found.

Thursday, September 6, 2007

The HPC results for Suite 309, sampled on September 4, were 69 with no coliform or E. coli. The California Department of Public Health (CDPH) and the property manager were notified of the results.

Staff received the results of the samples collected on September 5 and all were negative for total coliform and E coli. CDPH was notified as well.

Wednesday, September 5, 2007

All suites were flushed and sampled for the regular weekly sampling. Due to the high HPCs in previous samples, all suite faucets were flushed simultaneously before sampling began.

Tuesday, September 4, 2007

Of the samples collected on August 31, only the sample from Suite 309 contained greater than 500 HPCs. Suite 309 was flushed and re-sampled. A Do Not Drink notice was given to the occupant. CDPH stated that it would not be necessary to disconnect the hoses to the sink unless coliform are present in the sample.

Friday, August 31, 2007

Staff received the results from samples collected on Wednesday, August 29. All samples were negative for coliform or E. coli. The CDPH determined the water was safe to drink. However, five suites had greater than 500 HPC and as a precaution CDPH required "Do Not Drink" notices be posted on suites. Since only Suite 104 was occupied (PC Joes/Global Internet Services) the property manager disconnected the hoses to that sink. Staff flushed and re-sampled the nine suites.

Thursday, August 30, 2007

The lab sent the sample results to the Otay WD and Otay WD staff updated the tables showing prior results and Federal Government standards. The results were consistent with Federal Government regulations for potable water.

Wednesday, August 29, 2007

Staff completed checking the water services with other projects where the same inspector and contractor were involved. A total of 111 meters were checked; no misconnections were found.

Staff began preparing for checking homes and businesses that have both potable and recycled pipelines in the street.

Monday, August 27, 2007

The sample collected on August 23 passed bacteriological testing and CDPH rescinded the Do Not Drink order for Suite 204. CDPH notified the Otay WD that it would require additional sampling once a week for all suites for at least four weeks.

Staff began checking the potable water services in other projects where the same inspector and contractor were involved that have both potable and recycled pipelines.

Staff collected the first set of weekly samples from all suites at the center. The samples will be analyzed for free and total chlorine, total coliform, E. coli, and HPC.

Friday, August 24, 2007

Metals, minerals, and bacteriological data were provided to the owner and tenants of the business center on August 24. This data was readily available and could immediately be provided to the owner and occupants of the Business Center. The data detailed the contents of the recycled water. The metals, minerals, and bacteriological data reflected the most recent samples from the Otay WD's Ralph W. Chapman Water Recycling Facility (from July 10, 2007) and the City of San Diego's South Bay Water Reclamation Plant (May 2007). The data was provided in easy to read tables showing the regulatory acceptable levels for each metal and mineral. With the exception of nitrates from the RWCWRF, all other levels were consistent with the Federal drinking water levels. The nitrates in the water at Fenton also met the nitrate regulatory level. The tables also show that there was no Total Coliform detected at the effluent of the RWCWRF, but it was detected in some occasions at the effluent of the City's SBWRP and at the recycled test stations near Fenton Street.

The information also included a table showing bacteriological data from the Otay WD's 450 Reservoir (which is fed directly from the City's South Bay Reclamation Plant) and two sites in the distribution system near the Fenton Business Center. This table shows that samples were tested for total coliform and E. coli from May 14, 2007 through August 14, 2007. The tests also show that total coliform and E. coli were in some cases present in the recycled water.

Thursday August 23, 2007

Staff completed checking all hospitals, schools, and parks. No misconnections were found. Staff began preparing for checking services in projects that had the same inspector and contractor as the Center.

The HPC results were received and all suites, except Suite 204, were within acceptable levels. CDPH allowed the Do Not Drink order to be rescinded, except for Suite 204. The sink in Suite 204 was flushed, disinfected, and re-sampled.

Additional samples were collected and delivered to the MWH Laboratory from both the reclamation plants' effluents and the recycled water pipeline on Fenton Avenue.

Wednesday, August 22, 2007

Staff continued checking hospitals, schools, and parks for other possible misconnections, none found.

The laboratory reported that all samples taken from the Center on August 21 were negative for total coliform and E. coli.

Tuesday, August 21, 2007

Operations instituted a new policy that operators will test chlorine and TDS when responding to water quality calls in areas that have both potable and recycled pipelines.

A third set of bacteriological samples were taken from all suites in the Fenton Business Center.

At 1400 hours Otay WD representatives met with owners and tenants at the Fenton Business Center. Staff summarized the efforts made for flushing and disinfecting the Center's internal piping and samples from each suite were taken to confirm proper disinfection. Tenants were informed that water test results would be reviewed by the CDPH before the "Do Not Drink" notices would be lifted. DEH will authorize the reopening of the two closed suites. In the meeting, tenants were informed that the two samples taken prior to the flushing at the request of two tenants tested negative for coliform and E-Coli. Tenants stated that they were not so concerned with biological tests; instead they wanted to know more about minerals and metals. The tenants were informed that since the original two samples prior to flushing and disinfection were used and discarded, the Otay WD would provide historical data from the effluent of the Ralph W. Chapman Water Recycling Facility (RWCWRF) and the City of San Diego South

Bay Water Reclamation Plant (SBWRP), and from a recycled water test station closest to the Fenton Business Center. It was discussed that this historical data may not have minerals and metals results, therefore, it was agreed to collect additional samples from both reclamation plants and from the recycled meter at Fenton Business Center to test for minerals and metals. The Otay WD advised the tenants that Armando Buelna and Rom Sarno would be the contact persons for Otay WD and the property manager would be the contact person for information distribution and accessibility to the Fenton Business Center suites.

Monday, August 20, 2007

The preliminary readings of the bacteriological samples from Sunday, August 19, were all negative at 0630 hours (18 hours after set-up).

At 1220 hours, the bacteriological samples taken on Sunday, August 19, are officially negative for total coliform and E. coli bacteria.

Otay staff met with Sean Sterchi, District Engineer for the California Department of Public Health at 1300 hours. Mr. Sterchi is now requiring another set of bacteriological samples, including Heterotrophic Plate Count (HPC) analysis, prior to lifting the "Do Not Drink The Water" notices. He is also requiring a second set of samples one to two weeks later. The first set of samples will be collected by Otay staff on Tuesday morning, August 21. They will be sent to a contract laboratory for analysis and results should be final around noon on Thursday, August 23. Mr. Sterchi advised the Otay WD that the "Do Not Drink The Water" notice could be lifted as soon as the coliform and E. coli results are negative, and the HPC is less than 100 colony forming units.

Operations compiled information on previous water quality calls from the Fenton Business Center. Prior to the misconnection finding on Friday, August 17, 2007 the Otay WD received three calls from this site. They were:

From Greg Coss, Water System Operator III:

"On **Friday July 27, 2007** I responded to a call about dirty water from one suite at 871 Harold Place, a flooring business. The business owner handed me a water sample that he had taken from his bathroom sink. The water looked clear and did not have any smell. After I checked his sample I then informed him that I was going to check the water in the street. First, I found the service that was feeding the building in order to know which main in the street to flush. It was located on Fenton Street. After that I checked three fire hydrants. The hydrant was 100 feet to the west of the service, the second was 100 feet east of the service, and the third was out in front on Fenton. All three tests came up with a 3.1 chlorine residual and the water was clear and had no smell. After I finished my test I then informed the business owner that the water was clear and it had a good chlorine residual. He then asked if I would take his sample and compare it with what I was getting in the street and also to check it for chlorine. I told him that I would, and that I would let him know what I found. I then took his

sample and compared it with a sample that I had taken from the hydrant out in front on Fenton. Both samples looked clear and had no smell. The only difference was that the business owners sample had no chlorine. I then informed the business owner that he had no chlorine residual in his water sample. He then asked me what I thought could be casing this problem. I told him that it could be cased by low usage in his system and that he should have it flushed. He said that he would call the property management company and have them take care of it.”

From Tina Pittman, Water System Operator II:

“On **8/8/07**, I responded to a discolored water call at 871 Harold Place. The customer Amy Wise from Candy Boutique stated that she had brown water in the toilet. I advised that we had a previous call from this location, and that it was determined that the private system needed to be flushed due to low usage from vacant spaces and businesses that have little usage. I was aware of the previous call for this location and the actions taken to rectify the problem. The actions taken by the previous operator were flushing the main from 3 different fire hydrants (on Fenton and Harold) and a total chlorine test taken from the hydrants which indicated chlorine residual. I told the customer (Candy Boutique) that I would check the main again today to make sure that everything was clear on Otay WD's side. I opened the hydrant on the corner of Fenton and Harold, the water came out clear immediately and I took a sample of water in a glass sample cell and showed the customer what we have on our side. I advised the customer that the property owner should flush their private system and that the water could be discolored due to low usage in the business park.”

Terry Frome, Water System Operator I:

On **Monday August 13th** Alberto passed a water quality call to me. John is the person I spoke with (954-3100). He told me that the water was coming out a yellowish color and that it also had a strange odor to it. I advised to flush the lines in the building. He replied and said that a operator had told him the same thing and that he would like someone to come out and look at the water on the outside hose bib. I told him that I could come and check it out. I arrived at building #2 and checked the water coming into the building on the hose bib. It looked a little yellowish but I did not smell anything. I then proceeded and flushed two hydrants out on Fenton Street. One East of the building and also one West. Took a CL2 sample on both. 2.8/2.9. I then called John back and left a message and told him the lines were flushed in the street and now to open all of your services and flush.

In all three cases, the water system operator responded to the site and followed existing operating practices related to these types of concerns. The procedure begins with a customer calling with a technical concern such as water quality, which is usually received by the Operations Executive Secretary who gathers all the information from

the customer and it is logged into an Infrastructure Management System (IMS) work request. If the call requires staff to investigate further, she dispatches the call to staff in the appropriate section and gives them the location and description of customer's concern and the work request number. Once the field staff completes the call, details of the call are entered into the work request and the request is closed.

Prior to the discovery of the misconnection at the Fenton Business Center, the standard practice for water quality calls that were given to the Water Systems Section was handled as follows:

When an operator receives a water quality call, they make contact with the customer as soon as possible and they listen to the customer's concerns. Sometimes the customer will present a sample of the water. The operator will try to determine if the cause of the water quality is in the Otay WD's potable pipelines or if it is only on the customer's side.

This is done by taking a sample from the Otay WD's potable system via a fire hydrant or other potable appurtenance. If the quality of the sample taken from the Otay WD's main needs improvement (i.e. poor water clarity or low chlorine residual) the main in the street is flushed until water quality improves. Once flushing is complete, or if the potable main showed good water quality to begin with, the operator recommends that the customer flushes their own line until the water runs clear.

In the case of the Fenton Business Center, that hasn't been fully occupied since its opening in 2005, and after verifying that the quality of the water in the street was fine, it was reasonable to assume that the water quality inside the business was affected by water stagnated in the unoccupied offices. In all three calls the water system operators responded the same day and proceeded to follow standard practices.

Since the discovery of the misconnection, the standard practice for water quality calls has been modified. In addition to the above practice, when there are recycled pipelines in the area, operators have been instructed to take a total dissolved solids reading and a chlorine residual test on all potable water-quality complaints. These tests are to be taken on the customer's side at the closest point possible to the potable meter. This test shall be compared with the water of a hydrant or appurtenance nearby to confirm that the water is potable. This additional testing and notification is to ensure that the water service is connected to a potable main. In addition, the waster system supervisors and the system operations manager will be alerted any time on-site testing is taken on the customer side.

Sunday, August 19, 2007

At 0830 hours, Larry Olds took a preliminary reading of the bacteriological samples from Friday afternoon (two recycled samples) and Saturday afternoon (23 potable samples, plus controls). All potable and recycled samples were negative for total coliform and E Coli. Gary notified Pedro of the preliminary results.

Jake V., Larry O., Gerard C., and Gary S. met at the Center at 0930 hours, within 24 hours of Saturday's sampling. The hose bibs were flushed until consistent chlorine residual was reached, which only took 10 minutes. A consistent 3.3 mg/L residual was

obtained at 0940 hours. Sampling per the disinfection Plan was performed from 0940 to 1100 hours. The total chlorine residuals in the samples ranged from 3.0 to 3.7 ppm with no free chlorine.

Gary and Larry transported the samples to the lab. Julie Swiggers did the turbidity, total coliform, and E. coli analysis, including the controls. The bacteriological samples were set up by 12:20.

At 1400 hours, Julie notified Gary that Friday's and Saturday's (August 17 and 18) samples were all negative for total coliform and E. coli.

Saturday, August 18, 2007

We met onsite at 0700 hours: Jake V., Gilbert R., Gerard C., Luis E., and Gary S. We were given access by Jeremy, property attendant. Jake and Gilbert took the free chlorine residual from a bathroom sink representative of each of the four water services using a high-range test kit that measures to the nearest 10 ppm. The results were:

Suite 103 – 120 ppm free chlorine

Suite 108 – 100 ppm free chlorine

Suite 203 – 100 ppm free chlorine

Suite 303 – 110 ppm free chlorine

At 0800 we began flushing all the highly chlorinated water down every sink (hot and cold taps), using the potable water highline. Once the free chlorinated water was flushed out, we opened the hose bibs. We flushed until the water from a hose bib had consistent total chlorine residual. At 0930, two hose bibs had a consistent total chlorine residual of 3.3 to 3.4 ppm. The TDS reading on the field unit was 452 ppm and the turbidity was 0.21 NTU. We began sampling, as outlined in the disinfection plan at 0945 hours. Sampling was completed at 1100 hours. The chlorine residuals in the samples ranged from 3.0 to 3.7 total chlorine with no free chlorine. The absence of free chlorine indicated that all of the highly chlorinated water had been flushed from the system.

Gary transported the samples to the Otay WD's lab, filled out the Chain of Custody forms, and analyzed the samples for total coliform and E. Coli, using the Colilert Method. Method blanks and bacteriological quality control samples were also performed. Turbidity was also analyzed on each sample. The turbidity ranged from 0.06 to 0.26 NTU. The results were consistent with lines that had recently been flushed. The bacteriological samples were set up by 1400 hours. The results were expected within 24 hours.

Friday, August 17, 2007

At approximately 1100 hours, Doug Marple notified Gary Stalker that he received a call from the owner of the Fenton Business Center (Center) at 871 Harold Place in Eastlake, Mr. Dennis Lewis. Mr. Lewis told Doug that an occupant of the Center had the water tested from the backflow device and a hose bib on-site. The lab, Trident Tech, said the water had a high TDS (later I was told 980 ppm by Mr. Lewis) similar to

that of recycled water, a Heterotrophic Plate Count (HPC) of 740 at the hose bib and 950 at the backflow. Gary directed a Recycled Water Operator to check it out immediately.

At about 1250 hours, Luis Escarcega, Otay WD's Recycled Water Operator, notified Gary Stalker that the potable meter and backflow for the Center was being fed by recycled water and probably connected to the recycled main. Luis Escarcega tested the backflow and determined that the water had a TDS of 754 ppm and no detectable chlorine residual. This test was compared to the potable fire service line on the street that was found to have a TDS of 459 ppm and 1.9 ppm residual. Doug Marple, who was present on site, had directed to shut down the recycle water line. It was confirmed that the Center was being fed by the recycled water main. Luis Escarcega isolated the service to the Center.

Rick Acuna was contacted to begin flushing the Center's pipes with potable water. Pedro Porras, Department Head for Operations, was notified and briefed with the situation. Jake Vaclavek and Rick Acuna immediately went down to the Center, with a construction crew. Tim Keeran was directed to pull up meter and backflow records (installed in July, 2005). At about 1330 hours Pedro contacted the Assistant General Manager, Manny Magana, and General Manager Mark Watton to notify them of the situation.

When Gary arrived at the Center, Jake, Rick, and the Otay WD crew were getting the adaptors and setting up to run a highline from a hydrant to the Center's backflow device. The meter had been removed, so there was a sufficient air gap to the recycled line so a cross connection would not be present. Gerard contacted Glenn Leeks from the County Department of Environmental Health (DEH) at 1347 hours to report the incident. Glenn Leeks recommended a Reduced Pressure Backflow Preventer (RPBP) device at the hydrant, with a certification test prior to starting water. Pedro instructed Gary S., to notify Sean Sterchi, the District Engineer for the California Department of Public Health (CDPH) while Pedro contacted City of Chula Vista representatives to inform them of the misconnection. Gary contacted Mr. Sterchi at 1350 hours. Mr. Sterchi stated all pipelines in the Center would need to be disinfected per AWWA Standards for a new main. Also per the Standards, two sets of bacteriological samples, 24 hours apart, would be required. Mr. Sterchi required each suite in the Center to be sampled. He also required each door to have a "Do Not Drink The Water" notice on them. Once Otay WD had two consecutive sets of clean samples, DHS will meet with Otay WD staff to determine if the "Do Not Drink" notices can be lifted. Mr. Sterchi wanted a report on how this situation occurred.

No samples prior to flushing were requested or required by either DHS or CDPH. A meeting was scheduled for 1300 hours on Monday August 20 at the CDPH office to further discuss events, test results, and additional steps taken. Mr. Sterchi asked if there were any food services and he was advised that there was a caterer and a packaged candy store. Mr. Sterchi said he would confer with DEH.

Larry Olds arrived and he began working with the Property Manager, John Merz, to get a list of all the businesses in the Center and their contact information. There were 17 occupied units and six unoccupied ones in three buildings. There were four water lines feeding the three buildings. Once we had a disinfection plan in place, Larry and John Mertz tried to get the business owners to give John alarm codes or keys (if locks were changed from the Center's standard) so that we had access to every unit for the flushing, disinfection, and subsequent sampling. Some occupants decided to be available whenever needed instead of giving the Property Manager the alarm codes.

Gerard C. was asked by two occupants to take samples of the recycled water prior to flushing. Pedro P. told Gerard C. to take the samples for the occupants and to collect one from each location for Otay WD. Meanwhile, Otay WD staff checked all meters in the vicinity and isolated the recycled main to confirm that this was an isolated incident.

Pedro P. brought a copy of the "AWWA Standard for Disinfecting Water Mains" (ANSI/AWWA C651) to the site. While Pedro was updating Mark Watton and Manny Magana, Jake V. and Gary Stalker looked at the disinfection alternatives. The Otay WD decided to use the Slug Method in Section 4.4.4 of the Standard that required a 100 ppm dose of free chlorine to be held in the piping for a minimum of three hours. Jake and Gary came up with the following disinfection plan that was performed starting on Friday evening, Saturday, and Sunday (August 17, 18, and 19):

1. Starting at about 1600 hours on Friday, August 17, staff commenced flushing potable water from the highline out of all the hose bibs and interior sinks (hot and cold) until they had a total chlorine residual similar to the potable water source. Most units just had one sink and toilet.
2. Used the Otay WD's disinfection trailer to inject a sodium hypochlorite solution (>100 ppm free chlorine) into the piping. Flushed one building at a time until each faucet (hot and cold) contained the hypochlorite solution and shut off the faucet. Toilets were also flushed. If suites had more than one sink, all were flushed.
3. Let the solution stay in the piping overnight.
4. Saturday morning staff took a chlorine sample from one sink that is fed from each of the four water lines to determine if the residual was still high enough.
5. Following AWWA guidelines, removed sink aerator screens and flushed all sinks with potable water (hot and cold) until a total chlorine residual similar to the water source was obtained. Then switched faucet to cold water only, let flush for a minute or more, and took a total and free chlorine residual measurement. Wrote the residuals on a bacteriological sample bottle, along with the suite number, time, and sampler radio number. Collected the sample and put the sample in a cooler with an ice pack. To be consistent, the samples were taken from the bathroom sink in each suite, since all units had one.
6. Transported samples to the laboratory and left the highline in service for toilet flushing only.
7. On Sunday morning staff flushed each bathroom sink with cold water until a total chlorine residual similar to the potable water source was obtained.

8. Removed the sink strainer, flushed another minute or more, and collected the sample as indicated in step 5, above.

At 1745 hours Armando Buelna arrived on site with Dan Cruz. They proceeded to post the signs, on Otay WD letter head that stated "Do not drink the water until further notice. Flushing toilets okay after 10:00 am Saturday," on each door. They then assisted Larry O. and the Property Manager in getting the occupants' cooperation. They were also available to answer questions.

The RPBP device was installed on the hydrant and certified by David Martinez. We were let in each suite by the Property Manager's employee (unless the occupant decided to stay) and he locked up each suite afterwards. The suites were flushed until 1830 hours with potable water. The disinfection solution (over 176 ppm free chlorine, mixed, tested, and monitored by Gilbert Rubalcava) was flushed through all plumbing by 2000 hours. The water services to each building were isolated and the highline was removed overnight.

Friday, August 5, 2005

On or about August 5, 2005 an Otay WD meter shop staff member unlocked and opened the water meter curb stop located within the meter box to initiate water delivery for the initial testing of the backflow device. The backflow device was tested and certified on August 5, 2005.

Friday, July 8, 2005

An Otay WD meter shop staff member installed a 2-inch meter on the existing water service lateral inspected on Fenton Street, closed the curb stop, and locked the curb stop.

Wednesday, July 6, 2005

Doug Marple, an Otay WD inspector, visited the project site as an outcome of the meter sales application. A representative at the Center informed Mr. Marple that their private on site potable water service pipeline from the building(s) was installed to a location near an existing meter box located on Fenton Street. Mr. Marple reviewed a set of project plans and inspected the meter box location to confirm appurtenances are installed in compliance with the approved plans and specifications. The meter box was a potable box and the lateral appeared as that of a potable water service. Also, no water testing was performed to confirm either potable water or recycled water was within that existing service lateral. Mr. Marple prepared and submitted a meter set request via hand written speed memo to the Otay WD meter shop to set a potable water meter at the location inspected and discussed with the representative of the Center. The existing water service lateral was believed by Mr. Marple at that time to be connected to the potable water system.

Thursday, June 23, 2005

An application for potable water meter service for a 2-inch potable water meter set to serve the project address of 871 Harold Place, Chula Vista, CA 91914, Fenton

Business Center, was prepared by Ms. Mia Rankins of the Otay WD staff. The specific service lateral on to which to set the potable meter was not identified only the address of the intended potable water service location.

Friday, May 27, 2005

A meter request application for potable water service to serve the project address of 871 Harold Place, Chula Vista, CA 91914, Fenton Business Center (Center) was prepared by the applicant and signed by Mr. John Seymour of Seymour/Lewis Development LLC. The identified field contact name was Mr. Frank Rosas of Bremco Construction.

ND: 4832-9634-0225, v. 1



ATTACHMENT B

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	September 5, 2007	
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT/ SUBPROJECT:	N/A	DIV. NO. 1
APPROVED BY: (Chief):	Rod Posada <i>[Signature]</i> Chief, Engineering			
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager	Engineering and Operations		
SUBJECT:	Informational Update Regarding Misconnection at 871 Harold Place - Fenton Business Center in Chula Vista			

GENERAL MANAGER'S RECOMMENDATION:

This is an update to the informational item presented at the August 20, 2007 special Board meeting (See Exhibit A, B-1, B-2 for project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To update the Board as to the status of the ongoing investigation regarding the misconnection that occurred at Fenton Business Center in Chula Vista.

ANALYSIS:

As directed by the Board during a special Board meeting on August 20th, staff has continued its investigation of the incident that occurred at the Fenton Business Center and has begun to document and summarize the events leading to the misconnection at 871 Harold Place. In addition, staff is evaluating the District's processes and procedures relating to inspection, plan check, operations and record keeping. This staff report and attachments include timelines and specific detail of what occurred during Phase I and Phase II construction of the Eastlake Business Center II that pertain to the Fenton Business Center (See Attachments B through F). The incident report that was prepared provides additional detail information and is included as Attachment G.

It is becoming apparent from the research that has been completed to date, that Engineering Inspection staff did not follow certain written guidelines and that a variety of tasks performed by outside stakeholders were incorrect.

This begins with the Developer's decision to change certain aspects of the project during construction leading to the Engineer of Record altering previously approved construction plans and not showing installed water services to the Fenton Business Center on their "as-built" drawings. The contractor who installed the water facilities in Fenton Street, installed a 2-inch irrigation service that was not recorded on the engineer's as-built drawings.

District inspectors didn't follow proper guidelines by requiring the contractor to process construction changes made in the field. In addition, we have reason to believe there is some confusion and potential misdocumentation between the redline field construction plans and the final "as-builts" produced by the Engineer of Record. The redlines are not traditionally retained (see Staff Recommended Change to Procedure). We believe the Engineer of Record may have an electronic copy and will send a letter advising him to retain all records. If they do have a copy of the redline field construction plan, it will answer questions and may show a clear picture on how the as-built plans were prepared and if there are additional safeguards to institute in this area.

On July 6, 2005, the contractor who constructed the on-site plumbing facilities for the Fenton Business Center installed the point of connection for the potable water service to an irrigation service lateral as shown on working plans approved by the City of Chula Vista. We obtained a set of approved grading plans from the City of Chula Vista showing a potable service to two of the buildings from the irrigation meter. This set of plans provided by the Developer's Engineer of Record to the City and other parties also shows the two laterals on Fenton Street that are not shown on the as-builts provided to Otay. The City has additional files and plans concerning this project that, at the time of this memo, we have not been able to obtain.

The contractor requested that a District inspector install a potable meter at Fenton Street. The inspector complied with the request, but failed to follow written guidelines to ensure that the meter was installed at the proper location connected to a potable main and failed to properly document the field change. All these factors together contributed to the misconnection.

To insure that no similar incidents will occur staff has focused on how to improve the inspection approval and documentation process. It is clear that both minor and major changes in construction need to be documented on "as-built" drawings so that elements of the as-builts are clear. Some additional safeguards being considered are to purple coat the recycled water curb stops, take a chlorine residual reading, TDS sample and a pressure reading at the meter location at the time of connection and enforce written guidelines. In addition, staff will implement a process to scan all "redline" construction drawings from both the contractor and inspector reports and related documents for future review. Operations staff is now performing a TDS test on all new meter installations.

Staff members met with the Fenton Business Center owners and their tenants on Tuesday August 21st to answer questions and provide information. Staff members provided potable bottled water to the tenants on that same day and also brought in a potable water tanker to supply drinking water. On Thursday August 23rd in the afternoon permanent potable water service was restored to the center with the exception of two businesses: the two food related businesses were allowed to reopen later that night by the Department of Public Health.

As a follow up to this incident, Operations Staff is checking potable water services in areas where dual mains for potable and recycled are installed. So far all critical facilities including schools, parks and hospitals have been checked and confirmed as receiving potable water.

Staff will bring additional information to the Board as the investigation proceeds.

FISCAL IMPACT: _____

Not known at this time.

LEGAL IMPACT:

Not known at this time.



General Manager

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RR/RP:mlc

Attachments: Exhibits A, B
Attachments A-E



ATTACHMENT A

SUBJECT/PROJECT: N/A	Informational Update Regarding Misconnection at Fenton Business Center in Chula Vista
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COMMITTEE ACTION:

The Ad Hoc Recycled Misconnection Committee reviewed this item in detail at a meeting held on August 30, 2007. The Committee requested that staff develop the following:

- A procedure to avoid misconnect incidents in the future and present the proposed procedures via a powerpoint presentation to the full Board. The Committee suggested that the emphasis should be to develop a fail safe methodology.
- Evaluate purple coating, tagging, and stamping of existing and future curb stops on recycled water meter boxes.
- Evaluate a program for increasing cross-connection inspections of recycled service connections from yearly to quarterly.
- Produce a list, sorted by Board Member Division, of all the recycled water meter connections within the District.

EXHIBIT 2 OF ATTACHMENT B

EXECUTIVE SUMMARY FENTON BUSINESS PARK MISCONNECTION AT 871 HAROLD PLACE, CHULA VISTA

The following is a bullet-point summary of events leading to the misconconnections and highlighting the actions taken by the District, the developer, the contractors, the engineer of record, and the City of Chula Vista in connection with the project.

Otay:

- Inconsistencies in plans submitted by Hunsaker and Associates were not noted.
- One inspector allowed the contractor to build service laterals not shown on plans and failed to generate a construction change process.
- In accordance with present procedure field drawings showing redlines were not kept to determine what was shown on the original plans. Staff proposes to keep all plans in the future.
- During the walkthrough, it appears that the Inspector and Operations representative did not note that there was a meter box not shown on the plans. (Red line would have shown, or not, if this is the case)
- For the potable meter installation, the Inspector did not properly verify a lateral as potable and allowed a potable meter to be installed on an irrigation service lateral.

Civil Constructors:

- Installed the facilities on Fenton Street east of Harold Place, including the irrigation lateral and other appurtenances not shown on the plans for Phase II.

Hunsaker and Associates (H&A):

- Appears that H&A submitted confusing and inaccurate construction plans.
- Submitted inaccurate and conflicting "as-builts" to different parties as evidenced by the facts that Otay's as-builts do not show laterals on Fenton Street and grading plans for Fenton Business Center submitted to the City of Chula Vista do show the laterals.

City of Chula Vista:

- Approved a grading plan showing the on-site potable plumbing being connected to an irrigation lateral. We are seeking the entire building file from the City of Chula Vista at this time to have a clear understanding of events during the approval process.

EXHIBIT 2 OF ATTACHMENT B

Developer for Fenton Business Center:

- Submitted change construction (phases) plans that resulted in confusion as to the location of the laterals in question.
- Grading plans approved by the City of Chula Vista showed that the plumbing was designed to be connected to an irrigation lateral.
- Requested that the on-site plumbing be connected to an unknown lateral on Fenton Street which turned out to be a recycled irrigation lateral.

Below is a more detailed chronology:

1. October 2002 thru November 2002:

Phase I plans of the Eastlake Business Center II development were contradictory and confusing during the installation of the potable and irrigation lines. It appears that the Contractor and Inspectors were working with two sets of plans and the Phase I plans showed an irrigation service lateral and other appurtenances on Fenton Street that were not shown on the Phase II plans.

The service laterals that feed the building were installed during Phase II. However, the Phase II plans did not show the irrigation service meter to which such laterals were connected.

Before acceptance, the Inspection Supervisor must ensure that all paperwork is complete and the records reflect what was built. The following parties were involved in the project during this period of time:

- Civil Constructors (Contractor for Phase II)
- Hunsaker & Associates (Engineer of Record)
- District Inspector A
- District Inspection Supervisor

2. November 2004:

Grading plans approved by the City of Chula Vista for the Fenton Business Center show the on-site potable water plumbing connected to an irrigation lateral on Fenton Street. The following parties were involved in the project during this period of time:

- City of Chula Vista, Building and Safety Department
- ITF Engineering (Engineer for Fenton Business Center)
- Seymour & Lewis Development (owners of Fenton Business Center)

EXHIBIT 2 OF ATTACHMENT B

3. December 2004:

Final walkthrough performed by the Contractor with District representatives. It is unknown at this time if the field set drawings for Phase II on Fenton Street contained potable and recycled water laterals serving 871 Harold Place shown on them.

A standard procedure is to discard the field set drawings after the acceptance of the project. District staff will change that practice and will scan all redlines from a project into the District's computer system to be able to compare notes in the future.

- May have missed 2-inch lateral(s) on Fenton Street fronting business center – failed to pick up changes
- No correction to the plans was noted on the punch list items by either the Contractor or District representative

4. March 2004:

H&A submits inaccurate "As-Built" records for Phase II of the Eastlake Business Center II

- Plans do not show 2-inch irrigation service to Fenton Business Center

5. July 6, 2005:

A District Inspector takes the following actions:

- Discovers a meter on Harold Place which had a recycled box and realizes that Phase I plans identifies the meter as potable. He performs a chlorine test to confirm that potable water flows through the meter and asks Operations Staff to change it out to a potable box as shown in Phase I plans.
- At the request of the contractor's representative he approves a change to location of potable water meter from Harold Place to Fenton Street. He submits meter set request to Meter Shop, but he fails to communicate his decision to the District's Inspection Supervisor.

6. July 8, 2005:

Meter Shop employee installs meter.

- Potable meter installed on 2-inch irrigation service on Fenton Street

**EXHIBIT 3 OF
ATTACHMENT B**

**CHRONOLOGY
FENTON BUSINESS CENTER MISCONNECTION
EASTLAKE BUSINESS CENTER II, PHASE I**

- 10/22/99 Plans received from Hunsaker and Associates (Engineer of Record) for plan check. Plans designed by Engineer of Record.
- 3/24/00 Plans filed with the District.
- 7/25/00 Pre-construction meeting held with Cass Construction and Inspector C (District Inspector).
- 8/10/00 – 8/30/00 Cass Construction installed potable and recycled water mains on Fenton Street between Lane Avenue and Harold Place. Inspector C inspects the installation. In Phase I, no improvements were built on Fenton Street east of Harold Place.
- 3/1/01 Added sheet #6 to Phase I plans to include portion of Fenton Street east of Harold Place; a total of 470 feet. In this construction change, two 2-inch service laterals were added. One recycled at Station 29 + 80 and one potable mislabeled at Station 29 + 83. In reality, the station for the potable lateral was 30 + 83. The Engineer of Record and the District's Plan Checker failed to properly identify this incorrect stationing on the plans.
- 3/19/02 Construction change submittal by Hunsaker and Associates removing the two 2-inch potable and 2-inch recycled service laterals on Fenton Street east of Harold Place at Stations 29 + 80 and 30 + 83. These changes were not properly identified on the plans. The Engineer of Record and the District's Plan Checker failed to properly label and identify the changes on the plans.
- 8/6/01 Phase I of Eastlake Business Center II project was accepted by the District.
- 5/17/04 The Engineer of Record submitted a construction change removing a portion of Fenton Street east of Harold Place from Phase I and adding it to Phase II. In these construction change records, the Engineer of Record failed to properly label and identify the changes made on the plans and the District's Plan Checker failed to note the missing information.

**EXHIBIT 4 OF
ATTACHMENT B**

**CHRONOLOGY
FENTON BUSINESS CENTER MISCONNECTION
EASTLAKE BUSINESS CENTER II, PHASE II**

- 11/14/00 Plans received from Hunsaker and Associates (Engineer of Record) for plan check review.
- 5/7/01 Plans filed with the District include portion of Fenton Street east of Harold Place.
- 10/7/02 Pre-construction meeting held with Civil Constructors (Contractor) and Inspector A (District Inspector).
- 10/7/02 – 11/1/02 Potable and recycled pipeline installed along Fenton Street between Harold Place and Otay Lakes Road. Inspection was performed by Inspector A, including the recycled water lateral in question and other appurtenances not shown on the plans for Phase II. He failed to follow protocol of asking for a construction change and a revision to the plans from the Engineer of Record and failed to document the same in his inspection records.
- 12/2/02 – 12/9/03 There is a gap in the District's field records between December 2, 2002 and December 9, 2003. It seems that there was no field activity during that period of time concerning water facilities.
- 5/17/04 Engineer of Record submitted a construction change removing a portion of Fenton Street east of Harold Place from Phase I and adding it to Phase II. In these "As-Built" records, the Engineer of Record failed to properly label and identify true field conditions on the plans. The District's Plan Checker failed to note the missing information.
- 8/24/04 District Inspector A terminated for accepting bribes related to other projects, but with the same Contractor.
- 9/2/04 Bremco Construction purchases a temporary meter for construction water for the Fenton Business Center. The temporary meter was installed on a fire hydrant at the intersection of Fenton Street and Harold Place.
- 12/30/04 Final walk-thru performed by Contractor. A consultant served as District Inspector because District Inspector A was no longer with the District. He was accompanied by a District Operator. The meter box on Fenton Street was not noted or addressed. In District's records, there are not any notes indicating if the potable

**EXHIBIT 4 OF
ATTACHMENT B**

meter box was installed on Fenton Street east of Harold Place. Original records as prepared by Inspector A were very poor.

- 3/4/05 Final "As-Built" plans submitted by the Engineer of Record. These "As-Built" did not contain two of the laterals installed on Fenton Street. The Engineer of Record in preparing the "As-Built" records did not properly identify any changes related to adding or deleting the service lateral and other appurtenances, i.e., an 8-inch fire service at Station 31 + 00 is shown in the profile of Fenton Street plans, but not in the plan view. The appurtenances were missed also by the District's Plan Checker and Inspection Supervisor. These laterals were shown on grading plans submitted to the City of Chula Vista.
- 3/17/05 Project accepted by the District. District Inspection Supervisor did not ensure that "As-Built" records reflected was actually built.
- 6/23/05 Seymour & Lewis purchases one 2-inch potable meter. Permit issued by Public Services Division is permit: MTR-05-205. The instructions on the permit is that the potable meter box is on Harold Place, as shown on Phase I of the plans.
- 7/6/05 Inspector B inspects the meter box for the potable service on Harold Place. He finds that the box installed was a recycled box over a potable service. He verified it was potable by checking the plans and by testing the chlorine content of the water. He asks District's Operations Department to replace it for a potable water box after verifying that the lateral is for potable water.
- Site superintendent of Bremco Construction, requests that Inspector B install meter at the meter box on Fenton Street, not on Harold Place as shown on the permit. Inspector B okays the request after inspecting the meter box. He failed to follow protocol of verifying if the lateral was potable or recycled and to request updating of the plans via a construction change.
- Inspector B writes a speed memo to Meter Shop authorizing setting the meter on Fenton Place. Fails to report changes to Inspection Supervisor.
- 7/8/05 Meter set by District's Meter Shop.

**EXHIBIT 5 OF
ATTACHMENT B**

**CHRONOLOGY
FENTON BUSINESS CENTER MISCONNECTION
ON-SITE IRRIGATION**

- 11/29/03 Plans received from Royal Oaks Design for Fenton Business Center being developed by Seymour and Lewis Development, Ltd.
- 5/31/06 Plans filed with the District. In these plans the point of connection for the recycled meter is shown on Fenton Street, approximately 150 feet east of the intersection at Harold Place. The point of connection was actually revised in the field and relocated to Harold Place as documented by the approved chart recorder "As-Built" drawing.
- 6/15/06 Pre-construction meeting held with Bremco Construction and Inspector B (District Inspector).
- 6/15/06 – 3/27/07 On-site irrigation system installed. The on-site irrigation system is inspected by Inspector B and County Department of Health.
- 3/27/07 Controller "As-Built" and irrigation system accepted by the District.

2-inch irrigation meter installed on the north-west corner of the project on Harold Place.

**FENTON MISCONNECTION
ACCEPTED PROTOCOL AND WRITTEN GUIDELINES
FOR PLAN CHECKING, INSPECTION AND ACCEPTANCE OF
DEVELOPER PROJECTS**

ISSUE	EXISTING PROTOCOL/ WRITTEN GUIDELINES	ENHANCED PROTOCOL/ WRITTEN GUIDELINES
<p>Proper Plan Check and submittal of "As-Built" Records.</p>	<p>Guidelines I5.00 and I10.03 of the Engineering Quality Control and Survey Guidelines manual specify the protocol for submittal, plan check and submittal by the Record Engineer of "As-Built" records. However, on the records submitted by the Engineer of Records and checked by the District, there were several omissions on the plans, deleted portions were not properly labeled and/or identified. The protocol calls for the Inspector or Inspection Supervisor to evaluate the "As-Built" records before final acceptance of the project.</p>	<p>The guideline is clear. The protocol was not followed in the part of the Inspection Supervisor since the Inspector of Record had been terminated. The "As-Built" records as submitted by the Engineer of Records were also inaccurate, incomplete and confusing. An enhanced approach is to scan all field records after project has been accepted and filed.</p>
<p>Installed 2-inch irrigation lateral on Fenton Street was not shown on the construction plans.</p>	<p>Guideline I6-00-3.6 of the Engineering Department Quality Control specifies that the Inspector does not have the authority to allow appurtenances to be moved from their designated position. The Developer and the Contractor should go through an approved construction change before plan modifications. Also, in the WAS, in Section 01000 Part 1 item 1.29 specifies protocol for changes to the work via a construction change. When the Inspector encounters a discrepancy in the field, he should have reported to the Inspection Supervisor any and all changes in the field.</p>	<p>The guideline is clear. The protocol was not followed. No change can be made in the field without an approved construction change by District representative. Any change shall be duly noted in the plans and be signed by the Engineer of Records. This protocol was missed by the Engineer of Records, Inspector and Inspection Supervisor.</p>
<p>Installed 2-inch irrigation lateral on Fenton Street was missed during the walk-thru and acceptance of the project.</p>	<p>Guideline I10.00, I10.03, and I10.04 of the Engineering Department Quality Control specifies that before acceptance of the project, the Inspector shall compare the approved plans to what has been actually installed (Section 3.6.2). There are three walk-thru's before a project is completed. During the final walk-thru, the Inspector, a representative from the Contractor and a representative from Operations walk the entire job site to verify that the facilities are installed in accordance to the plans. The information is then reported</p>	<p>This protocol is clear and was not followed. Several appurtenances installed on Fenton Street are not included in the "As-Built" records for Phase II. Also, some facilities are shown at different location. There was a failure in the protocol by the Engineer of Record, the Inspector and the Inspection Supervisor.</p>

**EXHIBIT 6 OF
ATTACHMENT B**

ISSUE	EXISTING PROTOCOL/ WRITTEN GUIDELINES	ENHANCED PROTOCOL/ WRITTEN GUIDELINES
<p>Installed potable water meter box on a 2-inch irrigation lateral on Fenton Street.</p>	<p>to the Inspection Supervisor. This step was also missed.</p> <p>If this was on the irrigation lateral, the cover of the box should have been purple in accordance with the WAS – Approved Materials List, page 9 of 16.</p> <p>For irrigation boxes, there should be a clear differential from potable meter boxes as follows:</p> <ol style="list-style-type: none"> 1. The lid of the irrigation meter box should be purple. 2. Prior to authorizing the installation of a recycled water meter, the Inspector shall verify from the “As-Built” plans that the lateral is connected to the proper water main. <p>Any discrepancies between records and what was actually built should be communicated from the Inspector to the Inspection Supervisor and a request for a construction change from the Engineer of Record. The Engineer of Record has the fiduciary duty to accurately reflect what was installed in the field on the “As-Built” records.</p>	<p>The advanced protocol for meter installation may consist of one or more of the following procedures:</p> <ol style="list-style-type: none"> 1. A tracer should be installed for further corroboration that the lateral is connected to the proper main. 2. For recycled water systems, modify WAS Standard WS01 and WS02 to reflect the following: <ul style="list-style-type: none"> A – Curbstop, should be purple epoxy coated. B – The lockwing of the curbstop should be of different design than the ones used for potable services. The lockwing should also be purple coated. C - The locks used to lock the curbstop should be also in purple color. <p>In addition, the person installing the meter shall test the pressure, perform a TDS and a free chlorine samples for both potable and recycled water systems. The results shall be logged on the permit paperwork.</p>
<p>Record keeping in the part of the Inspector.</p>	<p>Guideline I3.00 of the Engineering Department Quality Control specifies that it is the responsibility of the inspector to keep clear, complete and accurate records. They should also document pipe installation and appurtenance installation. The records show these projects were poorly written.</p>	<p>In addition to retraining inspectors to follow the guidelines, before the end of the year 2007, the Construction Division will implement the use of laptops tablets in the field. The tablets will have a software template in which the inspector will be able to enter any pertinent information about the project.</p>
<p>Installed potable water meter on a 2-inch irrigation lateral.</p>	<p>Guideline I17.00 of the Engineering Quality Control Guidelines, specifies the protocol for meter set. Some of the purple paint was visible when the curbstop was removed.</p>	<p>The guideline is clear. The protocol was not followed.</p>

	The meter installer probably should have been able to see the paint.	
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EXHIBIT 7 OF ATTACHMENT B

Fenton Business Center Incident Report (Revised 08/30/07)

Friday, August 17, 2007:

At approximately 1100 hours, Gary Stalker was informed by Doug Marple (after he informed Jake Vaclavek) that Doug received a call from the owner of the Fenton Business Center (Center) at 871 Harold Place in Eastlake, Mr. Dennis Lewis. Mr. Lewis told Doug that an occupant of the Center had the water tested from the backflow device and a hose bib on-site. The lab, Trident Tech, said the water had a high TDS (later I was told 980 ppm by Mr. Lewis) like recycled water, a Heterotrophic Plate Count (HPC) of 740 at the hose bib and 950 at the backflow. HPC is an indicator of general bacteria growth, not pathogenic bacteria growth. For potable water, an HPC > 500 indicates the water is not properly disinfected. You would expect high HPC levels in recycled water without a residual. Gary told Doug and Jake that he would have a Recycled Water Operator check it out immediately. Gary called Gerard Chavarela and he said Luis Escarcega was close by, so Gerard called Luis to check it out.

At about 1250 hours Gary received a call from Luis saying the potable meter and backflow for the Center was being fed by recycled water and must be connected to the recycled main. He had tested the backflow and the water had a TDS of 754 ppm and no detectable chlorine residual. This compared to the potable fire service line on the street that had a TDS of 459 ppm and 1.9 ppm residual. Doug Marple was there and they had also shut down the recycle water line and confirmed the Center was being fed by it. Luis then isolated the service to the Center.

Gary notified Jake and asked him to contact Rick Acuna and figure out how we could begin flushing the Center's pipes with potable water. Gary also notified Pedro. Jake and Rick immediately went down to the Center, with a construction crew. Gary filled Pedro in more thoroughly and asked Tim Keeran to pull up meter and backflow records (they were installed in July, 2005). Pedro went to talk to Engineering and Development Services, and Gary went to the Center.

When Gary got to the Center, Jake, Rick, and the crew were getting the adaptors and setting up to run a highline from a hydrant to the Center's backflow device. The meter had been removed, so there was a sufficient air gap to the recycled line so a cross connection would not be present. Gerard contacted Glenn Leeks from the County Department of Environmental Health (DEH) at 1347 hours to report the incident. Glenn said we need to have an RPP device at the hydrant, with a certification test done on it prior to starting water. Pedro instructed Gary to notify Sean Sterchi, the Regional Engineer for the California Department of Public Health (formerly CDHS). Gary contacted Mr. Sterchi at 1350 hours. He stated all pipelines in the Center would need to be disinfected per AWWA Standards for a new main. Also per the Standards, we would need to take two sets of bacteriological samples, 24 hours apart, and he required each suite in the Center to be sampled. He also required each door to have a "Do Not Drink The Water" notice on it. Once Otay has two consecutive sets of clean samples, DHS will

EXHIBIT 7 OF ATTACHMENT B

meet with us to determine if the Do Not Use notice can be lifted. He also said he would have questions regarding how it happened, the color of the meter box and pipe, etc. A meeting was scheduled for 1300 hours on Monday August 20 at the CDPH office to further discuss events, test results, and additional steps taken. Mr. Sterchi then asked if there were any food services and Gary replied that there was a caterer and a packaged candy store. He said that could complicate things and asked if DEH was notified. Gary told him Glenn Leeks was being notified simultaneously and Mr. Sterchi said he would confer with DEH.

Larry Olds arrived and he began working with the Property Manager, John Merz, to get a list of all the businesses in the Center and their contact information. There were 16 occupied units and seven unoccupied ones in three buildings. There were four water lines feeding the three buildings. Once we had a disinfection plan in place, Larry and John Mertz tried to get the business owners to give John alarm codes or keys (if locks were changed from the Center's standard) so that we had access to every unit for the flushing, disinfection, and subsequent sampling. Some occupants decided to be available whenever needed instead of giving the Manger alarm codes. Although most were cooperative, a couple of owners were initially resistant. When informed that there would be no water available until all owners cooperated, they were more tolerant.

Gerard was asked by two occupants to take samples of the recycled water prior to flushing. Pedro told Gerard to take the samples for the occupants and to collect one from each location for Otay.

Pedro brought a copy of the "AWWA Standard for Disinfecting Water Mains" (ANSI/AWWA C651) to the site. While Pedro was updating Mark and Manny, Jake and Gary looked at the disinfection alternatives. We decided to use the Slug Method in Section 4.4.4 of the Standard that required a 100 ppm dose of free chlorine to be held in the piping for a minimum of three hours. Jake and Gary came up with the following disinfection plan:

Friday Night

1. Flush potable water from the highline out of all the hose bibs and interior sinks (hot and cold) until they had a total chlorine residual similar to the potable water source. Most units just had one sink and toilet.
2. Use the District's disinfection trailer to inject a sodium hypochlorite solution (>100 ppm free chlorine) into the piping. Flush one building at a time until each faucet (hot and cold) contained the hypochlorite solution and shut off the faucet. Toilets were also flushed. If suites had more than one sink, all were flushed.
3. Let the solution stay in the piping overnight.

Saturday Morning

4. Take a chlorine sample from one sink that is fed from each of the four water lines to determine if the residual was still high enough.
5. Remove sink aerator screens and flush all sinks with potable water (hot and cold) until a total chlorine residual similar to the water source is obtained. Then switch faucet to cold water only, let flush for a minute or more, and take a total and free

EXHIBIT 7 OF ATTACHMENT B

chlorine residual measurement. Write the residuals on a bacteriological sample bottle, along with the suite number, time, and sampler radio number. Collect the sample and put the sample in a cooler with an ice pack. To be consistent, the sample would be taken from the bathroom sink in each suite, since they all had one.

6. When completed, transport samples to lab and leave the highline in service for toilet flushing only.

Sunday Morning

7. Flush each bathroom sink with cold water until a total chlorine residual similar to the potable water source is obtained.
8. Remove the sink strainer, flush another minute or more, and collect the sample as indicated in step 5, above.

At 1745 hours Armando Buelna arrived on site with Dan Cruz. They proceeded to post the signs, on Otay letter head, that stated "Do not drink the water until further notice. Flushing toilets ok after 10:00 am Saturday," on each door. They then assisted Larry and the Property Manager in getting the occupant's cooperation and to answer questions.

On Friday night the Disinfection Plan operations went smoothly. The RPP device was installed on the hydrant and certified by David Martinez. We were let in each suite by the Property Manager's employee (unless the occupant decided to stay) and he locked up each suite afterwards. The suites were flushed until 1830 hours with potable water. The disinfection solution (over 176 ppm free chlorine, mixed, tested and monitored by Gilbert Rubalcava) was flushed through all plumbing by 2000 hours. The water services to each building were isolated and the highline was removed overnight.

Saturday, August 18, 2007:

We met onsite at 0700 hours. Jake, Gilbert, Gerard, Luis, Gary, and Jeremy (property attendant). Jake and Gilbert took the free chlorine residual from a bathroom sink representative of each of the four water services using a high-range test kit that measures to the nearest 10 ppm. The results were:

Suite 103 – 120 ppm free chlorine
Suite 108 – 100 ppm free chlorine
Suite 203 – 100 ppm free chlorine
Suite 303 – 110 ppm free chlorine

At 0800 we began flushing all the highly chlorinated water down every sink (hot and cold taps), using the potable water highline. Once the free chlorinated water was flushed out, we opened the hose bibs. We flushed until the water from a hose bib had a consistent total chlorine residual. At 0930, two hose bibs had a consistent total chlorine residual of 3.3 to 3.4 ppm. The TDS reading on the field unit was 452 ppm and the turbidity was 0.21 NTU. We began sampling, as outlined in the disinfection plan, above, at 0945 hours. Sampling was completed at 1100 hours. The chlorine residuals in the samples ranged from 3.0 to 3.7 total chlorine with no free chlorine.

EXHIBIT 7 OF ATTACHMENT B

Gary transported the samples to the lab, filled out the Chain of Custody forms, and analyzed the samples for total coliforms and E. Coli, using the Colilert Method. Method blanks and bacteriological quality control samples were also performed. Turbidity was also analyzed on each sample. The turbidity ranged from 0.06 to 0.26 NTU. Normally, potable distribution samples range from 0.02 to 0.12, but the higher numbers are consistent with lines that have been flushed recently. The bacteriological samples were set up by 1400 hours and take 24 hours to final results.

Sunday, August 19, 2007:

At 0830 hours, Larry Olds took a preliminary reading of the bacteriological samples from Friday afternoon (two recycled samples) and Saturday afternoon (23 potable samples, plus controls). All potable and recycled samples were negative for total coliforms and E Coli. The control samples were in line with expected results. Gary notified Pedro of the preliminary results.

Jake, Larry, Gerard, and Gary met at the Center at 0930 hours, since the samples needed to be taken 24 hours from when Saturday's samples were taken. The hose bibs were flushed until consistent chlorine residual was reached, which only took 10 minutes. A consistent 3.3 mg/L residual was obtained at 0940 hours. Sampling per the disinfection Plan was performed from 0940 to 1100 hours. The total chlorine residuals in the samples ranged from 3.0 to 3.7 ppm with no free chlorine.

Gary and Larry transported the samples to the lab. Julie Swiggers did the turbidity, total coliform, and E. coli analyses, including the controls. The bacteriological samples were set up by 12:20.

At 1400 hours, Julie notified Gary that Friday's and Saturday's samples were all negative for total coliforms and E. coli.

Monday, August 20, 2007:

The preliminary readings of the bacteriological samples from Sunday were all negative at 0630 hours (18 hours after set-up).

At 1220 hours, the bacteriological samples taken on Sunday, August 19, are officially negative for total coliforms and E. coli bacteria.

Otay staff met with Sean Sterchi, Regional Engineer for the California Department of Public Health at 1300 hours. Mr. Sterchi is requiring another set of bacteriological samples, including Heterotrophic Plate Count (HPC) analysis, prior to lifting the "Do Not Drink The Water" notice. He is also requiring a second set of samples one to two weeks later. The first set of samples will be collected by Otay staff on Tuesday morning, August 21. They will be sent to a contract laboratory for analysis and results should be final around noon on Thursday, August 23. As long as the coliform and E. coli results

EXHIBIT 7 OF ATTACHMENT B

are negative, and the HPC is less than 100 colony forming units, Mr. Sterchi said he will release the water notice.

Operations compiled information on previous water quality calls from the Fenton Business Center. They were:

On 7-27-07 at approximately 10:45 AM Susan Cuevas called the District and reported green water coming out of Suite 301 at 871 Harold Place. The complaint was located only in Suite 301. Greg Coss responded to the call on the same day. He stated that the potable water on the District's side was flushed clear and he asked the customer to flush their side.

On 8-8-07 at approximately 2:15 PM Amy Wise from the Candy Bouquet called with a concern of discolored toilet water. Tina Pittman responded to the call on the same day. She stated that she checked the District's potable water and verified its clarity. She advised the customer that the property owner should flush their private system and that the water could be discolored due to low usage in the business park.

On 8-13-07 at approximately 1:15 PM Dennis Lewis called the District and reported yellow and green water. He stated that a woman from the District came out previously. Terry Frome responded to the call on the same day. Terry checked the water and noted it was a little discolored. Terry flushed the potable main to clear it and advised the customer to flush out their lines.

Tuesday, August 21, 2007:

Operations instituted a new policy that operators will test chlorine and TDS when responding to water quality calls in areas that have both potable and recycled pipelines.

A third set of bacteriological samples were taken from all suites in the Fenton Business Center.

The meter shop tested the existing 2" backflow serving the Center and it was within specifications.

Wednesday, August 22, 2007:

Staff continued checking hospitals, schools, and parks for other possible misconnections.

The contract lab reported that all samples taken from the Center on August 21 were negative for total coliforms and E. coli.

EXHIBIT 7 OF ATTACHMENT B

Thursday August 23, 2007:

Staff completed checking all hospitals, schools and parks. No misconnections were found. Staff began preparing for checking services in projects that had the same inspector and contractor as the Center.

The HPC results were received and all suites, except Suite 204, were within acceptable levels. CDPH allowed the Do Not Drink order to be rescinded, except for Suite 204. The sink in Suite 204 was flushed, disinfected, and resampled.

Monday, August 27, 2007:

CDPH rescinded the Do Not Drink order for Suite 204, since the sample collected on August 23 passed bacteriological testing. CDPH also required additional sampling once a week for all suites for at least four weeks.

Staff began checking the potable water services in projects performed by the same inspector and contractor as Fenton Business Center, that have both potable and recycled pipelines.

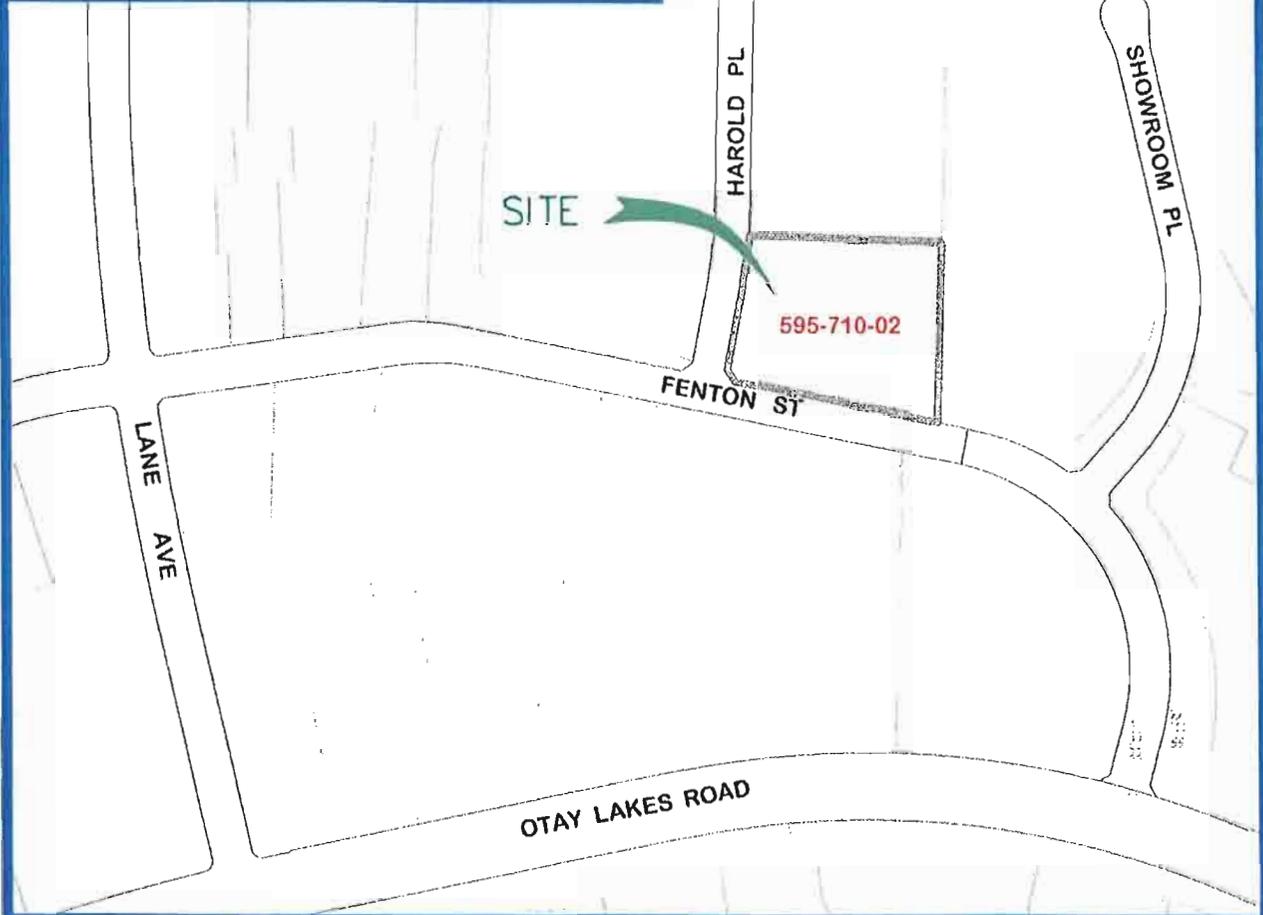
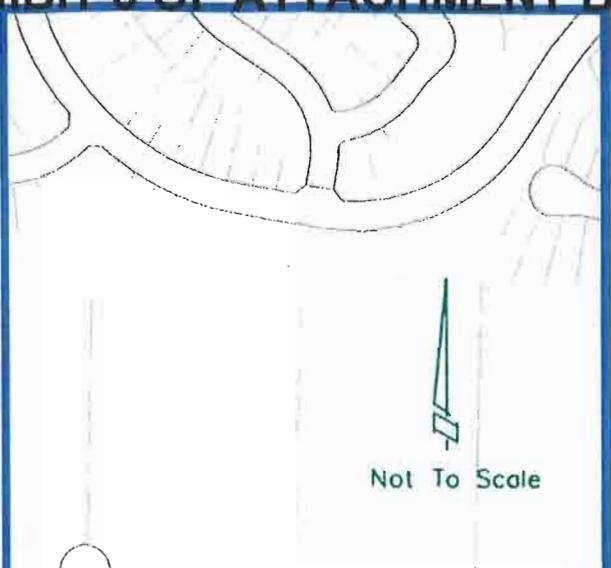
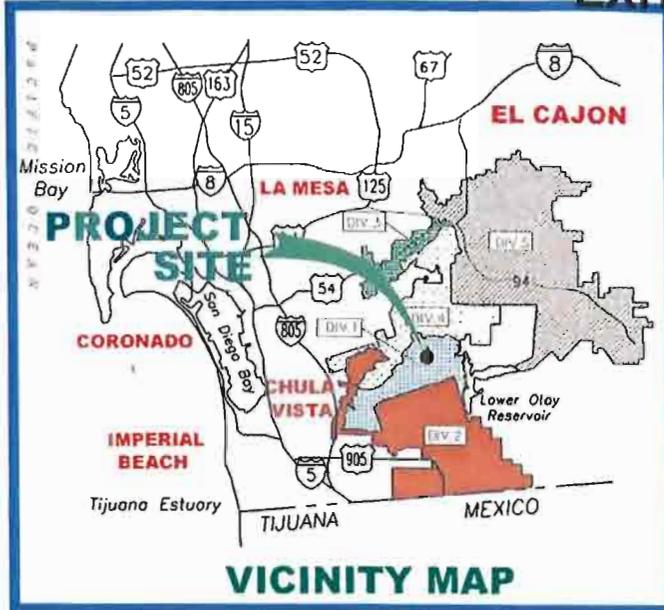
Wednesday, August 29, 2007:

Staff completed checking the services in the projects with the same inspector and contractor. A total of 111 meters were checked and no misconnections were found. Staff began preparing for checking homes and businesses that have both potable and recycled pipelines in the street.

Staff collected the first set of weekly samples from all suites at the center. The samples will be analyzed for free and total chlorine, total coliforms, E. coli, and HPC.

Gary Stalker
System Operations Manager

EXHIBIT 8 OF ATTACHMENT B



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OTAY WATER DISTRICT
MISSCONNECTION AT FENTON STREET

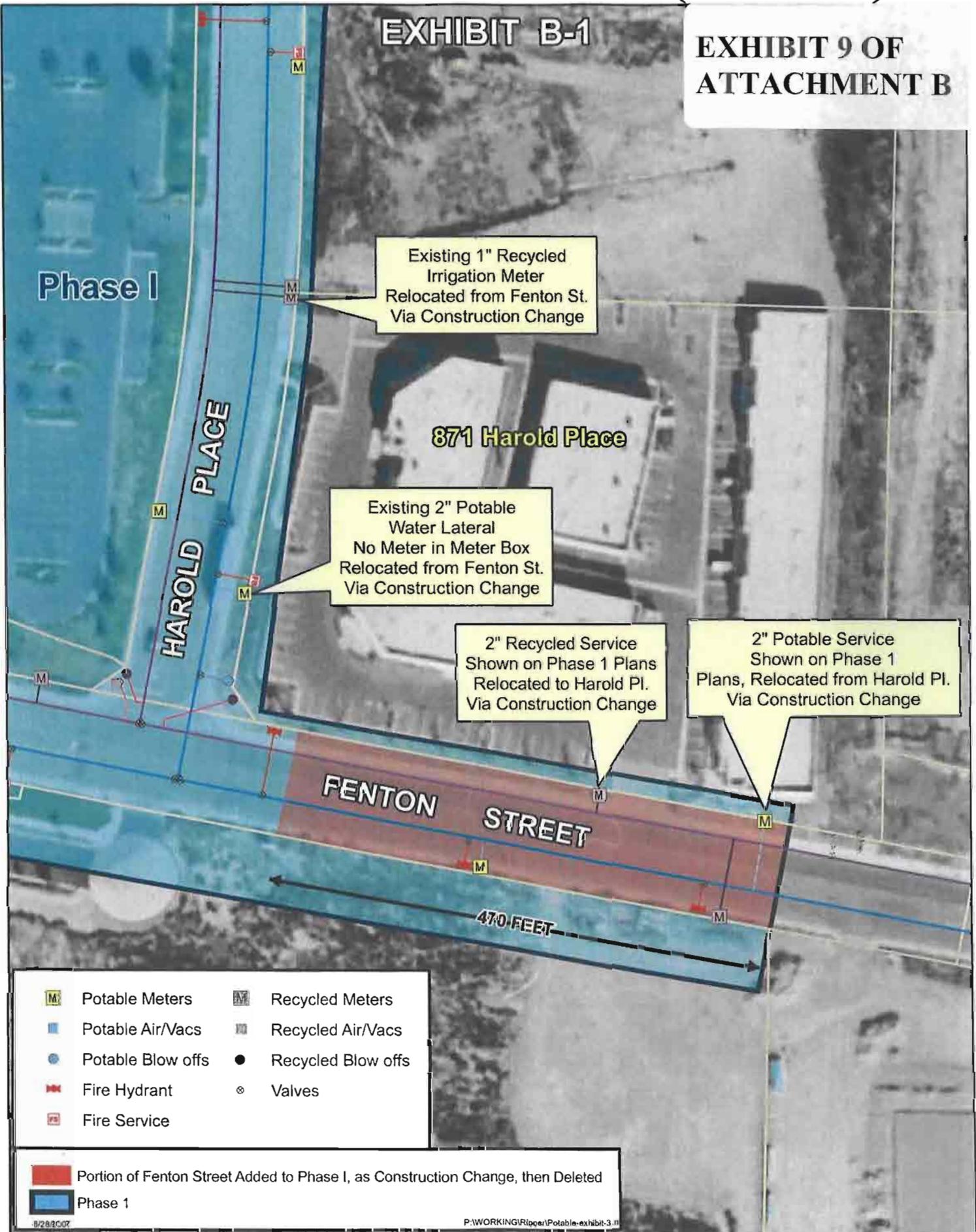
LOCATION MAP

EXHIBIT A

Fenton Business Center (Phase I) N ↑

EXHIBIT B-1

EXHIBIT 9 OF
ATTACHMENT B



Phase I

HAROLD PLACE

871 Harold Place

FENTON STREET

470 FEET

Existing 1" Recycled Irrigation Meter Relocated from Fenton St. Via Construction Change

Existing 2" Potable Water Lateral No Meter in Meter Box Relocated from Fenton St. Via Construction Change

2" Recycled Service Shown on Phase 1 Plans Relocated to Harold Pl. Via Construction Change

2" Potable Service Shown on Phase 1 Plans, Relocated from Harold Pl. Via Construction Change

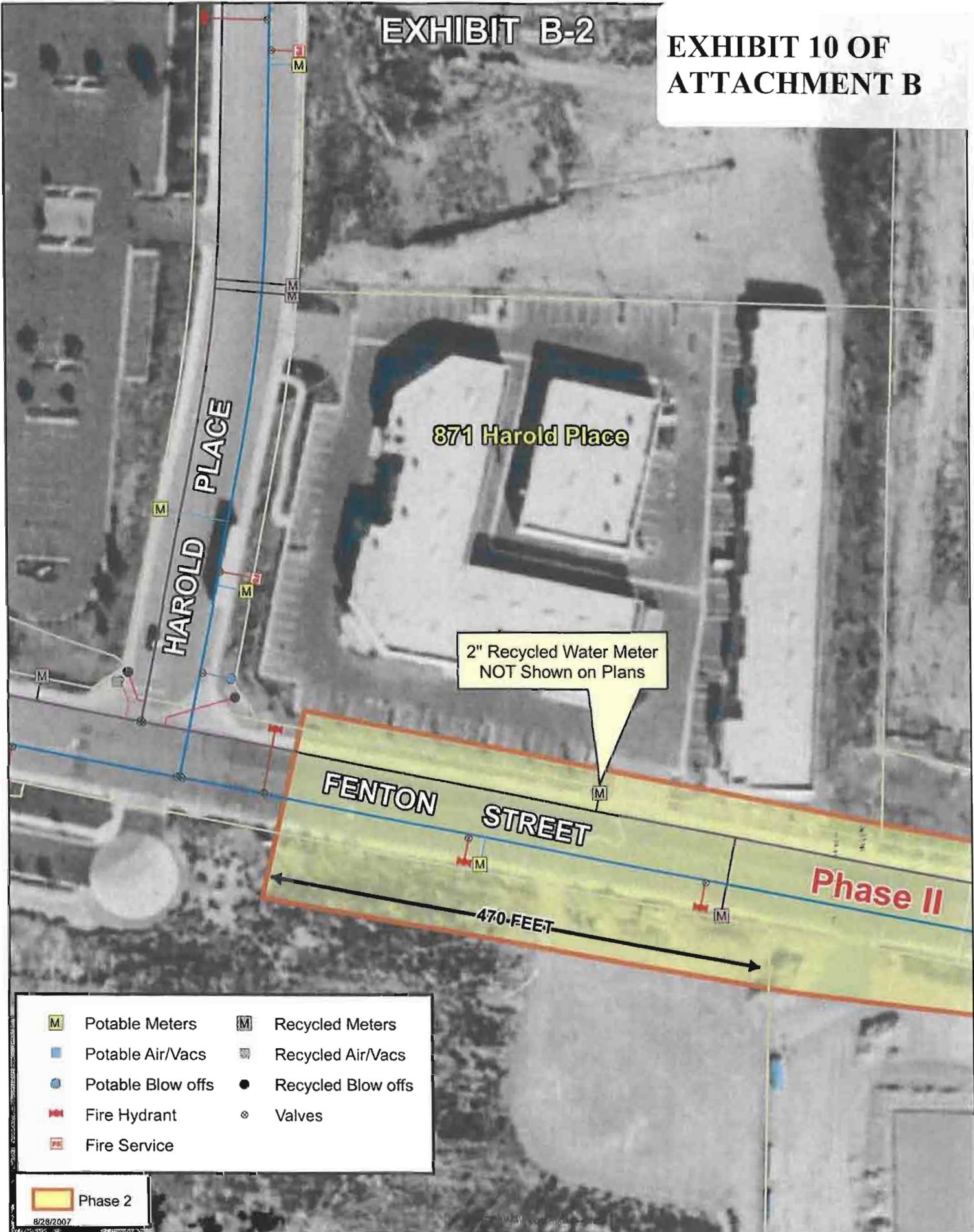
- | | | | |
|--|-------------------|--|--------------------|
| | Potable Meters | | Recycled Meters |
| | Potable Air/Vacs | | Recycled Air/Vacs |
| | Potable Blow offs | | Recycled Blow offs |
| | Fire Hydrant | | Valves |
| | Fire Service | | |

Portion of Fenton Street Added to Phase I, as Construction Change, then Deleted
 Phase 1

Fenton Business Center (Phase II) ^N

EXHIBIT B-2

EXHIBIT 10 OF
ATTACHMENT B



871 Harold Place

HAROLD PLACE

FENTON STREET

Phase II

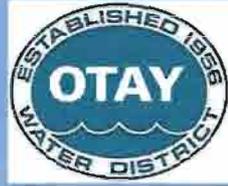
2" Recycled Water Meter
NOT Shown on Plans

470-FEET

- | | |
|-------------------|--------------------|
| Potable Meters | Recycled Meters |
| Potable Air/Vacs | Recycled Air/Vacs |
| Potable Blow offs | Recycled Blow offs |
| Fire Hydrant | Valves |
| Fire Service | |

Phase 2

8/28/2007



ATTACHMENT C

OTAY WATER DISTRICT

**VERIFYING SYSTEM SAFETY AND IMPROVING
INTERNAL PROCEDURES TO PREVENT FUTURE
MISCONNECTIONS AND CROSS-CONNECTIONS**

September 5, 2007

ISSUE

- AS PRESENTED IN STAFF REPORT IT'S APPARENT THAT INSPECTION STAFF DID NOT FOLLOW WRITTEN GUIDELINES CAUSING THE MISCONNECTION
- A VARIETY OF TASKS PERFORMED BY OUTSIDE STAKEHOLDERS ALSO CONTRIBUTED TO THIS MISCONNECTION

CONTRIBUTING FACTORS

- DEVELOPER'S DECISION TO CHANGE SEVERAL ASPECTS OF THE PROJECT DURING CONSTRUCTION
- DEVELOPER'S CONTRACTOR INSTALLED A 2-INCH IRRIGATION LATERAL NOT SHOWN ON APPROVED PLANS
- ENGINEER OF RECORD DID NOT SHOW INSTALLED 2-INCH IRRIGATION LATERAL ON FENTON STREET ON AS-BUILT DRAWINGS
- CONFUSION AND POTENTIAL MIS-DOCUMENTATION BETWEEN CONTRACTOR REDLINES AND "AS BUILT" RECORDS
- CONTRACTOR FOR DEVELOPER INSTALLED ON-SITE PLUMBING TO A POINT OF CONNECTION FOR POTABLE SERVICE TO THE 2-INCH IRRIGATION LATERAL AS SHOWN ON PLANS APPROVED BY CITY OF CHULA VISTA
- ON-SITE CONTRACTOR REQUESTED INSPECTOR TO INSTALL POTABLE WATER METER ON FENTON STREET; INSPECTOR COMPLIED BUT FAILED TO PROPERLY FOLLOW EXISTING WRITTEN GUIDELINES, CAUSING A POTABLE SERVICE TO BE CONNECTED TO AN IRRIGATION LATERAL NOT SHOWN ON DISTRICT RECORDS

TESTING OF THE POTABLE WATER SYSTEM

- OPERATIONS:
 - AS A PRECAUTION CURRENTLY STAFF HAS COMPLETED TESTING OF THE POTABLE WATER METERS SERVING CRITICAL FACILITIES SUCH AS HOSPITALS, SCHOOLS, AND PARKS
 - TESTING INCLUDED VISUAL VERIFICATION OF FACILITIES
 - CHLORINE RESIDUAL AND TDS TESTS
 - TESTING COMPLETED ON 111 POTABLE WATER METERS – NO ISSUES IDENTIFIED
 - TESTING WILL CONTINUE OVER THE NEXT 30 DAYS. THAT WILL INCLUDE ALL RESIDENTIAL THAT IS ADJACENT TO RECYCLED WATER SYSTEMS

ADHOC COMMITTEE RECOMMENDATIONS

- STAFF TO ENHANCE EXISTING PROCEDURES TO PREVENT MISCONNECT IN THE FUTURE. THE EMPHASIS WILL BE ON A FAILSAFE METHODOLOGY.
- EVALUATE PURPLE COATING, TAGGING AND STAMPING ON EXISTING AND FUTURE CURB STOPS ON RECYCLED METER BOXES
- EVALUATE PROGRAM FOR INCREASING CROSS-CONNECTION INSPECTIONS OF RECYCLED SERVICE CONNECTIONS IN HIGH EXPOSURE AREAS (SUCH AS PARKS, PUBLIC AREAS) FROM YEARLY TO QUARTERLY
- FINAL POTABLE WATER VERIFICATION TESTING UPON METER INSTALLATION
- COORDINATION WITH CITY OF CHULA VISTA FOR POTABLE WATER VERIFICATION UPON ISSUANCE OF CERTIFICATE OF OCCUPANCY

PROGRAM OVERVIEW

- ENHANCE INSPECTION REVIEW, DOCUMENTATION CONTROL, AND WATER QUALITY SAMPLING PRIOR TO INSTALLING A POTABLE OR RECYCLED WATER METER
- CURRENTLY STAFF IS TESTING AND VERIFYING EXISTING POTABLE WATER SERVICES WHERE DUAL MAINS ARE LOCATED
- IN ACCORDANCE WITH CALIFORNIA CODE OF REGULATIONS, ON-SITE RECYCLED WATER USES REQUIRE A RESPONSIBLE ON-SITE SUPERVISOR
- THROUGH THE RECENTLY APPROVED DISTRICT ORDINANCE No. 511, STAFF WILL EMPHASIZE THE RESPONSIBILITY OF THE “ON-SITE SUPERVISOR” TO ASSURE PROPER USE OF THE FACILITIES

ENHANCED PROGRAM

- INSPECTION SUPERVISOR:
 - ENSURES EXISTING WRITTEN GUIDELINES ARE PROPERLY FOLLOWED
 - ALL CONSTRUCTION CHANGES ARE PROPERLY DOCUMENTED AND VERIFIED.
- PUBLIC SERVICES:
 - STAFF WILL ENSURE THAT EVERY PROJECT DOCUMENT IS SCANNED AND ELECTRONICALLY ARCHIVED INCLUDING ORIGINAL IMPROVEMENT PLANS, RED-LINES, AND CONSTRUCTION CHANGES
- INSPECTION:
 - WILL USE THE INTEGRATED MANAGEMENT SYSTEM (IMS) TO DOCUMENT ALL DAILY INSPECTION REPORTS, PHOTOGRAPHS, AND OTHER MISCELLANEOUS CONSTRUCTION DOCUMENTS (DECEMBER 2007)

IMPROVEMENTS TO IDENTIFY RECYCLED WATER APPURTENANCES

- CONTRACTORS:
 - USE PIPE AND CABLE LOCATOR TO VERIFY LATERAL CONNECTIONS
 - CURB STOPS SHALL BE PURPLE COATED, TAGGED AND STAMPED TO REFLECT THAT THEY ARE FOR RECYCLED WATER
 - THE LOCKING TABS ON RECYCLED CURB STOPS SHALL BE IDENTIFIED AS RECYCLED WATER BY A METAL TAG
 - THE PADLOCK ON THE CURB STOP SHALL BE PAINTED PURPLE

IMPROVEMENTS TO IDENTIFY RECYCLED WATER APPURTENANCES - CONTINUED

- INSPECTION

- VERIFY ALL LATERAL CONNECTIONS BOTH POTABLE AND RECYCLED ARE PROPERLY CONNECTED
- VERIFY IF THE CURB STOPS ARE COATED, TAGGED AND STAMPED TO REFLECT THAT THEY ARE FOR RECYCLED WATER
- VERIFY THAT THE LOCKING TABS ON RECYCLED CURB STOPS ARE IDENTIFIED AS RECYCLED WATER BY A METAL TAG
- VERIFY THAT THE PADLOCK ON THE CURB STOP IS PAINTED PURPLE

METER INSTALLATION

- METER SHOP:
 - PERFORM A TDS AND CHLORINE RESIDUAL TEST ON ALL SERVICES AND DOCUMENT RESULTS ON THE PERMIT PAPERWORK
 - METER INSTALLER AND BACKFLOW TESTER SHALL VERIFY SERVICES PRIOR TO UNLOCKING METER PADLOCK BEFORE STARTING SERVICE

IMPROVEMENTS TO THE EXISTING RECYCLED WATER SYSTEM

- OPERATIONS:

- VERIFY THAT ALL RECYCLED WATER METERS ARE PURPLE
- PURPLE COAT THE EXISTING CURB STOPS
- EVALUATING QUARTERLY INSPECTION OF HIGH EXPOSURE ON-SITE RECYCLED WATER SYSTEMS
- CONTINUE TO PERFORM CROSS CONNECTION TESTS ON AN ANNUAL BASIS

CONCLUSIONS

- IMPROVE A FAILSAFE METER INSTALLATION METHODOLOGY
- ENHANCE EXISTING PROCESSES AND PROCEDURES TO ENSURE COMPLIANCE AND PROPER SUPERVISION



AGENDA ITEM 9b

STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
SUBJECT:	Board of Directors 2007 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2007 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2007 Board of Director's meeting calendars and amend the schedules 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:

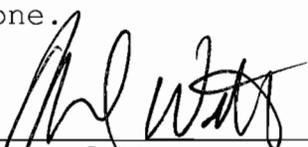
N/A

FISCAL IMPACT:

None.

LEGAL IMPACT:

None.



General Manager

Attachments: Calendar of Meetings for 2007

**Board of Directors, Workshops
and Committee Meetings
2007**

Regular Board Meetings:

January 3, 2007
February 7, 2007
March 7, 2007
April 4, 2007
May 2, 2007
June 6, 2007
July 10, 2007
August 1, 2007
September 5, 2007
October 3, 2007
November 7, 2007
December 5, 2007

**Special Board or Committee Meetings (3rd
Wednesday of Each Month or as Noted)**

January 17, 2007
February 21, 2007
March 21, 2007
April 18, 2007
May 16, 2007
June 20, 2007
July 18, 2007
August 15, 2007
September 19, 2007
October 17, 2007
November 21, 2007
December 19, 2007

Board Workshops:

Budget Workshop, Tuesday, May 29, 2007

Board Retreat Workshop, Tuesday, October 9, 2007

AGENDA ITEM 10



STAFF REPORT

TYPE	Regular Board Meeting	MEETING	October 3, 2007		
MEETING:		DATE:			
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F.	N/A	DIV.	N/A
		NO:		NO.	
SUBJECT:	General Manager's Report				

GENERAL MANAGER:

The Board Workshop has been scheduled on Tuesday, October 9, 2007 at 9:00 a.m. at the Sycuan Resort. The tentative agenda for report and discussion is as follows:

- Update on Sacramento and Metropolitan Water District Matters
- Discussion of District Penalty Fees
- Review of Current Board Policy on Contingency Planning for Drought Management and Direction for Future
- Water Solutions and Bay Delta Update
- Financial Impact of Water Cut-Backs

On January 16, 2003, Southwest Engineering Inc. and Otay Water District executed an agreement for the construction of the Patzig Reservoir Pipeline Modification, the Recirculation Pump System and Chloramination Facility in the amount of \$2,678,760.00. The contract was substantially completed on September 30, 2004, and accepted on May 23, 2005. SEI submitted additional claims for change orders totaling \$610,685.00 which OWD denied. On May 16, 2006, SEI and OWD filed a Submission to Dispute Resolution with the American Arbitration Association. During the hearing, OWD acknowledged that one claim for \$1,201.75 had merit which was for additional wiring to equipment in the chloramination building. On September 25, 2007, the American Arbitration Association awarded \$1,201.75 to SEI. The administrative fees and expenses for arbitration of \$44,470 shall be shared equally between SEI and OWD.

Update on the design of the 36-Inch Potable Water Pipeline from FCF #14 to the Regulatory Site:

- District Staff is currently reviewing the 30% design plans from IEC and will return comments to IEC on September 11, 2007.
- The Value Engineering workshop is scheduled for September 19, 20, and 21, 2007.

Update on the 640-1 and 640-2 Reservoirs Project:

- Completed the walls and columns construction on 640-1 Reservoir.
- Constructed 1/3 of the walls and columns on the 640-2 Reservoir.
- Construction of the roof started on the 640-1 Reservoir.
- Continued installation of the 42" CMLC pipeline.

ADMINISTRATIVE SERVICES AND FINANCE:

Administrative Services:

- One new hire started employment in the month of September; a GIS Technician.
- Human Resources staff implemented the results of the compensation study, September In-Range salary adjustments, and pay for performance salary increases this month. Each employee received a customized letter, personally signed by the General Manager thanking them for the work they completed this year and outlining all of the compensation adjustments.
- Human Resources staff is preparing for the health care changes that will be effective January 1, 2008. Open Enrollment will be from October 29 through November 16. The Annual Health and Wellness Fair will be held on November 8, 2007 from 2 - 4 pm.
- RFID Small Asset Tracking - An RFID (Radio Frequency Identification) tracking system has been put into place. The system uses a hand-held reader to receive a signal from a radio frequency identification chip tag that is

affixed to the asset being tracked. This information is then used to access a minor asset inventory data base to create reports and reconcile inventory. The system also has bar-coded capabilities to read tags that, because of interference or other reasons can not be read using RFID. Currently, the data base is being constructed for approximately 2,400 items that have been tagged.

- Paths to Partnership Outreach Forum - Purchasing and Engineering staff attended the 9th annual CWA Paths to Partnership Networking Forum held at the Sheraton San Diego Hotel and Marina on September 20, 2007. This annual event is an opportunity for small and large businesses to network with representatives from a variety of public agencies including the CWA and its member agencies, the County, various cities, school districts, and other agencies. This is a regularly attended event that supports the District's small and emerging business outreach efforts.
- Outreach Events: The District staffed two outreach events this month in Chula Vista and Bonita. The District was invited to staff a booth at the Eastlake II annual Homeowner Expo held at Dolphin Beach on September 16th. Approximately 200 people attended this event. The District also staffed a booth at the 35th Annual Bonita Festival on September 29th.
- Upcoming Outreach events: The District will staff a booth at Chula Vista's "Go Green and Go Clean" event on October 6th at the Otay Ranch Town Center and at the Garden's Fall Garden Festival on October 27th.
- Water Conservation Intern: The District interviewed six candidates for a water conservation intern position this month. The intern is expected to start just before Bonita Fest. The intern will be trained to measure large landscape areas as part of the water budget program, conduct residential surveys, and work outreach events.
- Staff gave a presentation at the California Urban Water Conservation Council's Plenary meeting in San Diego on September 12th regarding the dramatic expansion of the California Friendly Landscape Contest. The landscape contest started in Otay in 2003 and has now grown to include 19 of the 24 member agencies of the San Diego County Water Authority. Approximately 100 water

conservation coordinators and staff attended from throughout the state.

- Staff is currently reviewing the District's water conservation policy and will make a presentation at the upcoming Board workshop scheduled to be held on October 9, 2007.
- In the month of September there were 91 purchase orders issued for a total of \$684,875.77.

Information Technology and Strategic Planning:

- The FY09 - FY11 Strategic Plan will be developed in a series of interactive workshops over the next several months. The process will begin in October and conclude in March 2008 in time to initiate the FY09 Budget review process with the Board. A major theme in this new plan will be the improvement of business practices and the utilization of the investments we have made in technology to improve efficiency and customer service.
- Staff continues to add additional detailed reporting from our information systems. This month we finalized new reports that detail all customer charges and payments for developer projects as well as a report that details the costs for all types of work orders. We are also improving IT performance by streamlining several large programs that cut the time for running certain processes from several hours to several minutes.
- We are initiating a new program to improve the storage of our records. We will be converting many paper documents to an electronic format and simplifying the method for adding new records to our electronic systems.
- We hosted a site visit with our peers from the Rainbow Water District. They asked for guidance in how to plan to improve their GIS systems. The discussion was very useful and highlighted that Otay is very well positioned in the GIS area.
- IT finalized its submittal for a Prop 50 Grant for advanced telecommunications equipment. The grant proposal could bring as much as \$1.25 million. We expect preliminary notification before the end of the year but final determination will not be made until early in 2008.

Finance:

- Staff has completed the 2008 budget books which will be presented to the Board on October 3, 2007. These books will also be sent to other interested parties such as: Rating Agencies, CSMFO, GFOA, City and County of San Diego, Taxpayer Association, District's Auditor, Bond Counsel, Bond Trustees, Letter of Credit Bank, Bond Insurers, etc. The Board will receive both the Operating and CIP Budget books. These are excellent communication tools from which the reader can obtain a clear understanding of the District's financial direction. Staff expects to receive multiple awards reflecting the quality with which these documents have been prepared.
- Staff has prepared a new "Budget-At-A-Glance" booklet. This compact document shows not only the highlights of the District's budget, but also describes District facilities, water sources, District organization, strategic planning, debt management, CIP highlights, etc, all in summary form. Staff expects that the Board and staff will be able to use this innovative tool to communicate the District's financial direction to our many constituents and other interested parties.
- Prop. 218 notices were mailed to customers by August 15, 2007. The following list shows the number of letters sent, organized by customer type:

Residential Water	- 43,847
Commercial Water	- 1,593
Residential Water/Sewer	- 3,576
Residential Sewer	- 1,156
Commercial Sewer	- 78
Property Owners	- <u>11,111</u>
Total Number of Notices	- 61,361

Four weeks after the mailing, 12 calls were received along with 18 letters of protest. All the protest letters will be presented to the Board for consideration. The hearing is scheduled on October 3, 2007. Following the hearing, the Board will be presented with a staff report requesting the approval of the proposed rates.

The financial reporting for August 2007 is as follows:

- For the two months ended August 31, 2007, there are total revenues of \$ 12,316,694 and total expenses of

\$ 11,725,547. The revenues exceeded expenses by \$591,147.

The financial reporting for investments for August 31, 2007 is as follows:

- The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of August 31, 2007 total \$103,525,817.86 with an average yield to maturity of 5.254%. The total earnings year to date are \$921,054.33.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- Engineering Staff reported to the Board during a Special Meeting on August 20, 2007 and the regular Board Meeting on September 5, 2007 regarding the misconnection that occurred at the Fenton Business Center located at 871 Harold Place, Chula Vista. Engineering Staff has been reviewing all the available records and documentation, as well as researching the records from the City of Chula Vista. The Ad Hoc Fenton Business Center Committee met on August 27, 2007 and provided the following recommendations:
 - Enhance existing procedures to prevent misconnects in the future.
 - Evaluate purple coating, tagging, and stamping on existing and future curb stops on recycled meter boxes.
 - Evaluate a program for increasing cross-connection inspections of recycled service connections in high exposure areas (such as parks and public areas) from yearly to quarterly.
 - Perform potable water verification testing after meter installation.
 - Coordination with the City of Chula Vista for potable water verification upon issuance of certificate of occupancy.
- For the month of August 2007, Staff received twelve improvement plans from developers which included: 5

recycled plan checks, 3 potable plan checks, and 4 fire service plan checks.

- For the month of August 2007, the District sold 42 meters generating \$326,517 in revenue (\$620,633.33 was the revenue budgeted for this period). These revenues are variable over the year depending on when projects come on-line. Staff estimated for budgeting purposes 85 meters will be sold and, over the next month, staff will perform additional analysis to confirm or revise that budget number.
- The Construction Division received two new projects to be constructed by developers and performed no pre-construction meetings for CIP projects and one pre-construction meeting for a developer. In addition, one project was completed and six projects were released from warranty.
- Approximately 3,662 linear feet of both CIP and developer project pipelines were installed in August 2007. The Construction Division performed quality control for these pipelines.
- 374 underground facilities were located, 10 hydrostatic pressure tests, 11 wet taps and tie-ins, 24 meter set inspections, and no project walk-throughs were performed during August 2007.
- Construction has begun on the Olive Vista Pipeline project. The Contractor is installing a temporary potable pipeline and has completed the required pot-holing. Staff met with the elementary school to discuss traffic control.
- The United States Department of Interior, Bureau of Reclamation, has informed Staff that they may provide an estimated additional \$700,000 toward our Title XVI Grant Agreement, Recycled Water Facilities, for their fiscal year ending September 30, 2007.
- The following table summarizes purchases and change orders issued during the period of August 1, 2007 thru August 31, 2007 that are within Staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
8/2/07	P.O.	\$32,122.97	Trimble Navigation Instruments	Capital Purchase of Field Equipment for survey, mapping and mark-outs
8/6/07	P.O.	\$13,601.04	KTU&A	P2191 850-4 Reservoir - Landscape
8/7/07	P.O.	\$1,500	Datatree	Map Purchasing Service

Water Operations:

- Recycled water misconnection:

As of September 18, 2007 staff has completed the checking of 639 potable services that have both potable and recycled pipelines in the street. These included residences, parks, schools, hospitals and businesses. All connections have been checked and no additional misconnections were found. Customers that were contacted in the field during these tests were very pleased that the District was being proactive and is checking all such connections.

On September 14, 2007 the District received the bacteriological test results from all suites at the Fenton Business Center. The results met the Federal Drinking Guidelines. This information was relayed to the California Department of Public Health who relaxed the number of tests required from weekly to every two weeks. Tenants were also provided notice of the results.

- Water purchased for the month of August was 4343.6 acre-feet. Beginning FY 07/08 to date, July 1, 2007 to August 31, 2007 there has been 9067.80 acre-feet of water purchased. This is a -2 percent decrease from the same period last year, July 1, 2006 to August 31, 2006. This decrease in potable purchases has been consistent since the District began taking recycled water from the South Bay Water Reclamation Plant. This purchase of recycled water offsets the potable supplement to the recycled water system.
- In the month of August, 2007 there were 28 new Automated Meter Reading (AMR) meters installed and 477 meters were retrofitted to AMR meters.

- As of August 31, 2007 there was a total of 14,267 radio-read meters installed.

Total number of potable water accounts is 47,745; this is an increase of 44 accounts from last month, July, 2007.

- Recycled water consumption for the month of August is as follows:

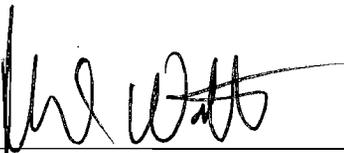
Total flow was 577.4 acre-feet or 188,074,128 gallons and the average daily flow was 6,066,907 gallons per day. Of the total flow, 501.04 acre-feet was purchased from the City of San Diego at a price of \$350 per acre-foot. (The August payment to the City was \$175,364 plus a monthly meter fee of \$1,646.12.) Since May of 2007 a total of 1,646.12 acre-feet has been purchased and payments totaling \$574,802.50 have been made to the City.

Total number of recycled water accounts is 585.

- Wastewater flows for the month of August were as follows:

Total basin flow, gallons per day: 2,026,000.
Total Otay flow, gallons per day: 1,353,000.
Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 1,296,000.
Flow to Metro from Otay Water District, gallons per day: 57,000.

Total number of sewer connections is 6,063.



General Manager

**OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
FOR TWO MONTHS ENDED AUGUST 31, 2007**

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
REVENUE:					
Water Sales	\$ 32,331,300	\$ 6,986,993	\$ 6,781,600	\$ 205,393	3.0%
Energy Charges	2,018,000	390,140	387,900	2,240	0.6%
System Charges	9,596,300	1,538,622	1,519,400	19,222	1.3%
Penalties	852,100	164,603	163,300	1,303	0.8%
MWD & CWA Fixed Charges	2,708,800	404,479	402,400	2,079	0.5%
Total Water Sales	<u>47,506,500</u>	<u>9,484,837</u>	<u>9,254,600</u>	<u>230,237</u>	<u>2.5%</u>
Reclamation Sales	6,001,400	1,496,323	1,466,200	30,123	2.1%
Sewer Charges	2,679,100	444,519	449,800	(5,281)	(1.2%)
Meter Fees	318,500	23,019	50,800	(27,781)	(54.7%)
Capacity Fee Revenues	1,414,500	152,460	235,800	(83,340)	(35.3%)
Betterment Fees for Maintenance	73,300	12,200	12,200	-	0.0%
Annexation Fees	1,464,500	176,306	244,000	(67,694)	(27.7%)
Non-Operating Revenues	1,680,200	240,490	278,000	(37,510)	(13.5%)
Tax Revenues	4,003,800	100,174	98,900	1,274	1.3%
Interest	1,038,700	186,366	173,200	13,166	7.6%
Total Revenue	<u>\$ 66,180,500</u>	<u>\$ 12,316,694</u>	<u>\$ 12,263,500</u>	<u>\$ 53,194</u>	<u>0.4%</u>
EXPENSES:					
Water Purchases	\$ 25,407,100	\$ 5,420,625	\$ 5,316,500	\$ (104,125)	(2.0%)
CWA-Infrastructure Access Charge	1,090,200	171,852	171,800	(52)	(0.0%)
CWA-Customer Service Charge	950,400	146,708	146,800	92	0.1%
CWA-Emergency Storage Charge	1,507,800	213,214	213,200	(14)	(0.0%)
MWD-Capacity Res Charge	569,400	91,040	91,000	(40)	(0.0%)
MWD-Readiness to Serve Charge	552,600	94,032	85,400	(8,632)	(10.1%)
Subtotal Water Purchases	<u>30,077,500</u>	<u>6,137,471</u>	<u>6,024,700</u>	<u>(112,771)</u>	<u>(1.9%)</u>
Power Charges	2,804,800	527,575	536,400	8,825	1.6%
Payroll & Related Costs	15,604,500	2,328,556	2,484,250	155,694	6.3%
Material & Maintenance	4,452,900	715,863	742,150	26,287	3.5%
Administrative Expenses	5,773,000	789,391	839,817	50,426	6.0%
Legal Fees	1,209,300	183,591	201,500	17,909	8.9%
Expansion Reserve	2,590,200	431,700	431,700	-	0.0%
Betterment Reserve	3,432,900	572,200	572,200	-	0.0%
Replacement Reserve	235,400	39,200	39,200	-	0.0%
Total Expenses	<u>\$ 66,180,500</u>	<u>\$ 11,725,547</u>	<u>\$ 11,871,917</u>	<u>\$ 146,370</u>	<u>1.2%</u>
Excess Revenue (Expense)	<u>\$ -</u>	<u>\$ 591,147</u>	<u>\$ 391,583</u>	<u>\$ 199,564</u>	

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
AUGUST 31, 2007**

INVESTMENT OVERVIEW & MARKET STATUS:

August was a very quiet month with very little activity in the investment portfolio. However, on September 18th the Federal Reserve Board's federal funds rate was lowered from 5.25% to 4.75%. Most of the District's callable federal agency issue bonds have quarterly calls so any redemptions will be spread over at least the next 90 days. All called investments are paid at par so there is no loss on the investment. Only the interest rate changes as the funds are reinvested. The District's core investment portfolio of US Agency Issues currently has a weighted average return rate of 5.35%. At the same time the LAIF return on deposits is expected to take several months to fall to the level of the federal funds rate, due to the fund's average maturity of 207 days, making this an excellent short-term alternative for maximum investment of available funds.

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: August 31, 2007

	<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)	\$40 Million	\$40 Million	\$7.24 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	3.24%
8.03:	Federal Agency Issues	100%	100%	88.89%
8.04:	Certificates of Deposit	30%	15%	0.08%
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%	0.10%
12.0:	Maximum Single Financial Institution	100%	50%	0.69%

**OTAY
Portfolio Management
Portfolio Summary
August 31, 2007**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	89,000,000.00	89,038,561.72	89,000,720.75	89.19	645	454	5.266	5.339
Certificates of Deposit - Bank	79,108.00	79,108.00	79,108.00	0.08	730	143	3.880	3.934
Local Agency Investment Fund (LAIF)	10,596,417.42	10,591,596.28	10,596,417.42	10.62	1	1	5.181	5.253
San Diego County Pool	107,335.54	107,338.41	107,335.54	0.11	1	1	5.170	5.242
	99,782,860.96	99,816,604.41	99,783,581.71	100.00%	576	405	5.256	5.329
Investments								
Cash								
Passbook/Checking (not included in yield calculations)	710,150.95	710,150.95	710,150.95		1	1	4.504	4.566
Total Cash and Investments	100,493,011.91	100,526,755.36	100,493,732.66		576	405	5.256	5.329

Total Earnings	August 31 Month Ending	Fiscal Year To Date
Current Year	458,111.70	914,054.33
Average Daily Balance	103,407,931.60	105,417,081.24
Effective Rate of Return	5.22%	5.10%

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 January 19, 2000. 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.


 _____ 9-25-07
 Joseph Beachem, Chief Financial Officer

Portfolio OTAY
AP

OTAY
Portfolio Management
Portfolio Details - Investments
August 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Federal Agency Issues- Callable												
31359M2L6	2012	FANNIE MAE		12/11/2006	3,000,000.00	3,000,000.00	3,000,000.00	5.250		5.178	284	06/11/2008
3133XEMS5	1998	Federal Home Loan Bank		02/28/2006	3,000,000.00	2,998,125.00	3,000,000.00	5.000		4.943	88	11/28/2007
3133XETX7	2001	Federal Home Loan Bank		03/14/2006	3,000,000.00	3,000,000.00	3,000,000.00	5.125		5.055	13	09/14/2007
3133XF2C9	2002	Federal Home Loan Bank		04/25/2006	3,000,000.00	3,000,000.00	3,000,000.00	5.250		5.175	32	10/03/2007
3133XJ2P2	2010	Federal Home Loan Bank		12/05/2006	3,000,000.00	2,999,062.50	3,000,000.00	5.200		5.129	95	12/05/2007
3133XJR91	2016	Federal Home Loan Bank		01/30/2007	3,000,000.00	3,000,937.50	3,000,000.00	5.400		5.326	517	01/30/2009
3133XJSD1	2017	Federal Home Loan Bank		01/30/2007	3,000,000.00	2,999,062.50	3,000,000.00	5.250		5.173	123	01/02/2008
3133XJU55	2019	Federal Home Loan Bank		02/23/2007	3,000,000.00	3,000,000.00	3,000,000.00	5.350		5.277	541	02/23/2009
3133XK3C7	2022	Federal Home Loan Bank		03/15/2007	3,000,000.00	3,000,000.00	3,000,720.75	5.500		5.408	559	03/13/2009
3133XK6A8	2024	Federal Home Loan Bank		03/19/2007	3,000,000.00	3,000,000.00	3,000,000.00	5.300		5.227	384	09/19/2008
3133XKLA1	2030	Federal Home Loan Bank		05/01/2007	3,000,000.00	3,000,937.50	3,000,000.00	5.375		5.301	608	05/01/2009
3133XKN50	2031	Federal Home Loan Bank		05/07/2007	5,000,000.00	5,001,562.50	5,000,000.00	5.300		5.227	433	11/07/2008
3133XKS55	2032	Federal Home Loan Bank		05/09/2007	3,000,000.00	3,000,000.00	3,000,000.00	5.300		5.227	251	05/09/2008
3133XL6E8	2033	Federal Home Loan Bank		06/11/2007	5,000,000.00	5,000,000.00	5,000,000.00	5.400		5.326	467	12/11/2008
3133XLEW9	2034	Federal Home Loan Bank		07/02/2007	3,000,000.00	3,005,625.00	3,000,000.00	5.500		5.425	670	07/02/2009
3133XKVD4	2035	Federal Home Loan Bank		07/10/2007	3,000,000.00	3,000,937.50	3,000,000.00	5.500		5.421	628	05/21/2009
3133XLMZ3	2036	Federal Home Loan Bank		07/23/2007	3,000,000.00	3,005,625.00	3,000,000.00	5.450		5.375	691	07/23/2009
3133XLTL7	2037	Federal Home Loan Bank		07/30/2007	3,000,000.00	3,017,812.50	3,000,000.00	5.550		5.474	1,063	07/30/2010
3133XLYB3	2038	Federal Home Loan Bank		08/20/2007	3,000,000.00	3,001,875.00	3,000,000.00	5.375		5.301	354	08/20/2008
3128X4K67	2000	Federal Home Loan Mortgage		03/07/2006	3,000,000.00	2,998,922.88	3,000,000.00	5.250		5.178	188	03/07/2008
3128X5C55	2020	Federal Home Loan Mortgage		03/05/2007	3,000,000.00	3,000,054.02	3,000,000.00	5.500		5.425	916	03/05/2010
3128X5G93	2021	Federal Home Loan Mortgage		03/06/2007	3,000,000.00	3,000,063.17	3,000,000.00	5.320		5.247	552	03/06/2009
3128X5P51	2023	Federal Home Loan Mortgage		03/14/2007	3,000,000.00	3,000,407.87	3,000,000.00	5.300		5.227	744	09/14/2009
3128X5Z35	2026	Federal Home Loan Mortgage		04/09/2007	3,000,000.00	3,001,013.95	3,000,000.00	5.300		5.227	404	10/09/2008
3128X5Z35	2027	Federal Home Loan Mortgage		04/09/2007	5,000,000.00	5,001,689.91	5,000,000.00	5.300		5.227	404	10/09/2008
3128X5Z84	2028	Federal Home Loan Mortgage		04/17/2007	3,000,000.00	3,001,817.78	3,000,000.00	5.400		5.326	594	04/17/2009
3128X5Z84	2029	Federal Home Loan Mortgage		04/17/2007	5,000,000.00	5,003,029.64	5,000,000.00	5.400		5.326	594	04/17/2009
Subtotal and Average			90,742,674.56		89,000,000.00	89,038,561.72	89,000,720.75			5.266	454	
Certificates of Deposit - Bank												
2050003183R	1996	California Bank & Trust		01/22/2006	79,108.00	79,108.00	79,108.00	3.880		3.880	143	01/22/2008
Subtotal and Average			79,108.00		79,108.00	79,108.00	79,108.00			3.880	143	

Portfolio OTAY
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OTAY
Portfolio Management
Portfolio Details - Investments
August 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	7,242,892.71	7,239,597.35	7,242,892.71	5.253		5.181	1	
LAIF COPS07	9009	STATE OF CALIFORNIA		03/07/2007	3,353,524.71	3,351,998.93	3,353,524.71	5.253		5.181	1	
Subtotal and Average			10,057,514.19		10,596,417.42	10,591,596.28	10,596,417.42			5.181	1	
San Diego County Pool												
SD COUNTY POOL	9007	STATE OF CALIFORNIA		07/01/2004	107,335.54	107,338.41	107,335.54	5.242		5.170	1	
Subtotal and Average			106,744.51		107,335.54	107,338.41	107,335.54			5.170	1	
Total and Average			103,407,931.60		99,782,860.96	99,816,604.41	99,783,581.71			5.256	405	

OTAY
Portfolio Management
Portfolio Details - Cash
August 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Union Bank											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	10,156.52	10,156.52	10,156.52	1.150		1.134	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,800.00	2,800.00	2,800.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	671,589.13	671,589.13	671,589.13	4.808		4.742	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	25,135.14	25,135.14	25,135.14			0.000	1
UNION IOC	9008	STATE OF CALIFORNIA		05/01/2006	470.16	470.16	470.16	4.500		4.438	1
Average Balance			0.00								1
Total Cash and Investmentss			103,407,931.60		100,493,011.91	100,526,755.36	100,493,732.66			5.256	405

OTAY
Activity Report
Sorted By Issuer
July 1, 2007 - August 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			1.150		18,020,010.09	18,095,161.16	
UNION OPERATING	9004	STATE OF CALIFORNIA			4.808		2,652,009.16	2,903,626.25	
UNION IOC	9008	STATE OF CALIFORNIA			4.500		1,240,281.45	1,252,620.24	
Subtotal and Balance				1,049,257.90			21,912,300.70	22,251,407.65	710,150.95
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			5.253		15,353,142.97	17,000,000.00	
LAIF COPS07	9009	STATE OF CALIFORNIA			5.253		229,467.13	6,000,000.00	
Subtotal and Balance				18,013,807.32			15,582,610.10	23,000,000.00	10,596,417.42
San Diego County Pool									
SD COUNTY POOL	9007	STATE OF CALIFORNIA			5.242		1,409.39	0.00	
Subtotal and Balance				105,926.15			1,409.39	0.00	107,335.54
Issuer Subtotal				11.358%	19,168,991.37		37,496,320.19	45,251,407.65	11,413,903.91
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
Subtotal and Balance				79,108.00					79,108.00
Issuer Subtotal				0.079%	79,108.00		0.00	0.00	79,108.00
Issuer: FANNIE MAE									
Federal Agency Issues- Callable									
Subtotal and Balance				3,000,000.00					3,000,000.00
Issuer Subtotal				2.985%	3,000,000.00		0.00	0.00	3,000,000.00

Portfolio OTAY
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OTAY
Activity Report
July 1, 2007 - August 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: Federal Home Loan Bank									
Federal Agency Issues- Callable									
3133XJ6Q6	2013	Federal Home Loan Bank			5.125	07/20/2007	0.00	3,000,000.00	
3133XJVV1	2015	Federal Home Loan Bank			5.375	07/10/2007	0.00	3,000,000.00	
3133XJVV7	2018	Federal Home Loan Bank			5.250	08/15/2007	0.00	3,000,000.00	
3133XLEW9	2034	Federal Home Loan Bank			5.500	07/02/2007	3,000,000.00	0.00	
3133XKVD4	2035	Federal Home Loan Bank			5.500	07/10/2007	3,000,000.00	0.00	
3133XLMZ3	2036	Federal Home Loan Bank			5.450	07/23/2007	3,000,000.00	0.00	
3133XLTL7	2037	Federal Home Loan Bank			5.550	07/30/2007	3,000,000.00	0.00	
3133XLYB3	2038	Federal Home Loan Bank			5.375	08/20/2007	3,000,000.00	0.00	
		Subtotal and Balance					15,000,000.00	9,000,000.00	58,000,000.00
		Issuer Subtotal	57.715%				15,000,000.00	9,000,000.00	58,000,000.00
Issuer: Federal Home Loan Mortgage									
Federal Agency Issues- Callable									
3128X4DY4	2004	Federal Home Loan Mortgage			4.000	07/13/2007	0.00	3,000,000.00	
		Subtotal and Balance					0.00	3,000,000.00	28,000,000.00
		Issuer Subtotal	27.863%				0.00	3,000,000.00	28,000,000.00
Issuer: Federal National Mortgage Assoc									
Federal Agency Issues- Callable									
31359MG31	1997	Federal National Mortgage Assoc			5.000	08/24/2007	0.00	3,000,000.00	
		Subtotal and Balance					0.00	3,000,000.00	0.00
		Issuer Subtotal	0.000%				0.00	3,000,000.00	0.00
		Total	100.000%				52,496,320.19	60,251,407.65	100,493,011.91

Portfolio OTAY
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OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 08/31/2007

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
3133XEMS5	1998	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,998,125.00	5.000	5.012	5.128	11/28/2007	0.241
3133XK3C7	2022	99	Federal Home Loan Bank	Fair	3,000,720.75	3,000,000.00	3,000,000.00	5.500	5.483	5.500c	09/13/2007	0.000
3133XKLA1	2030	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,937.50	5.375	5.375	5.311c	11/01/2007	0.167
3133XJR91	2016	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,937.50	5.400	5.400	5.336c	10/30/2007	0.000
3133XJ2P2	2010	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,999,062.50	5.200	5.200	5.264c	09/05/2007	0.000
3133XLTL7	2037	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,017,812.50	5.550	5.550	4.883c	07/30/2008	0.879
3133XJSD1	2017	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,999,062.50	5.250	5.245	5.314	01/02/2008	0.336
3133XJU55	2019	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.350	5.350	5.351	02/23/2009	1.402
31359M2L6	2012	99	FANNIE MAE	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.250	5.250	5.250c	09/11/2007	0.000
3133XETX7	2001	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.125	5.125	5.125	09/14/2007	0.035
3133XF2C9	2002	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.250	5.247	5.250	10/03/2007	0.087
3133XLMZ3	2036	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,005,625.00	5.450	5.450	5.066c	01/23/2008	0.394
3133XK6A8	2024	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.300	5.300	5.300c	09/19/2007	0.049
3133XLYB3	2038	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,001,875.00	5.375	5.375	5.247c	11/20/2007	0.000
3128X5C55	2020	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,000,054.02	5.500	5.500	5.496c	09/05/2007	0.010
3128X5Z84	2029	COPS07	Federal Home Loan Mortgage	Fair	5,000,000.00	5,000,000.00	5,003,029.64	5.400	5.400	5.365	04/17/2009	1.510
3128X5Z84	2028	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,001,817.78	5.400	5.400	5.365	04/17/2009	1.510
3128X5Z35	2027	COPS07	Federal Home Loan Mortgage	Fair	5,000,000.00	5,000,000.00	5,001,689.91	5.300	5.300	5.231c	10/09/2007	0.104
3128X5P51	2023	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,000,407.87	5.300	5.300	5.272c	09/14/2007	0.035
3128X5G93	2021	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,000,063.17	5.320	5.320	5.316c	09/06/2007	0.013
3128X4K67	2000	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	2,998,922.88	5.250	5.250	5.324	03/07/2008	0.490
3133XLEW9	2034	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,005,625.00	5.500	5.500	5.115c	01/02/2008	0.336
3133XKVD4	2035	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,937.50	5.500	5.496	5.436c	09/21/2007	0.000
3133XKSS5	2032	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.300	5.300	5.300c	11/09/2007	0.189
3128X5Z35	2026	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,001,013.95	5.300	5.300	5.231c	10/09/2007	0.104
3133XL6E8	2033	COPS07	Federal Home Loan Bank	Fair	5,000,000.00	5,000,000.00	5,000,000.00	5.400	5.400	5.400c	09/11/2007	0.000
3133XKN50	2031	COPS07	Federal Home Loan Bank	Fair	5,000,000.00	5,000,000.00	5,001,562.50	5.300	5.300	5.236c	11/07/2007	0.183

Portfolio OTAY

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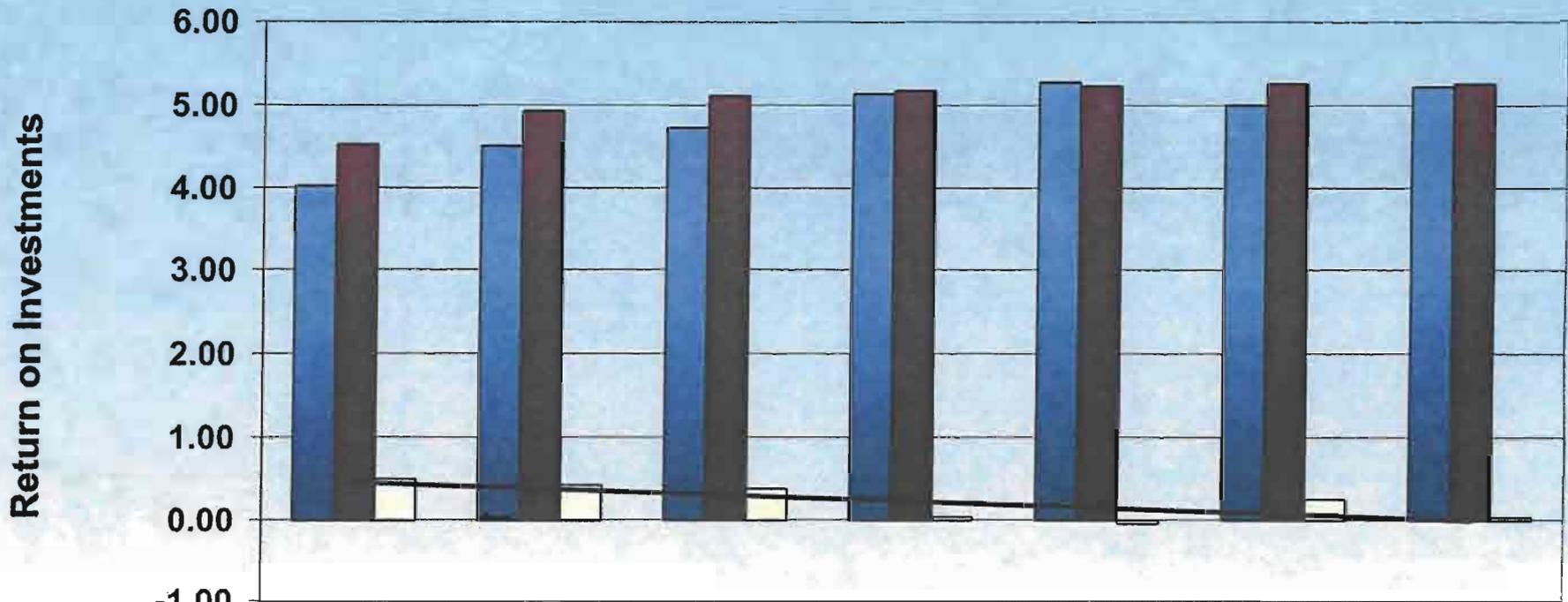
OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 08/31/2007

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
2050003183R	1996	99	California Bank & Trust	Amort	79,108.00	79,108.00	79,108.00	3.880	3.934	3.880	01/22/2008	0.386 †
Report Total					89,079,828.75	89,079,108.00	89,117,669.72			5.276		0.312 †

† = Duration can not be calculated on these investments due to incomplete Market price data.

Performance Measure F-12 Return on Investment

Target: Meet or Exceed 100% of LAIF

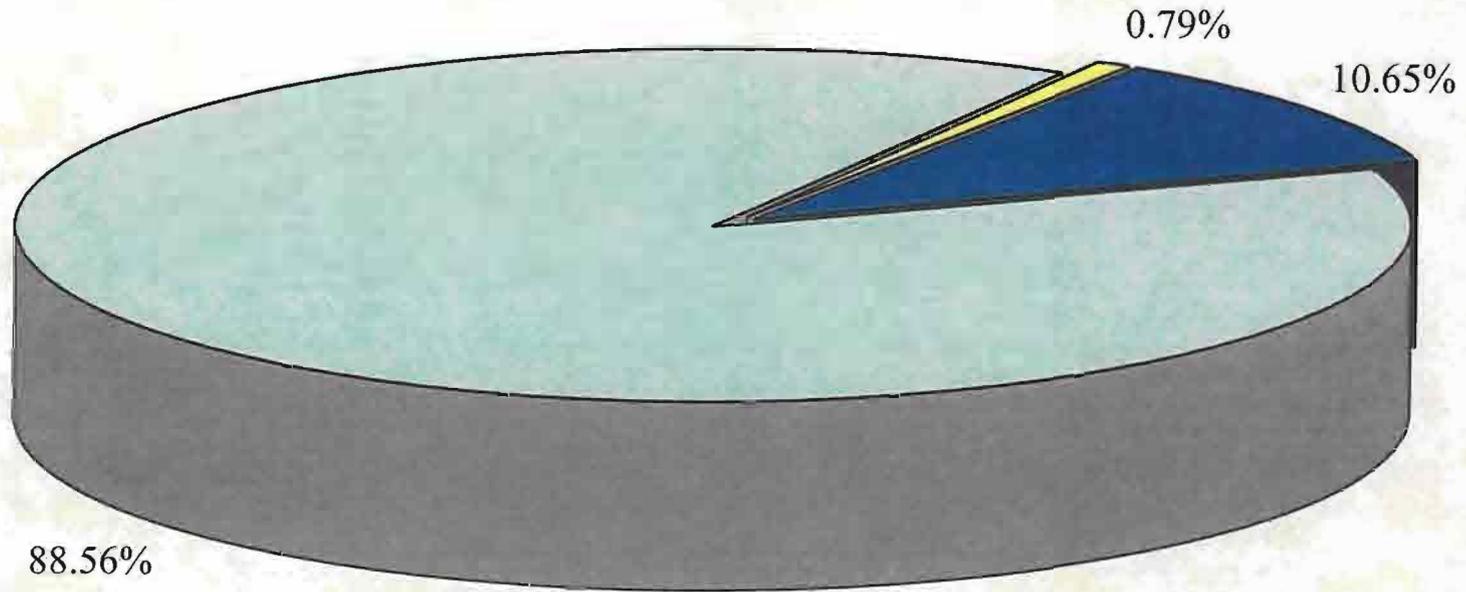


	4th Qtr FY06	1st Qtr FY07	2nd Qtr FY07	3rd Qtr FY07	4TH Qtr FY07	July FY08	Aug FY08
■ Otay	4.02	4.50	4.73	5.13	5.27	5.00	5.22
■ LAIF	4.52	4.93	5.11	5.17	5.23	5.26	5.25
□ Difference	0.50	0.43	0.38	0.04	-0.04	0.26	0.03

Month

■ Otay
 ■ LAIF
 □ Difference
 — Linear (Difference)

Otay Water District Investment Portfolio: 08/31/07



■ Banks (Passbook/Checking/CD) ■ Pools (LAIF & County) □ Agencies

AGENDA ITEM 10



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 3, 2007
SUBMITTED BY:	Sean Prendergast, Principal Accountant	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	Joseph Beachem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM)		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

Attached is the list of demands for the Board's information.

FISCAL IMPACT:

SUMMARY	NET DEMANDS
CHECKS (2008035-2008477)	\$3,490,127.73
WIRE TO:	
CITY OF CHULA VISTA - SEWER	\$2,590,668.06
CITY TREASURER/SAN DIEGO - METRO SEWERAGE SYSTEM	\$291,866.00
LANDESBANK - CERTIFICATES OF PARTICIPATION	\$343,668.30
PLAN HANDLERS - MEDICAL CLAIMS	\$110,448.90
SAN DIEGO COUNTY WATER AUTHORITY - JULY	\$2,810,927.80
UNION BANK - PAYROLL TAXES	\$282,147.02
UNION BANK OF CA - CERTIFICATES OF PARTICIPATION	\$624,661.42
TOTAL CASH DISBURSEMENTS	\$10,544,515.23

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

jb

Attachment

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2008035 THROUGH 2008477
RUN DATES 9/5/2007 TO 9/26/2007

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2008035	09/05/07	01910	ABCANA INDUSTRIES	808345	08/13/07	HYPOCHLORITE SOLUTION	1,357.97	3,853.53
				808188	08/10/07	HYPOCHLORITE SOLUTION	923.37	
				808344	08/13/07	HYPOCHLORITE SOLUTION	810.10	
				808711	08/16/07	HYPOCHLORITE SOLUTION	762.09	
2008170	09/12/07	01910	ABCANA INDUSTRIES	809205	08/23/07	SODIUM HYPOCHLORITE	1,430.61	4,609.47
				808940	08/20/07	SODIUM HYPOCHLORITE	1,132.67	
				808941	08/20/07	SODIUM HYPOCHLORITE	875.35	
				809207	08/23/07	SODIUM HYPOCHLORITE	705.46	
				809206	08/23/07	SODIUM HYPOCHLORITE	465.38	
2008234	09/19/07	01910	ABCANA INDUSTRIES	809510	08/28/07	HYPOCHLORITE SOLUTION	1,202.84	2,602.67
				809511	08/28/07	HYPOCHLORITE SOLUTION	863.05	
				809789	08/30/07	HYPOCHLORITE SOLUTION	536.78	
2008314	09/26/07	01910	ABCANA INDUSTRIES	810148	09/04/07	BULK SODIUM HYPOCHLORITE	1,061.26	3,228.10
				810146	09/04/07	BULK SODIUM HYPOCHLORITE	843.35	
				810147	09/04/07	BULK SODIUM HYPOCHLORITE	678.37	
				810328	09/06/07	BULK SODIUM HYPOCHLORITE WEEK OF 9/3/07	645.12	
2008235	09/19/07	00179	ACRO SALES COMPANY INC	7156	07/25/07	AC AMP METERS	215.50	215.50
2008036	09/05/07	00847	AD MAIL DIRECT LLC	53222	08/16/07	RESIDENTIAL WATER AND SEWER NOTICES	2,201.81	3,753.17
				53224	08/16/07	RESIDENTIAL WATER AND SEWER NOTICES	586.86	
				53223	08/16/07	RESIDENTIAL WATER AND SEWER NOTICES	321.50	
				53203	08/14/07	RESIDENTIAL WATER AND SEWER NOTICES	321.50	
				53204	08/14/07	RESIDENTIAL WATER AND SEWER NOTICES	321.50	
2008315	09/26/07	03677	AFFORDABLE DRAIN SERVICE INC	3672	08/31/07	CCTV SEWER MAINS	907.50	907.50
2008037	09/05/07	07572	AIDA GARMO	Ref002378060	08/30/07	UB Refund Cst #0000089804	75.00	75.00
2008316	09/26/07	00132	AIRGAS WEST	103275508	08/31/07	BREATHING AIR TREATMENT PLANT	22.73	22.73
2008171	09/12/07	02618	ALHAMBRA RUBBER &	24466	08/23/07	3/4 & 1" METER GASKETS FOR AMR RETRO	716.11	716.11
2008317	09/26/07	02618	ALHAMBRA RUBBER &	24523	08/31/07	METER GASKETS	225.04	225.04
2008236	09/19/07	02934	ALLEN INSTRUMENTS & SUPPLIES	0075130IN	08/29/07	INSTALL SOFTWARE & TECH SUPPORT	975.14	975.14
2008038	09/05/07	01463	ALLIED ELECTRONICS INC	45808W00	08/14/07	RELAY SOCKET	151.72	151.72
2008172	09/12/07	01463	ALLIED ELECTRONICS INC	46228A00	08/20/07	POWER-ONE POWER SUPPLY	414.15	684.96
				46141A00	08/20/07	RTU PANEL PARTS	270.81	
2008173	09/12/07	03787	ALLIED TRENCH SHORING SERVICE	794284	08/20/07	TRENCH PLATES	8,281.13	8,281.13

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2008174	09/12/07	02362	ALLIED WASTE SERVICES	0509002849918	08/25/07	ASBESTOS DISPOSAL CONTAINER RENTAL	174.52	174.52
2008237	09/19/07	02362	ALLIED WASTE SERVICES	0509002848415	08/25/07	TRASH REMOVAL SERVICES	633.86	738.95
				0509002850906	08/25/07	TRASH REMOVAL SERVICES	105.09	
2008238	09/19/07	07544	ALM CONSULTING ENGINEERS INC	01403	08/25/07	MECHANICAL	1,200.00	1,200.00
2008175	09/12/07	02966	AMERICAN INDUSTRIAL SUPPLY INC	92349	08/20/07	ANTI SEIZE COMPOUND	238.12	238.12
2008176	09/12/07	06166	AMERICAN MESSAGING	L1109570HI	09/01/07	PAGER SERVICES	497.88	497.88
2008318	09/26/07	00315	AMERICAN SOCIETY OF	4328034	09/18/07	MEMBERSHIP RENEWAL	245.00	245.00
2008239	09/19/07	00107	AMERICAN WATER WORKS	1000363991	08/27/07	LABORATORY PUBLICATION	395.90	466.90
				2000585956	08/10/07	MEMBERSHIP RENEWAL	71.00	
2008319	09/26/07	03652	ANDERSON, DONALD I	016238	09/24/07	COMPUTER LOAN PROGRAM	1,085.49	1,085.49
2008320	09/26/07	07647	ANNA NGUYEN	Ref002378784	09/24/07	UB Refund Cst #0000089915	51.77	51.77
2008177	09/12/07	00002	ANSWER INC	016149	08/22/07	TELEPHONE ANSWERING SERVICES	980.00	980.00
2008321	09/26/07	02829	APPLIED TECHNOLOGY GROUP INC	182370	08/30/07	RADIO ANTENNA	21.81	21.81
2008178	09/12/07	01971	ARMORCAST PRODUCTS COMPANY	0097822IN	08/17/07	METER VAULTS	3,232.50	3,232.50
2008039	09/05/07	07557	ARNOLD HABER	Ref002378044	08/30/07	UB Refund Cst #0000045921	71.33	71.33
2008040	09/05/07	00108	ASSOCIATION OF CALIFORNIA	104089	08/16/07	JOB POSTING	700.00	700.00
2008322	09/26/07	00501	AT&T	016216	09/12/07	PHONE SERVICE	502.35	502.35
2008323	09/26/07	05758	AT&T	016234	09/07/07	PHONE SERVICE (HIGH HEAD PUMP STATION	32.96	32.96
2008041	09/05/07	05500	AT&T C/O CINGULAR WIRELESS	Ref002378152	08/30/07	Refund receipt #: 072420120047	1,578.77	1,578.77
2008324	09/26/07	06296	AT&T LONG DISTANCE	8093779950807	09/04/07	LONG DISTANCE EXP - DISTRICT PHONES	93.03	93.03
2008240	09/19/07	06272	AT&T/MCI	T6958071	08/17/07	PHONE SERVICE	7,243.55	7,243.55
2008042	09/05/07	07571	AXEL DENIZ	Ref002378059	08/30/07	UB Refund Cst #0000088173	60.03	60.03
2008325	09/26/07	07659	BANK OF NEW YORK	Ref002378796	09/24/07	UB Refund Cst #0000120670	58.30	58.30
2008326	09/26/07	07648	BARBARA SULLIVAN	Ref002378785	09/24/07	UB Refund Cst #0000090193	32.95	32.95

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2008327	09/26/07	00145	BARRETT ENGINEERED PUMPS	057427	09/05/07	DRUM PUMP	1,230.51	1,230.51
2008043	09/05/07	06285	BARTEL ASSOCIATES LLC	07450	08/12/07	PROFESSIONAL ACTUARY SERVICES	10,200.00	10,200.00
2008044	09/05/07	05424	BEDCO INC	10247	07/20/07	BODY SWAP	6,712.13	6,712.13
2008045	09/05/07	03595	BENHAM, WALES	016177	08/30/07	COMPUTER LOAN PROGRAM	1,584.54	1,584.54
2008046	09/05/07	03470	BONITA BUSINESS &	016173	08/30/07	BONITAFEST BOOTH RESERVATION	125.00	125.00
2008179	09/12/07	02342	BOOT WORLD INC	706778 1038422IN	08/17/07 08/17/07	SAFETY BOOTS SAFETY BOOTS	126.63 87.67	214.30
2008328	09/26/07	02342	BOOT WORLD INC	1038964IN	08/31/07	SAFETY BOOTS	224.04	224.04
2008047	09/05/07	00559	BOYLE ENGINEERING CORPORATION	046848	08/13/07	RECYCLED WATER PLAN CHECKING SERVICES	8,503.16	8,503.16
2008180	09/12/07	03458	BREITFELDER, LARRY	70130807	08/30/07	MILEAGE REIMBURSEMENT	53.35	53.35
2008048	09/05/07	07565	BROOKFIELD SHEA OTAY LLC	Ref002378053	08/30/07	UB Refund Cst #0000081402	513.85	513.85
2008329	09/26/07	07612	BROOKFIELD SHEA OTAY LLC	Ref002378747	09/24/07	UB Refund Cst #0000030561	718.24	718.24
2008330	09/26/07	02977	BROWN, VINCENT M	2857620	09/19/07	SAFETY BOOTS REIMBURSEMENT	146.12	146.12
2008241	09/19/07	03450	BUELNA, ARMANDO F	16040907	09/17/07	RECYCLED WATER VIDEOS	100.00	100.00
2008049	09/05/07	03721	BULLET LOGISTICS INC	08150703350	08/15/07	COURIER SERVICES FOR TREATMENT PLANT	227.70	227.70
2008331	09/26/07	03721	BULLET LOGISTICS INC	08310703350	08/31/07	COURIER SERVICES	482.90	482.90
2008050	09/05/07	00223	C W MCGRATH INC	26408 26387	08/15/07 08/14/07	CRUSHED ROCK CRUSHED ROCK	409.79 119.21	529.00
2008181	09/12/07	00223	C W MCGRATH INC	26464 26487	08/20/07 08/21/07	CRUSHED ROCK CRUSHED ROCK	220.07 54.91	274.98
2008242	09/19/07	00223	C W MCGRATH INC	26634	08/30/07	GRANITE	62.93	62.93
2008332	09/26/07	00223	C W MCGRATH INC	26653	09/04/07	CRUSHED ROCK	701.14	701.14
2008051	09/05/07	02920	CALIFORNIA COMMERCIAL	71532	08/15/07	ASPHALT	450.13	450.13
2008333	09/26/07	02969	CALIFORNIA LAND SURVEYORS	016227	09/20/07	MEMBERSHIP DUES	89.63	89.63

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2008182	09/12/07	01060	CALIFORNIA SOCIETY OF	016195	09/11/07	CSMFO BUDGET AWARDS PROGRAM	400.00	400.00
2008052	09/05/07	01004	CALOLYMPIC SAFETY	023336	08/10/07	CHLORINE MONITORING IN EFFLUENT PUMP	619.60	619.60
2008334	09/26/07	03503	CAMERON, KEVIN	016226	09/21/07	TUITION REIMBURSEMENT	1,851.26	1,851.26
2008053	09/05/07	03684	CANON BUSINESS SOLUTIONS-WEST	3805054 1488298 3805054A	08/11/07 08/13/07 08/11/07	COPIER MAINTENANCE OFFICE SUPPLIES COPIER MAINTENANCE	730.31 107.75 103.33	941.39
2008335	09/26/07	03684	CANON BUSINESS SOLUTIONS-WEST	3819143A 3819143	09/01/07 09/01/07	COPIER MAINTENANCE COPIER MAINTENANCE	889.67 665.49	1,555.16
2008183	09/12/07	04071	CAPITOL WEBWORKS LLC	19566	07/31/07	LOBBYING DISCLOSURE FILING	45.00	45.00
2008336	09/26/07	07646	CARLOS DE LA PARRA	Ref002378783	09/24/07	UB Refund Cst #0000089750	30.27	30.27
2008337	09/26/07	07608	CARLOS ROBLES	Ref002378740	09/24/07	UB Refund Cst #0000006120	111.41	111.41
2008338	09/26/07	02758	CARMEL BUSINESS SYSTEMS INC	6583 6582	09/01/07 09/01/07	TEMPORARY SERVICES - IS DEPT STORAGE & DESTRUCTION OF DOCUMENTS	1,314.98 516.40	1,831.38
2008339	09/26/07	03232	CDW GOVERNMENT INC	GQW0005	09/05/07	USB HUB AND CABLES FOR LSSCADA COMPUTI	104.38	104.38
2008340	09/26/07	05343	CECILIA RAMIREZ	Ref002378738	09/24/07	UB Refund Cst #0000004720	75.00	75.00
2008341	09/26/07	06671	CENTEX HOMES	Ref002378741	09/24/07	UB Refund Cst #0000008965	445.00	445.00
2008342	09/26/07	07509	CENTEX HOMES	Ref002378752	09/24/07	UB Refund Cst #0000038840	300.45	300.45
2008343	09/26/07	01126	CENTURY WHEEL & RIM	CN4784501	07/18/07	REPAIR PART	133.19	133.19
2008344	09/26/07	07652	CHRISTIAN GARCIA	Ref002378789	09/24/07	UB Refund Cst #0000093439	23.31	23.31
2008054	09/05/07	07561	CHRISTOPHER WAGNER	Ref002378048	08/30/07	UB Refund Cst #0000072352	48.62	48.62
2008345	09/26/07	07651	CHULA VISTA ELEMENTARY SCHOOL	Ref002378788	09/24/07	UB Refund Cst #0000092246	552.54	552.54
2008346	09/26/07	07600	CISION US, INC.	369585	09/01/07	MEDIA COVERAGE VIDEO CLIPS	1,134.71	1,134.71
2008347	09/26/07	04119	CLARKSON LAB & SUPPLY INC	36102 36311 36210 36367 36445 35970	08/31/07 08/31/07 08/31/07 08/31/07 08/31/07 08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS BACTERIOLOGICAL TESTING & LAB SVCS	1,004.00 820.00 562.00 424.00 404.00 328.00	

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				36061	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	328.00	
				36222	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	328.00	
				36223	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	328.00	
				36225	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	308.00	
				36188	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	282.00	
				36062	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	236.00	
				36101	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	236.00	
				36366	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	236.00	
				35971	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	190.00	
				36434	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	190.00	
				36364	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	188.00	
				36365	08/31/07	BACTERIOLOGICAL TESTING & LAB SVCS	94.00	6,486.00
2008348	09/26/07	07632	CLINTON HAVENS	Ref002378768	09/24/07	UB Refund Cst #0000070047	31.01	31.01
2008184	09/12/07	03334	COMPUTER MASTERS	69004	08/23/07	MODEM	95.90	95.90
2008243	09/19/07	03334	COMPUTER MASTERS	69022	08/27/07	SOFTWARE	367.43	367.43
2008244	09/19/07	03307	CONSTRUCTION MANAGEMENT	016207	09/17/07	MEMBERSHIP RENEWAL	150.00	150.00
2008245	09/19/07	04398	CONSTRUCTION MANAGEMENT	016202	09/17/07	SEMINAR REGISTRATION	85.00	85.00
2008349	09/26/07	03774	CONSTRUCTION RESIDUE RECYCLING	974577	08/31/07	DUMPING SERVICES	140.00	140.00
2008185	09/12/07	02612	COUNCIL OF WATER UTILITIES	016192	09/11/07	REGISTRATION FEE	25.00	25.00
2008055	09/05/07	07587	COUNTRYWIDE HOME LOANS	Ref002378075	08/30/07	UB Refund Cst #0000119272	45.00	45.00
2008246	09/19/07	00184	COUNTY OF SAN DIEGO	HK07205364	08/17/07	HAZARDOUS MATERIALS PERMIT RNWL	469.00	
				HK07205365	08/17/07	HAZARDOUS MATERIALS PERMIT RNWL	429.00	
				HK07205363	08/17/07	HAZARDOUS MATERIALS PERMIT RNWL	429.00	1,327.00
2008247	09/19/07	07601	CREATIVE BENEFITS	016203	09/18/07	DEPOSIT/ADMINISTERING FLEX BENEFITS	500.00	500.00
2008350	09/26/07	07637	CUATEMOC LEYVA	Ref002378773	09/24/07	UB Refund Cst #0000073794	56.83	56.83
2008351	09/26/07	07645	DANIEL ARTHUR	Ref002378782	09/24/07	UB Refund Cst #0000089728	75.00	75.00
2008186	09/12/07	05126	DAROIS, KEN	AUGUST2007	09/05/07	PROGRAMMING SERVICES	1,875.00	1,875.00
2008352	09/26/07	04550	DATATREE	90034087	08/31/07	MAP PURCHASING SERVICE	99.00	99.00
2008056	09/05/07	07549	DAVID MOLAVI	Ref002378035	08/30/07	UB Refund Cst #0000015278	28.14	28.14
2008353	09/26/07	07644	DAVID ROWLAND	Ref002378781	09/24/07	UB Refund Cst #0000088971	718.24	718.24

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2008354	09/26/07	07625	DAWN JOHNSON	Ref002378761	09/24/07	UB Refund Cst #0000066309	18.52	18.52
2008057	09/05/07	00852	DEC CONSULTANTS INC	10186	08/14/07	CATHODIC PROTECTION SERVICES	5,582.50	5,582.50
2008187	09/12/07	03428	DEL MAR OFFICE PRODUCTS	10030040	08/23/07	OFFICE SUPPLIES	122.05	122.05
2008248	09/19/07	02733	DEPARTMENT OF CONSUMER AFFAIRS	4446907	09/18/07	CPA RENEWAL DUES	200.00	200.00
2008355	09/26/07	07653	DEUTSCHE BANK	Ref002378790	09/24/07	UB Refund Cst #0000093457	79.42	79.42
2008356	09/26/07	07641	DINA PAIZ	Ref002378777	09/24/07	UB Refund Cst #0000079842	110.42	110.42
2008058	09/05/07	03417	DIRECTV	621967341	08/19/07	SATELLITE TV SERVICE	4.99	4.99
2008357	09/26/07	03417	DIRECTV	631429610	09/05/07	SATELLITE TV SERVICE	46.96	46.96
2008059	09/05/07	00028	DIXIELINE LUMBER COMPANY	706868	08/16/07	CONCRETE	619.02	619.02
2008060	09/05/07	07560	DONALD BULMAHN	Ref002378047	08/30/07	UB Refund Cst #0000052085	49.35	49.35
2008061	09/05/07	05196	DOUG WILMOTH	Ref002378052	08/30/07	UB Refund Cst #0000081194	5.19	5.19
2008358	09/26/07	05196	DOUG WILMOTH	Ref002378778	09/24/07	UB Refund Cst #0000081194	51.01	51.01
2008062	09/05/07	07568	DRUCE HWANG	Ref002378056	08/30/07	UB Refund Cst #0000086509	16.17	16.17
2008359	09/26/07	07624	DULCE GONZALEZ	Ref002378760	09/24/07	UB Refund Cst #0000064909	75.00	75.00
2008360	09/26/07	06523	DURAN, PATRICIA	016225	09/21/07	COMPUTER LOAN PROGRAM	527.94	527.94
2008361	09/26/07	05134	DYCHITAN, MARISSA	016236	09/22/07	REIMBURSEMENT	199.00	199.00
2008063	09/05/07	02447	EDCO DISPOSAL CORPORATION	016171	08/31/07	RECYCLING SERVICES	85.00	85.00
2008064	09/05/07	03261	EDEN SYSTEMS INC	INV0113440 INV0113439	08/13/07 08/13/07	CONSULTING SERVICES CONSULTING SERVICES	531.25 93.75	625.00
2008362	09/26/07	03261	EDEN SYSTEMS INC	INV0114364 INV0114365	09/04/07 09/04/07	CONSULTING SERVICES ADDITIONAL PROFESSIONAL CONSULTING	4,800.00 62.50	4,862.50
2008249	09/19/07	00230	EDP PRODUCTS INC	805283	08/25/07	CARTRIDGE STORAGE/RETRIEVAL	245.20	245.20
2008250	09/19/07	06525	ELECTRIC MOTOR SPECIALISTS INC	1989	08/24/07	MARATHON SINGLE PHASE MOTORS	455.21	455.21
2008065	09/05/07	07574	ELENA RUFFIN	Ref002378062	08/30/07	UB Refund Cst #0000090276	40.27	40.27

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2008363	09/26/07	07627	ELEUTERIO SIMON	Ref002378763	09/24/07	UB Refund Cst #0000068205	61.64	61.64
2008364	09/26/07	07661	ELI RESEARCH	88122850	08/14/07	SUBSCRIPTION	681.60	681.60
2008066	09/05/07	07563	ELIDA ALBARRAN	Ref002378050	08/30/07	UB Refund Cst #0000080259	26.34	26.34
2008365	09/26/07	07618	ENRIQUE GURROLA	Ref002378754	09/24/07	UB Refund Cst #0000043585	79.04	79.04
2008366	09/26/07	07635	ENRIQUETA NAVARRETE	Ref002378771	09/24/07	UB Refund Cst #0000071702	37.78	37.78
2008251	09/19/07	03227	ENVIROMATRIX ANALYTICAL INC	7080317	08/28/07	EMERGENCY LAB ANALYSES	1,897.50	1,897.50
2008367	09/26/07	07296	ENVIRONMENTAL FABRICS INC	29	08/31/07	RESERVOIR FLOATING COVER MAINTENANCE	24,130.00	24,130.00
2008252	09/19/07	03725	ENVIRONMENTAL SYSTEMS RESEARCH	91609277 91595909	08/24/07 07/31/07	ARC GIS SOFTWARE MAINTENANCE PROFESSIONAL DATABASE SUPPORT	1,660.53 456.00	2,116.53
2008188	09/12/07	03725	ESRI INC	91608019	08/23/07	ARC GIS SOFTWARE MAINTENANCE	22,320.37	22,320.37
2008253	09/19/07	06528	ESTES EXPRESS LINES	2920099867	08/30/07	FREIGHT CHARGES	242.81	242.81
2008067	09/05/07	02639	EW TRUCK & EQUIPMENT	194507	08/09/07	FILTERS	124.90	124.90
2008189	09/12/07	02639	EW TRUCK & EQUIPMENT	195408	08/22/07	FILTERS	174.58	174.58
2008368	09/26/07	07604	EXPRESS MOUNTS USA	303774	07/12/07	LAPTOP MOUNT	235.73	235.73
2008068	09/05/07	03650	EXPRESS PRINTING INFORMATION	46838 46474	07/31/07	CREDIT MEMO STOP TAGS	(59.37) 665.98	606.61
2008190	09/12/07	00645	FEDEX	223599881	08/31/07	OVERNIGHT PICK-UP & DELIVERY MAIL SVCS	6.51	6.51
2008069	09/05/07	03546	FERGUSON WATERWORKS	0227324 0227809 0227462 0225175 02274621	08/15/07 08/15/07 08/10/07 08/15/07 08/15/07	INVENTORY INVENTORY GATE CAP RISERS MTR BUSH FOR AIR VAC GATE CAP RISERS	4,471.63 4,471.63 863.35 103.96 101.02	10,011.59
2008191	09/12/07	03546	FERGUSON WATERWORKS	0230030 0228932 0229400	08/23/07 08/17/07 08/20/07	INVENTORY GASKETS INVENTORY	5,155.84 684.49 401.35	6,241.68
2008254	09/19/07	03546	FERGUSON WATERWORKS	0228934 0228488	08/28/07 08/27/07	GASKETS REPAIR CLAMP	494.03 220.83	714.86

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2008192	09/12/07	06647	FIELDING, JOLENE	016181	08/06/07	OFFICE SUPPLIES REIMBURSEMENT	157.74	157.74
2008369	09/26/07	02470	FIRST BANKCARD	016235	09/10/07	DISTRICT EXPENSES	2,434.38	
				016232	09/10/07	DISTRICT EXPENSES	136.66	
				016230	09/10/07	DISTRICT EXPENSES	62.39	2,633.43
2008070	09/05/07	04066	FIRST CHOICE SERVICES - SD	284653	08/13/07	COFFEE SUPPLIES	302.27	
				284947	08/15/07	COFFEE SUPPLIES	69.60	371.87
2008255	09/19/07	04066	FIRST CHOICE SERVICES - SD	285143	08/27/07	COFFEE SUPPLIES	226.12	226.12
2008071	09/05/07	00035	FISHER SCIENTIFIC	2574907	08/10/07	LABORATORY SUPPLIES	143.88	143.88
2008193	09/12/07	00035	FISHER SCIENTIFIC	2995117	08/21/07	LABORATORY SUPPLIES	139.56	
				3095519	08/22/07	LABORATORY SUPPLIES	61.88	201.44
2008072	09/05/07	07562	FRANCISCO SIBAL	Ref002378049	08/30/07	UB Refund Cst #0000074829	49.75	49.75
2008370	09/26/07	02028	FT INTERACTIVE DATA CORP	05426087	08/31/07	DIAL-UP SERVICE FOR INVESTMENTS	85.00	85.00
2008073	09/05/07	03094	FULLCOURT PRESS	17005	08/16/07	PRINTING OF PUBLIC NOTICES	7,921.46	7,921.46
2008074	09/05/07	05626	GAME 7 CONSULTING	1588	08/28/07	CONSULTING SERVICES - IS DEPT	3,000.00	
				1590	09/04/07	CONSULTING SERVICES - IS DEPT	2,700.00	5,700.00
2008256	09/19/07	05626	GAME 7 CONSULTING	1600	09/18/07	CONSULTING SERVICES - IS DEPT	3,000.00	
				1595	09/11/07	CONSULTING SERVICES - IS DEPT	2,400.00	5,400.00
2008371	09/26/07	05626	GAME 7 CONSULTING	1603	09/26/07	CONSULTING SERVICES - IS DEPT	3,000.00	3,000.00
2008257	09/19/07	06291	GARCIA CALDERON & RUIZ LLP	1385	09/06/07	LEGAL SERVICES JULY 2007	41,062.84	41,062.84
2008372	09/26/07	06291	GARCIA CALDERON & RUIZ LLP	1402	09/18/07	LEGAL SERVICES AUG 2007	45,029.46	45,029.46
2008258	09/19/07	03609	GBA MASTER SERIES INC	606412	08/22/07	SOFTWARE CONSULTING SERVICES	100.00	100.00
2008259	09/19/07	07599	GCAP SERVICES, INC	016201	09/17/07	PATH TO PARTNERSHIP REGISTRATION	470.00	470.00
2008373	09/26/07	01008	GCS SERVICE INC	130267	09/06/07	Repair of Laboratory East Autoclave	419.66	419.66
2008075	09/05/07	07584	GEORGE SHAWSHANI	Ref002378072	08/30/07	UB Refund Cst #0000094123	667.39	667.39
2008076	09/05/07	03537	GHA TECHNOLOGIES INC	444508	08/10/07	SOFTWARE	93.46	93.46
2008077	09/05/07	06276	GIFFORD ENGINEERING INC	3436	08/13/07	TWO-WAY RADIO REPAIR	143.00	143.00

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2008194	09/12/07	06276	GIFFORD ENGINEERING INC	3430	08/20/07	TWO-WAY RADIO REPAIR	275.80	
				3447	08/23/07	TWO-WAY RADIO REPAIR	88.00	363.80
2008260	09/19/07	06276	GIFFORD ENGINEERING INC	3435	08/28/07	TWO-WAY RADIO REPAIRS	163.68	163.68
2008078	09/05/07	07558	GILBERT LARA	Ref002378045	08/30/07	UB Refund Cst #0000047273	14.77	14.77
2008374	09/26/07	05021	GILBERT MARTINEZ	Ref002378742	09/24/07	UB Refund Cst #0000014890	75.00	75.00
2008195	09/12/07	00131	GOVERNMENT FINANCE OFFICERS	016194	09/11/07	GFOA AWARDS PROGRAM	500.00	500.00
2008261	09/19/07	03289	GRANGER, WILLIAM E	016211	09/17/07	TRAVEL EXPENSE	871.37	871.37
2008079	09/05/07	01997	GROSSMONT UNION H S DISTRICT	AM0700140	08/01/07	ARTIFICIAL SPORTS TURF PROJECT	70,000.00	70,000.00
2008262	09/19/07	02630	HAAKER EQUIPMENT COMPANY	C56441	08/30/07	REPAIR PARTS	608.47	608.47
2008263	09/19/07	00174	HACH COMPANY	5272527	08/27/07	CHLORINE & AMMONIA ANALYZER	1,869.97	1,869.97
2008375	09/26/07	00174	HACH COMPANY	5253239	08/10/07	PARTS	1,643.83	1,643.83
2008196	09/12/07	04217	HATCH & PARENT	416911	08/31/07	LEGISLATIVE ADVOCACY SERVICES	5,500.00	5,500.00
2008376	09/26/07	07444	HAWORTH INC	17370603	09/03/07	TRAINING CONFERENCE ROOM CHAIRS	11,000.85	11,000.85
2008080	09/05/07	06640	HD SUPPLY WATERWORKS LTD	5769132	08/16/07	INVENTORY	487.66	
				5794415	08/15/07	NUTS AND BOLTS	250.33	737.99
2008197	09/12/07	06640	HD SUPPLY WATERWORKS LTD	5781555	08/17/07	INVENTORY	5,169.66	
				5778005	08/17/07	INVENTORY	4,031.14	
				5841833	08/22/07	INVENTORY	1,674.68	
				5842340	08/22/07	INVENTORY	1,491.65	
				5842228	08/22/07	INVENTORY	156.45	12,523.58
2008264	09/19/07	06640	HD SUPPLY WATERWORKS LTD	5871500	08/29/07	INVENTORY	4,664.50	
				5871893	08/29/07	INVENTORY	4,392.31	
				5635948	08/28/07	TAP HOLDER	453.52	
				5706970	08/29/07	INVENTORY	437.19	
				5861052	08/29/07	INVENTORY	253.21	10,200.73
2008377	09/26/07	06640	HD SUPPLY WATERWORKS LTD	5925115	09/06/07	INVENTORY	1,554.83	
				5723928	08/10/07	METER GASKETS	269.38	1,824.21
2008081	09/05/07	04472	HECTOR I MARES-COSSIO	29	07/01/07	CONSULTANT CONTRACT	3,000.00	3,000.00
2008198	09/12/07	07500	HENNINGTON AND ASSOCIATES	016187	09/11/07	RETAINER FEE	10,000.00	10,000.00

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2008082	09/05/07	07554	HERBERT TAFT	Ref002378041	08/30/07	UB Refund Cst #0000035195	13.85	13.85
2008199	09/12/07	00297	HILTI INC	1603699394	08/17/07	DRILL BITS	176.76	176.76
2008265	09/19/07	06843	HI-TECH AIR CONDITIONING	1019	07/31/07	DATA CENTER AC MAINTENANCE	350.00	350.00
2008083	09/05/07	01109	HOME DEPOT CREDIT SERVICES	1010371	08/23/07	BUILDING SUPPLIES	73.98	73.98
2008200	09/12/07	03615	I.M.P.A.C. GOVERNMENT SERVICES	016191 016178 016180	08/22/07 08/22/07 08/22/07	DISTRICT EXPENSES DISTRICT EXPENSES DISTRICT EXPENSES	3,600.00 2,455.65 9.12	6,064.77
2008266	09/19/07	03615	I.M.P.A.C. GOVERNMENT SERVICES	016199 016197	08/22/07 08/22/07	DISTRICT EXPENSES DISTRICT EXPENSES	4,347.63 69.57	4,417.20
2008084	09/05/07	01649	IDEXX DISTRIBUTION INC	226462133	08/13/07	LABORATORY SUPPLIES	3,768.50	3,768.50
2008201	09/12/07	03280	INFRASTRUCTURE ENGINEERING	2911	08/17/07	CONSTRUCTION CONSULTANTS/640-1 RESERVI	3,938.88	3,938.88
2008378	09/26/07	03280	INFRASTRUCTURE ENGINEERING	29	08/31/07	CONSTRUCTION CONSULTANTS/640-1 RESERVI	2,721.65	2,721.65
2008379	09/26/07	02372	INTERIOR PLANT SERVICE INC	25462	08/31/07	PLANT SERVICE	169.00	169.00
2008085	09/05/07	07404	INTERKNOWLOGY LLC	2719	08/11/07	IT SYSTEM ENHANCEMENTS	7,840.00	7,840.00
2008202	09/12/07	07404	INTERKNOWLOGY LLC	2727	08/18/07	IT SYSTEM ENHANCEMENTS	4,547.50	4,547.50
2008267	09/19/07	07404	INTERKNOWLOGY LLC	2735	08/25/07	IT SYSTEM ENHANCEMENTS	7,487.50	7,487.50
2008380	09/26/07	07404	INTERKNOWLOGY LLC	2752	09/01/07	IT SYSTEM ENHANCEMENTS	1,750.00	1,750.00
2008086	09/05/07	02267	INTERNAL REVENUE SERVICE	Ben2378165	09/06/07	PAYROLL DEDUCTION	50.00	50.00
2008087	09/05/07	04077	INTERNAL REVENUE SERVICE	Ben2378175	09/06/07	PAYROLL DEDUCTION	64.00	64.00
2008268	09/19/07	02267	INTERNAL REVENUE SERVICE	Ben2378565	09/20/07	PAYROLL DEDUCTION	50.00	50.00
2008269	09/19/07	04077	INTERNAL REVENUE SERVICE	Ben2378575	09/20/07	PAYROLL DEDUCTION	64.00	64.00
2008381	09/26/07	07638	IRENE D PRIESTER	Ref002378774	09/24/07	UB Refund Cst #0000075436	9.21	9.21
2008088	09/05/07	07582	JACKSON POTTER	Ref002378070	08/30/07	UB Refund Cst #0000093802	38.19	38.19
2008089	09/05/07	05836	JACOBS INC	W9X9540119	08/14/07	450-1 RESV & 680-1 PS PROJECT	20,248.82	20,248.82

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2008382	09/26/07	07633	JAMES D SANCHEZ	Ref002378769	09/24/07	UB Refund Cst #0000070716	25.00	25.00
2008383	09/26/07	07616	JAMES THOMPSEN	Ref002378751	09/24/07	UB Refund Cst #0000038154	47.21	47.21
2008384	09/26/07	03077	JANI KING OF CALIFORNIA INC	SDO09070376	09/01/07	OFF-SITE JANITORIAL SERVICES	1,016.73	1,016.73
2008385	09/26/07	07628	JENNIE OLSON	Ref002378764	09/24/07	UB Refund Cst #0000068227	19.19	19.19
2008090	09/05/07	07579	JENNIFER PATTERSON	Ref002378067	08/30/07	UB Refund Cst #0000092236	18.76	18.76
2008091	09/05/07	07585	JESSICA SNEED	Ref002378073	08/30/07	UB Refund Cst #0000094330	23.26	23.26
2008270	09/19/07	06849	JEYCO PRODUCTS INC	454138	08/27/07	PAINT	157.87	157.87
2008203	09/12/07	01010	JOBS AVAILABLE INC	718073	08/21/07	JOB POSTING	315.00	315.00
2008092	09/05/07	07548	JOHN P RIDDELL	Ref002378034	08/30/07	UB Refund Cst #0000013388	27.42	27.42
2008093	09/05/07	05527	JOHN'S CRANE RENTAL LLC	13883	08/11/07	RENTAL CRANE SERVICE	2,305.00	2,305.00
2008386	09/26/07	03172	JONES & STOKES ASSOCIATES	0045322 0045324 0045321 0045323	08/15/07 08/15/07 08/15/07 08/15/07	HABITAT MANAGEMENT ENVIRON. SERVICES PROFESSIONAL ON-CALL ENVIRONMENTAL SVC PROFESSIONAL ON-CALL ENVIRONMENTAL SVC PROFESSIONAL ON-CALL ENVIRONMENTAL SVC	7,710.00 4,792.68 346.83 25.00	12,874.51
2008387	09/26/07	07658	JOSEPH TRUSSELL	Ref002378795	09/24/07	UB Refund Cst #0000120394	451.85	451.85
2008094	09/05/07	07583	JOSEPHINE ABAD TAYLOR	Ref002378071	08/30/07	UB Refund Cst #0000093897	20.47	20.47
2008095	09/05/07	07575	JOSH BELLINGER	Ref002378063	08/30/07	UB Refund Cst #0000090702	20.84	20.84
2008388	09/26/07	07642	JULIE ZUCK	Ref002378779	09/24/07	UB Refund Cst #0000081935	71.03	71.03
2008096	09/05/07	07581	JULISSA MAMLOVE	Ref002378069	08/30/07	UB Refund Cst #0000093182	12.74	12.74
2008097	09/05/07	07552	KAYLA ORANGE	Ref002378039	08/30/07	UB Refund Cst #0000022835	73.56	73.56
2008204	09/12/07	01804	KEERAN, TIMOTHY R	016188	05/14/07	TRAVEL EXPENSE REIMBURSEMENT	340.30	340.30
2008389	09/26/07	07613	KEITH BROWNELL	Ref002378748	09/24/07	UB Refund Cst #0000031943	44.88	44.88
2008390	09/26/07	07493	KEITH OLIVER & ASSOCIATES	1969	08/10/07	FILTER	2,036.22	2,036.22
2008205	09/12/07	04670	KETIV TECHNOLOGIES INC	C13804	08/23/07	KETIV TELEPHONE & EMAIL SUPPORT	1,195.00	1,195.00
2008391	09/26/07	05840	KIRK PAVING INC	3737	08/31/07	AS NEEDED PAVING SERVICES	43,157.00	

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				3738	09/04/07	AS NEEDED PAVING SERVICES	20,018.50	63,175.50
2008271	09/19/07	04996	KNOX ATTORNEY SERVICE INC	259109	08/29/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				259110	08/29/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				259111	08/29/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	82.50
2008392	09/26/07	04996	KNOX ATTORNEY SERVICE INC	260408	09/05/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				260409	09/05/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				260406	09/05/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				260407	09/05/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	110.00
2008098	09/05/07	01859	LA PRENSA SAN DIEGO	21865	08/15/07	JOB POSTING	54.00	54.00
2008272	09/19/07	06497	LAKESIDE LAND COMPANY	198834	08/06/07	CLEAN CONCRETE FOR RO STRUCTURE DEMO	120.00	120.00
2008393	09/26/07	07657	LARRY COLBERT	Ref002378794	09/24/07	UB Refund Cst #0000097469	51.47	51.47
2008099	09/05/07	07553	LENA BATTISTI	Ref002378040	08/30/07	UB Refund Cst #0000033209	64.54	64.54
2008394	09/26/07	07643	LESLEY PARKER	Ref002378780	09/24/07	UB Refund Cst #0000088953	20.23	20.23
2008100	09/05/07	06273	LIEBERT CASSIDY WHITMORE	79933	07/31/07	LABOR RELATIONS CONSULTING SERVICES	2,000.00	2,000.00
2008101	09/05/07	07542	LINE-X OF EL CAJON	EC11287	08/16/07	BED LINING	1,399.20	
				EC11286	08/16/07	BED LINING	1,264.20	2,663.40
2008102	09/05/07	07586	LITTON LOAN SERVICE	Ref002378074	08/30/07	UB Refund Cst #0000095630	49.15	49.15
2008395	09/26/07	05220	LOGICALIS INTEGRATION SOLUTION	S715507	08/31/07	IT DATA CENTER SERVICES	5,520.00	
				S715508	08/31/07	IT DATA CENTER SERVICES	540.00	6,060.00
2008273	09/19/07	03019	LOPEZ, JOSE A	70100807	09/14/07	REIMBURSE MILEAGE EXPENSE	32.01	32.01
2008396	09/26/07	07615	LUISA DANIELE	Ref002378750	09/24/07	UB Refund Cst #0000036809	75.00	75.00
2008206	09/12/07	07594	LUTH RESEARCH	016186	09/11/07	RETAINER FEE	5,000.00	5,000.00
2008103	09/05/07	07591	MA, DONGXING	07470607	06/21/07	TRAVEL EXPENSE REIMBURSEMENT	113.00	113.00
2008397	09/26/07	00628	MANHATTAN NAT'L LIFE INS CO	016229	09/20/07	VOLUNTARY LIFE INSURANCE	445.07	445.07
2008398	09/26/07	07621	MARCELINO FREGOSO	Ref002378757	09/24/07	UB Refund Cst #0000054035	36.94	36.94
2008104	09/05/07	07577	MARIA LARANANG	Ref002378065	08/30/07	UB Refund Cst #0000091565	15.17	15.17
2008399	09/26/07	07607	MARINE SALDANA	Ref002378739	09/24/07	UB Refund Cst #0000005584	70.79	70.79

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2008400	09/26/07	07609	MARISELA HERNADEZ	Ref002378743	09/24/07	UB Refund Cst #0000015281	75.00	75.00
2008401	09/26/07	07649	MARK MILNER	Ref002378786	09/24/07	UB Refund Cst #0000090245	46.68	46.68
2008402	09/26/07	02902	MARSTON+MARSTON INC	20079	09/01/07	PUBLIC RELATIONS SERVICES	2,355.00	2,355.00
2008105	09/05/07	07564	MARTHA ARENAS	Ref002378051	08/30/07	UB Refund Cst #0000080314	55.04	55.04
2008403	09/26/07	07626	MARTHA RODRIGUEZ	Ref002378762	09/24/07	UB Refund Cst #0000066763	60.00	60.00
2008274	09/19/07	05329	MASTER METER INC	0127859IN	08/30/07	INVENTORY	18,859.53	18,859.53
2008404	09/26/07	07610	MAUREEN JUDISH	Ref002378744	09/24/07	UB Refund Cst #0000015537	50.00	50.00
2008405	09/26/07	07623	MAYA TANAKA	Ref002378759	09/24/07	UB Refund Cst #0000060781	50.31	50.31
2008106	09/05/07	06302	MCCROMETER INC	318001RI	08/10/07	FILTER EFFLUENT FLOW METER REPLACEMEN	2,725.87	2,725.87
2008406	09/26/07	06302	MCCROMETER INC	319219RI	09/06/07	FLOWMETER REMOTE UNIT	237.50	237.50
2008107	09/05/07	01183	MCMASTER-CARR SUPPLY CO	70330717 70474845	08/10/07 08/14/07	AIR VAC UPDATE STRETCH WRAP	208.51 113.60	322.11
2008207	09/12/07	01183	MCMASTER-CARR SUPPLY CO	70796584	08/20/07	AIR RELEASE VALVE	83.27	83.27
2008275	09/19/07	01183	MCMASTER-CARR SUPPLY CO	71331418	08/28/07	WAREHOUSE SUPPLIES	263.59	263.59
2008108	09/05/07	07570	MIKE DELLA MORA	Ref002378058	08/30/07	UB Refund Cst #0000088052	15.90	15.90
2008109	09/05/07	01577	MINARIK CORPORATION	I0485934DD	08/14/07	OFF-DELAY TIMERS	535.03	535.03
2008407	09/26/07	07636	MINERVA RUIZ	Ref002378772	09/24/07	UB Refund Cst #0000073321	20.23	20.23
2008208	09/12/07	01063	MIRAMAR BOBCAT INC	P88468	08/23/07	EQUIPMENT PARTS	904.02	904.02
2008408	09/26/07	00887	MIRAMAR TRUCK CENTER-SAN DIEGO	218012	08/29/07	REPAIR PARTS	118.84	118.84
2008110	09/05/07	07551	MIRNA CHRISTINA CRUZ	Ref002378037	08/30/07	UB Refund Cst #0000021004	8.30	8.30
2008111	09/05/07	03393	MOBILE MINI LLC - CA	904058067	08/13/07	RENTAL 40' METERS STORAGE CONTAINER	170.88	170.88
2008409	09/26/07	03393	MOBILE MINI LLC - CA	904062906	09/02/07	RENTAL 40' METERS STORAGE CONTAINER	164.90	164.90
2008410	09/26/07	07660	MONICA GOMEZ	Ref002378797	09/24/07	UB Refund Cst #0000090260	20.54	20.54

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				085189	08/20/07	REPAIR PARTS	11.42	
				085467	08/22/07	REPAIR PARTS	11.18	
				085658	08/23/07	REPAIR PARTS	10.67	
				083858	08/08/07	REPAIR PARTS	10.52	
				084833	08/16/07	REPAIR PARTS	9.54	
				086342	08/29/07	REPAIR PARTS	9.46	
				086251	08/29/07	REPAIR PARTS	9.05	
				084589	08/14/07	REPAIR PARTS	8.61	
				082714	07/30/07	REPAIR PARTS	7.71	
				086341	08/29/07	REPAIR PARTS	4.73	2,326.50
2008276	09/19/07	04676	NAPA AUTO PARTS	086487	08/30/07	REPAIR PARTS	47.55	
				086148	08/28/07	REPAIR PARTS	38.08	
				085732	08/24/07	REPAIR PARTS	25.52	
				086163	08/28/07	REPAIR PARTS	22.15	
				086247	08/29/07	REPAIR PARTS	8.95	
				086495	08/30/07	REPAIR PARTS	3.34	145.59
2008115	09/05/07	03523	NATIONAL DEFERRED COMPENSATION	Ben2378161	09/06/07	DEFERRED COMP PLAN	8,578.40	8,578.40
2008277	09/19/07	03523	NATIONAL DEFERRED COMPENSATION	Ben2378561	09/20/07	DEFERRED COMP PLAN	41,200.68	41,200.68
2008211	09/12/07	03733	NEC UNIFIED SOLUTIONS INC	VSH10244254	08/20/07	LABOR FOR PHONES SVCS	113.00	113.00
2008116	09/05/07	07578	NEISHA GLENN	Ref002378066	08/30/07	UB Refund Cst #0000091789	54.16	54.16
2008415	09/26/07	07620	NEOMI REYES	Ref002378756	09/24/07	UB Refund Cst #0000050823	23.43	23.43
2008416	09/26/07	03487	NETWORK INSIGHT	NINMS200700637	09/04/07	NETWORK MONITORING SERVICES	18,330.75	18,330.75
2008417	09/26/07	00745	NEWARK	14714017	08/29/07	CRIMPING TOOL AND FERRULES	312.71	312.71
2008117	09/05/07	05494	NEXTEL COMMUNICATIONS	901500243011	08/12/07	GIS (AIR-TRAK) CELLULAR SERVICE	2,926.61	
				901500243010	07/12/07	GIS (AIR-TRAK) CELLULAR SERVICE	2,924.18	5,850.79
2008278	09/19/07	05494	NEXTEL COMMUNICATIONS	901500243012	09/12/07	GIS (AIR-TRAK) CELLULAR SERVICE	8,780.63	8,780.63
2008418	09/26/07	05494	NEXTEL COMMUNICATIONS	901500243012	09/12/07	GIS (AIR-TRAK) CELLULAR SERVICE	2,929.84	2,929.84
2008118	09/05/07	07576	NOEL YSIP	Ref002378064	08/30/07	UB Refund Cst #0000090750	11.44	11.44
2008119	09/05/07	00510	OFFICE DEPOT INC	397415802001	08/15/07	OFFICE SUPPLIES	1,196.20	
				396708448001	08/15/07	OFFICE SUPPLIES	246.25	1,442.45
2008212	09/12/07	00510	OFFICE DEPOT INC	399816842001		CREDIT MEMO	(12.55)	
				397749430001	08/22/07	COLOR INK CARTRIDGES	67.83	

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				397958460001	08/22/07	OFFICE SUPPLIES	50.83	106.11
2008279	09/19/07	00510	OFFICE DEPOT INC	399233394001	08/29/07	OFFICE SUPPLIES	374.45	
				398862210001	08/29/07	CALENDAR REFILLS	6.00	380.45
2008419	09/26/07	00510	OFFICE DEPOT INC	399242065001	09/05/07	OFFICE SUPPLIES	233.04	
				399605582001	09/05/07	OFFICE SUPPLIES	12.55	
				398862210002	09/05/07	CALENDAR REFILLS	8.14	253.73
2008120	09/05/07	01837	OFFICE TEAM	19455283	08/27/07	TEMPORARY SERVICES - CUSTOMER SVC DEP	934.80	934.80
2008213	09/12/07	01837	OFFICE TEAM	19512988	09/03/07	TEMPORARY SERVICES - CUSTOMER SVC DEP	934.80	934.80
2008280	09/19/07	01837	OFFICE TEAM	19577766	09/10/07	TEMPORARY SERVICES - CUST SVCS DEPT	747.84	747.84
2008420	09/26/07	01837	OFFICE TEAM	19627991	09/17/07	TEMPORARY SERVICES - CUSTOMER SERVICE	934.80	934.80
2008281	09/19/07	01726	OLDS, LARRY E	016206	09/17/07	COMPUTER LOAN PROGRAM	2,589.59	2,589.59
2008421	09/26/07	07634	OSCAR QUIJADA	Ref002378770	09/24/07	UB Refund Cst #0000070910	26.24	26.24
2008422	09/26/07	02334	OTAY LANDFILL	005334	08/31/07	WASTE DISPOSAL SERVICES	216.21	216.21
2008121	09/05/07	03101	OTAY WATER DISTRICT	Ben2378163	09/06/07	PAYROLL DEDUCTION - ASSN DUES	833.00	833.00
2008282	09/19/07	03101	OTAY WATER DISTRICT	Ben2378563	09/20/07	PAYROLL DEDUCTION - ASSN DUES	840.00	840.00
2008122	09/05/07	04463	PACIFIC GREEN LANDSCAPE INC	0044093IN	08/15/07	LANDSCAPE SERVICES	7,850.00	7,850.00
2008423	09/26/07	06646	PACIFIC HYDROTECH CORPORATION	8	08/31/07	CONSTRUCTION SERVICES	1,856,292.53	1,856,292.53
2008123	09/05/07	07573	PARIDA MATA	Ref002378061	08/30/07	UB Refund Cst #0000090026	44.17	44.17
2008424	09/26/07	07611	PAUL BRADEN	Ref002378746	09/24/07	UB Refund Cst #0000023651	55.81	55.81
2008425	09/26/07	05497	PAYPAL INC	800146	08/31/07	ON-LINE PAYMENT SERVICES	258.80	258.80
2008426	09/26/07	03308	PBS&J	0342137	08/23/07	OWD WASTE DISCHARGE PERMIT REV	814.00	
				0337008	08/23/07	OWD WASTE DISCHARGE PERMIT REV	800.00	1,614.00
2008124	09/05/07	00138	PEARSON FORD CO	813843	08/09/07	REPAIR PART	52.78	52.78
2008214	09/12/07	00138	PEARSON FORD CO	816518	08/20/07	SWITCH	34.54	
				817518	08/23/07	DOOR SEAL	18.21	52.75
2008125	09/05/07	03649	PECK S HEAVY FRICTION INC	175557	08/14/07	REPAIR PARTS	1,119.63	1,119.63

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2008215	09/12/07	03649	PECK S HEAVY FRICTION INC	173849 175812	07/25/07 08/22/07	REPAIR PARTS BRAKE PARTS	534.22 471.21	1,005.43
2008283	09/19/07	03649	PECK S HEAVY FRICTION INC	175985	08/28/07	REPAIR PARTS	536.75	536.75
2008126	09/05/07	07589	PECKS WHOLESALE TRAILER SUPPLY	71603	07/19/07	REPAIR PART	267.82	267.82
2008427	09/26/07	07639	PELE OKULLO	Ref002378775	09/24/07	UB Refund Cst #0000079209	15.24	15.24
2008216	09/12/07	03790	PENHALL COMPANY	7505	08/22/07	FLAT SAW CUTTING SERVICES	193.00	193.00
2008284	09/19/07	03790	PENHALL COMPANY	7632	08/30/07	FLAT SAW CUTTING SERVICES	272.50	272.50
2008428	09/26/07	03790	PENHALL COMPANY	7365	08/08/07	DEMOLITION OF RO STRUCTURE	830.00	830.00
2008127	09/05/07	00593	PEPPER OIL COMPANY INC	603843	08/27/07	DIESEL FUEL-LOPS	11,318.73	11,318.73
2008285	09/19/07	00593	PEPPER OIL COMPANY INC	604084	09/06/07	UNLEADED FUEL	13,737.78	13,737.78
2008429	09/26/07	05845	PETER LAWLER	Ref002378745	09/24/07	UB Refund Cst #0000020399	6.36	6.36
2008128	09/05/07	00137	PETTY CASH CUSTODIAN	016175	09/04/07	PETTY CASH REIMBURSEMENT	735.97	735.97
2008286	09/19/07	00137	PETTY CASH CUSTODIAN	016200	09/18/07	PETTY CASH REIMBURSEMENT	362.87	362.87
2008430	09/26/07	07630	PHILIP LASEUR	Ref002378766	09/24/07	UB Refund Cst #0000069757	75.00	75.00
2008129	09/05/07	04983	PICNIC PEOPLE SAN DIEGO	2398	08/13/07	ANNUAL EMPLOYEE PICNIC	1,451.48	1,451.48
2008217	09/12/07	07290	PILLSBURY WINTHROP SHAW	7333638	08/23/07	LEGAL SERVICES FOR JULY 2007	6,297.66	6,297.66
2008130	09/05/07	02786	PIONEER AMERICAS LLC	5538822656	08/10/07	CHLORINE	2,187.55	2,187.55
2008431	09/26/07	02786	PIONEER AMERICAS LLC	5538828446	09/05/07	CHLORINE	2,187.55	2,187.55
2008432	09/26/07	00053	PITNEY BOWES INC	878143	09/03/07	POSTAL SECURITY DEVICE RENTAL	206.88	206.88
2008131	09/05/07	03242	POLYDYNE INC	361350	07/19/07	C-2005 POLYMER FOR TREATMENT PLANT	2,949.98	2,949.98
2008433	09/26/07	01715	PORRAS, PEDRO J	016215	09/19/07	TRAVEL EXPENSE	471.60	471.60
2008132	09/05/07	05499	PRAXAIR DISTRIBUTION INC	26650468	07/20/07	WELDING SUPPLIES & EQUIPMENT	419.64	419.64
2008287	09/19/07	05499	PRAXAIR DISTRIBUTION INC	27034839	08/30/07	WELDING SUPPLIES	129.78	129.78

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2008434	09/26/07	05499	PRAXAIR DISTRIBUTION INC	27042997	08/31/07	WELDING SUPPLIES	826.71	1,379.72
				27042994	08/31/07	WELDING SUPPLIES	323.20	
				27042995	08/31/07	WELDING SUPPLIES	139.08	
				27042998	08/31/07	WELDING SUPPLIES	85.62	
				27042996	08/31/07	WELDING SUPPLIES	5.11	
2008436	09/26/07	07622	PRENTICE R SPEARMAN	Ref002378758	09/24/07	UB Refund Cst #0000054230	70.00	70.00
2008435	09/26/07	02976	PRE-PAID LEGAL SERVICES INC	016228	09/20/07	LEGAL SERVICES	47.85	47.85
2008133	09/05/07	01733	PRICE TRONCONE & ASSOCIATES	11707	08/13/07	DISTRICT RADIO REPEATER SITE RENTAL	3,396.00	3,396.00
2008437	09/26/07	02476	PROGRESSIVE BUSINESS	04360653	08/24/07	SUBSCRIPTION RENEWAL	253.00	253.00
2008134	09/05/07	06641	PRUDENTIAL OVERALL SUPPLY	7008140	08/16/07	UNIFORMS	317.45	767.95
				7008139	08/16/07	MATS, TOWELS & SUPPLIES	136.98	
				7008141	08/16/07	MATS, TOWELS & SUPPLIES	89.25	
				7001360	08/15/07	MATS, TOWELS & SUPPLIES	88.95	
				7001359	08/15/07	UNIFORMS	70.64	
				7008142	08/16/07	UNIFORMS	64.68	
2008218	09/12/07	06641	PRUDENTIAL OVERALL SUPPLY	7040828	08/23/07	UNIFORMS	312.21	755.95
				7040827	08/23/07	MATS, TOWELS & SUPPLIES	136.98	
				7040829	08/23/07	MATS, TOWELS & SUPPLIES	89.25	
				7034092	08/22/07	MATS, TOWELS & SUPPLIES	88.95	
				7040830	08/23/07	UNIFORMS	64.68	
				7034091	08/22/07	UNIFORMS	63.88	
2008288	09/19/07	06641	PRUDENTIAL OVERALL SUPPLY	7073515	08/30/07	UNIFORMS	298.11	741.85
				7073514	08/30/07	MATS, TOWELS & SUPPLIES	136.98	
				7073516	08/30/07	MATS, TOWELS & SUPPLIES	89.25	
				7066811	08/29/07	MATS, TOWELS & SUPPLIES	88.95	
				7073517	08/30/07	UNIFORMS	64.68	
				7066810	08/29/07	UNIFORMS	63.88	
2008438	09/26/07	06641	PRUDENTIAL OVERALL SUPPLY	7099364	09/05/07	UNIFORMS	97.56	788.03
				7099365	09/05/07	MATS, TOWELS & SUPPLIES	91.45	
				7106069	09/06/07	MATS, TOWELS & SUPPLIES	89.25	
				7106070	09/06/07	UNIFORMS	64.68	
				7106068	09/06/07	UNIFORMS	308.11	
				705365	09/06/07	MATS, TOWELS & SUPPLIES	136.98	
2008219	09/12/07	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2378157	09/06/07	PERS CONTRIBUTION	115,655.44	115,655.44
2008439	09/26/07	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2378557	09/20/07	PERS CONTRIBUTION	120,539.27	120,539.27

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2008135	09/05/07	01342	R J SAFETY SUPPLY CO INC	24026400 24026301	08/15/07 08/14/07	ASBESTOS BAGS SAFETY PRODUCTS	233.45 37.92	271.37
2008440	09/26/07	07606	RAMON AMEZCUA	Ref002378737	09/24/07	UB Refund Cst #0000090690	27.48	27.48
2008136	09/05/07	07566	RAYMOND STARR	Ref002378054	08/30/07	UB Refund Cst #0000082108	48.63	48.63
2008289	09/19/07	02041	RBF CONSULTING	7070187 7071164 7071131	08/30/07 08/27/07 08/24/07	CIP P2185-CONST MGMT SVCS I-905 UTILITY RELOCATION DESIGN SERVICES AS NEEDED ENGINEERING DRAFTING SERVICE	58,729.00 4,930.00 1,715.00	65,374.00
2008290	09/19/07	00021	RCP BLOCK & BRICK INC	4319125	08/16/07	PEA GRAVEL	188.56	188.56
2008220	09/12/07	01916	RED WING SHOE STORE	829000000777	08/19/07	SAFETY BOOTS	150.00	150.00
2008441	09/26/07	01916	RED WING SHOE STORE	8270000001028	08/10/07	SAFETY BOOTS	150.00	150.00
2008442	09/26/07	06645	RELIABLE ELEVATOR INC	10047	09/01/07	ELEVATOR SERVICE & MAINTENANCE	390.00	390.00
2008443	09/26/07	07654	REYES RODRIGUEZ	Ref002378791	09/24/07	UB Refund Cst #0000093710	59.15	59.15
2008444	09/26/07	07650	RICHARD OCHOA	Ref002378787	09/24/07	UB Refund Cst #0000090713	65.14	65.14
2008445	09/26/07	07303	RMB ENGINEERING AND SALES INC	5561375911	08/22/07	PLANT POLY TANK LEVEL TRANSMITTER	2,917.00	2,917.00
2008221	09/12/07	04542	ROBAK, MARK	70140707	07/31/07	MILEAGE REIMBURSEMENT	72.27	72.27
2008137	09/05/07	07314	ROGER LEE	Ref002378038	08/30/07	UB Refund Cst #0000022303	28.99	28.99
2008138	09/05/07	07556	RONALD MARIENTES	Ref002378043	08/30/07	UB Refund Cst #0000045514	81.47	81.47
2008446	09/26/07	07631	RONNIE MOORE	Ref002378767	09/24/07	UB Refund Cst #0000070016	75.92	75.92
2008139	09/05/07	07580	ROSE C TAYLOR	Ref002378068	08/30/07	UB Refund Cst #0000093042	56.75	56.75
2008140	09/05/07	00217	RW LITTLE CO INC	84102	08/16/07	POWDER COAT 14" VALVE PARTS	225.00	225.00
2008222	09/12/07	00217	RW LITTLE CO INC	84136	08/20/07	POWDERCOAT AV FLANGES FOR 36" PIPELINE	2,250.00	2,250.00
2008447	09/26/07	00217	RW LITTLE CO INC	84341	09/04/07	SANDBLASTING SERVICES	320.00	320.00
2008448	09/26/07	00362	RYAN HERCO PRODUCTS CORP	6151133	08/31/07	FITTINGS	820.06	820.06
2008449	09/26/07	05130	SAFARI MICRO INC	159168	08/28/07	MOTION COMPUTING TABLET	5,538.35	5,538.35
2008141	09/05/07	07555	SALLY GALVAN	Ref002378042	08/30/07	UB Refund Cst #0000040029	50.42	50.42

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2008450	09/26/07	03803	SAN DIEGO CLIPPING SERVICE INC	439070903	09/03/07	NEWSPAPER CLIPPING SERVICE	120.00	120.00
2008223	09/12/07	00247	SAN DIEGO DAILY TRANSCRIPT	64714	08/27/07	BID ADVERTISEMENT	66.00	66.00
2008291	09/19/07	00247	SAN DIEGO DAILY TRANSCRIPT	64878	08/28/07	BID ADVERTISEMENT	114.00	114.00
2008451	09/26/07	00247	SAN DIEGO DAILY TRANSCRIPT	53410	05/29/07	BID PUBLICATION-JANITORIAL SERVICES	40.59	40.59
2008142	09/05/07	00121	SAN DIEGO GAS & ELECTRIC	016167	08/24/07	UTILITY EXPENSES	81,364.26	91,602.34
				016176	08/30/07	UTILITY EXPENSES	10,238.08	
2008224	09/12/07	00121	SAN DIEGO GAS & ELECTRIC	016179	08/31/07	UTILITY EXPENSES	84,329.91	86,946.79
				016193	08/31/07	UTILITY EXPENSES	1,808.39	
				016183	08/31/07	UTILITY EXPENSES	808.49	
2008452	09/26/07	00121	SAN DIEGO GAS & ELECTRIC	016222	09/21/07	UTILITY EXPENSES	26,484.72	35,410.51
				016240	09/26/07	UTILITY EXPENSES	6,168.14	
				016220	09/20/07	UTILITY EXPENSES	2,757.65	
2008143	09/05/07	03809	SAN DIEGO NEIGHBORHOOD NEWS	01527152001	08/10/07	JOB POSTING	105.80	105.80
2008453	09/26/07	04345	SAN DIEGO PRECAST CONCRETE INC	0125991IN	08/31/07	METER BOX LID	4,163.46	4,646.18
				0125990IN	08/31/07	METER BOX LID	482.72	
2008292	09/19/07	03273	SAN DIEGO READER	220	09/05/07	JOB POSTING	75.51	75.51
2008169	09/07/07	07593	SD FIRE FIGHTERS FOUNDATION	016182	09/07/07	EVENT SPONSORSHIP	500.00	500.00
2008225	09/12/07	01651	SHARP REES-STEALY MEDICAL CTRS	191	08/18/07	PRE EMPLOYMENT PHYSICALS	198.00	374.00
				191B	08/18/07	PRE EMPLOYMENT PHYSICALS	88.00	
				191A	08/18/07	PRE EMPLOYMENT PHYSICALS	88.00	
2008454	09/26/07	02291	SHIER AVIATION CORPORATION	24503	08/31/07	DISTRICT TOUR	1,424.50	1,424.50
2008455	09/26/07	07629	SHIRLEY HERNANDEZ	Ref002378765	09/24/07	UB Refund Cst #0000069272	39.09	39.09
2008456	09/26/07	05983	SIEMENS WATER	2219513	08/28/07	METERING PUMP PARTS	1,134.80	1,134.80
2008144	09/05/07	05983	SIEMENS WATER TECHNOLOGIES	2208064	08/15/07	COLUMN EXCHANGES	177.06	177.06
2008293	09/19/07	05627	SIGNA DIGITAL SOLUTIONS INC	ARS10424	08/30/07	COPIER SERVICE & MAINTENANCE	550.00	772.10
				ARS10378	08/29/07	COPIER MAINTENANCE	191.10	
				ARS10380	08/29/07	COPIER MAINTENANCE	31.00	
2008457	09/26/07	02963	SOUTH COUNTY ECONOMIC	016231	09/24/07	CONFERENCE REGISTRATION	150.00	150.00

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2008145	09/05/07	03103	SOUTHCOAST HEATING &	C33916	08/14/07	AIR CONDITIONING MAINTENANCE	857.00	857.00
2008294	09/19/07	06537	SOUTHLAND TECHNOLOGY	SI22051	08/28/07	LCD INSTALL FOR BOARD CONFERENCE ROOM	1,383.16	1,383.16
2008146	09/05/07	03760	SPANKY'S PORTABLE SERVICES INC	684511	07/26/07	PORTABLE TOILET RENTAL	96.78	
				686507	08/03/07	PORTABLE TOILET RENTAL	79.22	
				681206	07/06/07	PORTABLE TOILET RENTAL	79.22	
				686797	08/06/07	PORTABLE TOILET RENTAL	77.37	
				686509	08/03/07	PORTABLE TOILET RENTAL	77.37	
				686508	08/03/07	PORTABLE TOILET RENTAL	77.37	
				686506	08/03/07	PORTABLE TOILET RENTAL	77.37	
				681207	07/06/07	PORTABLE TOILET RENTAL	77.37	
				681208	07/06/07	PORTABLE TOILET RENTAL	77.37	
				681205	07/06/07	PORTABLE TOILET RENTAL	77.37	
				688524	08/15/07	PORTABLE TOILET RENTAL	66.19	863.00
2008226	09/12/07	03760	SPANKY'S PORTABLE SERVICES INC	689911	08/23/07	PORTABLE TOILET RENTAL	96.78	96.78
2008458	09/26/07	03760	SPANKY'S PORTABLE SERVICES INC	690984	08/31/07	PORTABLE TOILET RENTAL	79.22	
				690683	08/31/07	PORTABLE TOILET RENTAL	77.37	
				690985	08/31/07	PORTABLE TOILET RENTAL	77.37	
				690986	08/31/07	PORTABLE TOILET RENTAL	77.37	
				692009	09/03/07	PORTABLE TOILET RENTAL	77.37	388.70
2008147	09/05/07	03516	SPECIAL DISTRICT RISK	23170	08/24/07	PROPERTY & LIABILITY INSURANCE	5,124.62	5,124.62
2008459	09/26/07	03516	SPECIAL DISTRICT RISK	0023468IN	09/12/07	WORKERS COMPENSATION COVERAGE	65,252.00	65,252.00
2008460	09/26/07	03600	SPRINT	016217	09/14/07	WIRELESS CARDS SERVICE - INTERNET	60.54	60.54
2008295	09/19/07	02354	STANDARD ELECTRONICS	9871	08/24/07	SECURITY SERVICE & REPAIRS	85.00	85.00
2008461	09/26/07	02354	STANDARD ELECTRONICS	9878	08/30/07	FIRE & SECURITY MONITORING	16,920.00	16,920.00
2008148	09/05/07	07567	STANDARD PACIFIC HOMES	Ref002378055	08/30/07	UB Refund Cst #0000083698	802.42	802.42
2008296	09/19/07	07448	STANLEY STEEMER	934320	08/25/07	CARPET CLEANING	834.00	834.00
2008149	09/05/07	06295	STATE DISBURSEMENT UNIT	Ben2378171	09/06/07	PAYROLL DEDUCTION	294.46	294.46
2008150	09/05/07	06299	STATE DISBURSEMENT UNIT	Ben2378169	09/06/07	PAYROLL DEDUCTION	237.69	237.69
2008151	09/05/07	06303	STATE DISBURSEMENT UNIT	Ben2378173	09/06/07	PAYROLL DEDUCTION	482.76	482.76
2008297	09/19/07	06295	STATE DISBURSEMENT UNIT	Ben2378571	09/20/07	PAYROLL DEDUCTION	294.46	294.46

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2008298	09/19/07	06299	STATE DISBURSEMENT UNIT	Ben2378569	09/20/07	PAYROLL DEDUCTION	237.69	237.69
2008299	09/19/07	06303	STATE DISBURSEMENT UNIT	Ben2378573	09/20/07	PAYROLL DEDUCTION	482.76	482.76
2008152	09/05/07	02261	STATE STREET BANK & TRUST CO	Ben2378159	09/06/07	DEFERRED COMP PLAN	6,410.02	6,410.02
2008300	09/19/07	02261	STATE STREET BANK & TRUST CO	Ben2378559	09/20/07	DEFERRED COMP PLAN	15,329.28	15,329.28
2008462	09/26/07	07617	STEPHAN OSTERBUR	Ref002378753	09/24/07	UB Refund Cst #0000038879	107.12	107.12
2008301	09/19/07	04221	SUTHERLIN ASSOCIATED SERVICES	OWD082007	08/27/07	PROFESSIONAL SERVICES	529.00	529.00
2008227	09/12/07	00408	SWEETWATER AUTHORITY	016169	08/23/07	SWEETWATER AUTHORITY SR-125 UTILITY REL	561.18	561.18
2008153	09/05/07	02987	T M PEMBERTON	24517	08/15/07	CEMENT	557.10	557.10
2008154	09/05/07	02799	TARULLI TIRE INC - SAN DIEGO	20030510 20030432 20030418 20030568	07/20/07 07/13/07 07/13/07 07/30/07	TIRES TIRES TIRES TIRES	345.81 340.70 172.98 167.98	1,027.47
2008228	09/12/07	02799	TARULLI TIRE INC - SAN DIEGO	20030772 20030697 20030719 20030699 20030720 20030718 20030775 20030653	08/14/07 08/08/07 08/10/07 08/08/07 08/10/07 08/10/07 08/22/07 08/06/07	TIRES TIRES TIRES TIRES TIRES TIRES TIRES TIRES	1,271.49 370.10 235.76 124.00 94.68 27.00 20.47 16.00	2,159.50
2008303	09/19/07	02799	TARULLI TIRE INC - SAN DIEGO	20030928 20030975 20030929	08/27/07 08/29/07 08/27/07	TIRES TIRES TIRES	115.72 38.31 26.93	180.96
2008155	09/05/07	03374	TEK-COLLECT INC	016172	09/04/07	COLLECTION SERVICES	7,000.00	7,000.00
2008156	09/05/07	07559	THOMAS NICHOLSON	Ref002378046	08/30/07	UB Refund Cst #0000050786	9.96	9.96
2008302	09/19/07	04977	T-MOBILE	016196	09/04/07	CELL PHONE & BLACKBERRY SERVICE	2,110.16	2,110.16
2008463	09/26/07	07640	TONY ALVAREZ	Ref002378776	09/24/07	UB Refund Cst #0000079604	11.38	11.38
2008157	09/05/07	07569	TRIAD PROPERTIES	Ref002378057	08/30/07	UB Refund Cst #0000087081	59.01	59.01
2008158	09/05/07	07588	TRIAD PROPERTIES	Ref002378076	08/30/07	UB Refund Cst #0000120663	26.10	26.10

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2008035 THROUGH 2008477
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Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2008229	09/12/07	05989	TRIMBLE NAVIGATION LIMITED	10075599	08/21/07	TRIMBLE ROVER WITH RADIO	32,122.98	32,122.98
2008464	09/26/07	06829	U S SECURITY ASSOCIATES INC	951651	08/31/07	AFTER HOURS SECURITY SVCS	110.00	110.00
2008465	09/26/07	00427	UNDERGROUND SERVICE ALERT OF	820070462	09/01/07	UNDERGROUND TRENCH SERVICE ALERTS	596.80	596.80
2008466	09/26/07	03563	UNDERGROUND UTILITIES INC	086643	08/31/07	METER RETROFIT	35,935.00	35,935.00
2008304	09/19/07	00075	UNION TRIBUNE PUBLISHING CO	C070802455	08/31/07	ADVERTISEMENTS	960.90	960.90
2008467	09/26/07	00075	UNION TRIBUNE PUBLISHING CO	C070802454	08/31/07	JOB POSTING	1,765.60	1,765.60
2008159	09/05/07	02613	UNITED RENTALS NORTHWEST INC	67469670001	08/14/07	CONCRETE	118.53	118.53
2008230	09/12/07	02613	UNITED RENTALS NORTHWEST INC	67661214001	08/21/07	CONCRETE	137.92	137.92
2008305	09/19/07	02613	UNITED RENTALS NORTHWEST INC	67878658001	08/29/07	CONCRETE	99.13	99.13
2008160	09/05/07	05417	UNITED STATES DEPARTMENT	Ben2378177	09/06/07	PAYROLL DEDUCTION	100.00	100.00
2008306	09/19/07	05417	UNITED STATES DEPARTMENT	Ben2378577	09/20/07	PAYROLL DEDUCTION	100.00	100.00
2008307	09/19/07	00350	UNITED STATES POSTAL SERVICE	016204	09/18/07	REIMBURSE POSTAGE MACHINE	1,500.00	1,500.00
2008468	09/26/07	00853	UNIVAR USA INC	SD356503		CREDIT MEMO	(150.12)	
				SD633575	08/24/07	BULK AQUA AMONIA	2,101.94	
				SD633574	08/24/07	BULK AQUA AMONIA	1,801.41	
				SD633576	08/24/07	BULK AQUA AMONIA	450.35	4,203.58
2008161	09/05/07	02674	USA BLUE BOOK	432076	08/16/07	ANTI-CONDENSATION HEATER	339.74	339.74
2008308	09/19/07	02674	USA BLUE BOOK	437249	08/24/07	ANTI-CONDENSATION HEATER	55.85	55.85
2008309	09/19/07	03190	VALCO INSTRUMENTS CO INC	90032091	08/28/07	ANALYZERS PARTS	3,184.83	3,184.83
2008162	09/05/07	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2378167	09/06/07	DEFERRED COMP PLAN	6,205.60	6,205.60
2008310	09/19/07	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2378567	09/20/07	DEFERRED COMP PLAN	41,805.45	41,805.45
2008163	09/05/07	03329	VERIZON WIRELESS	0581338159	08/21/07	WIRELESS DATA SERVICES	5,900.13	5,900.13
2008164	09/05/07	00101	W W GRAINGER INC	9432839471	08/15/07	STRAINER	294.46	294.46
2008231	09/12/07	00101	W W GRAINGER INC	9436508759	08/20/07	INVERTER	662.34	
				9436368923	08/20/07	INDUSTRIAL SUPPLIES	255.70	

OTAY WATER DISTRICT
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Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				9435514691	08/17/07	BOSH DRILL BITS	77.88	
				9436368931	08/20/07	CONNECTOR	29.74	1,025.66
2008311	09/19/07	00101	W W GRAINGER INC	9444272240	08/29/07	GAUGES AND VALVES	287.11	
				9444416433	08/30/07	WIRE DUCT COVERS	72.22	
				9444204607	08/29/07	WEDGE ANCHOR	25.45	384.78
2008469	09/26/07	00101	W W GRAINGER INC	9448959313	09/06/07	OVERLOAD RELAY	162.68	162.68
2008165	09/05/07	00215	WATER EDUCATION FOUNDATION	016174	08/30/07	MEMBERSHIP RENEWAL	1,719.00	1,719.00
2008232	09/12/07	00215	WATER EDUCATION FOUNDATION	016190	09/06/07	SUBSCRIPTION RENEWAL	50.00	50.00
2008312	09/19/07	00215	WATER EDUCATION FOUNDATION	016198	09/14/07	SUBSCRIPTION RENEWAL	50.00	50.00
2008166	09/05/07	00014	WAXIE SANITARY SUPPLY	70178925	08/10/07	SANITARY SUPPLIES	1,243.94	1,243.94
2008470	09/26/07	00014	WAXIE SANITARY SUPPLY	70227300	09/06/07	SANITARY SUPPLIES	1,267.85	1,267.85
2008313	09/19/07	01343	WE GOT YA PEST CONTROL	43629	08/23/07	BEE REMOVAL	115.00	
				43601	08/22/07	PEST CONTROL SERVICE	100.00	
				43600	08/22/07	PEST CONTROL SERVICES	40.00	255.00
2008233	09/12/07	00190	WEST PAYMENT CENTER	814289007	08/20/07	LEGAL LIBRARY UPDATES/SUBS SVC	449.33	449.33
2008167	09/05/07	00125	WESTERN PUMP INC	0061472IN	08/09/07	PUMP REPAIR	335.67	335.67
2008471	09/26/07	00125	WESTERN PUMP INC	0061827IN	08/31/07	APCD TESTING	625.00	625.00
2008472	09/26/07	02725	WILLIAMS SCOTSMAN INC	75302960	09/02/07	28' TRAILER RENTAL	287.53	287.53
2008473	09/26/07	03468	WILSON PETTY KOSMO &	22993	08/31/07	LEGAL SERVICES AUGUST 2007	111.50	111.50
2008474	09/26/07	03423	WINZER CORPORATION	3007583	07/26/07	SHOP REPAIR HARDWARE	304.80	304.80
2008475	09/26/07	07655	WYNDI WARNKE	Ref002378792	09/24/07	UB Refund Cst #0000093936	34.92	34.92
2008476	09/26/07	07614	ZELLARY T BROWN	Ref002378749	09/24/07	UB Refund Cst #0000032650	125.00	125.00
2008168	09/05/07	03151	ZHAO, MING	15380707	07/22/07	TRAVEL EXPENSE REIMBURSEMENT	150.66	150.66
2008477	09/26/07	07619	ZINNIA AGCARAO	Ref002378755	09/24/07	UB Refund Cst #0000049716	34.19	34.19
GRAND TOTAL							3,490,127.73	3,490,127.73