

OTAY WATER DISTRICT
BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY
September 6, 2006
3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES OF THE BOARD MEETINGS OF JUNE 7, 2006 AND JULY 5, 2006
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) ADOPT RESOLUTION NO. 4087 AMENDING POLICY NO. 4, QUOTATIONS FOR FEES OR CHARGES, ESTABLISHING A PERIOD OF TIME THAT WRITTEN QUOTATIONS ARE VALID
 - b) APPROVE A ONE-TIME PAYMENT OF \$5,000 TO THE WATER CONSERVATION GARDEN TO PROVIDE FUNDING FOR BOARD SECRETARY SUPPORT
 - c) AWARD A PROFESSIONAL SERVICES CONTRACT TO REA & PARKER RESEARCH AND DOUGLAS COE OF THE SOCIAL SCIENCE RESEARCH LABORATORY TO CONDUCT THE 2006 CUSTOMER SERVICE, SATISFACTION, AND AWARENESS SURVEY FOR AN AMOUNT NOT TO EXCEED \$27,500

INFORMATION / ACTION ITEMS

7. ADMINISTRATION AND FINANCE

- a) PRESENTATION OF THE BOARD OF DIRECTORS 4TH QUARTER EXPENSES FOR FISCAL YEAR 2006 (PRENDERGAST)
- b) RECEIVE THE INVESTMENT POLICY (BOARD OF DIRECTORS POLICY NO. 27) AND ADOPT RESOLUTION NO. 4088 AMENDING THE POLICY AND RE-DELEGATING AUTHORITY FOR ALL INVESTMENT RELATED ACTIVITIES TO THE CHIEF FINANCIAL OFFICER (CUDLIP)

8. ENGINEERING AND WATER OPERATIONS

- a) CAPITAL IMPROVEMENT PROGRAM FISCAL YEAR-END 2006 UPDATE (VAUGHN)
- b) APPROVE THE EXECUTION OF AN AGREEMENT WITH CRICKET COMMUNICATIONS, INC., A DELAWARE CORPORATION, FOR THE INSTALLATION OF A COMMUNICATIONS FACILITY AT THE 485-1 RESERVOIR SITE (VAUGHN)
- c) APPROVE THE EXECUTION OF AN AGREEMENT WITH CRICKET COMMUNICATIONS, INC., A DELAWARE CORPORATION, FOR THE INSTALLATION OF A COMMUNICATIONS FACILITY AT THE 458-1&2 RESERVOIR SITE (VAUGHN)

9. BOARD INFORMATION / ACTION ITEMS

- a) DISCUSSION OF 2006 BOARD MEETING CALENDAR
- b) CONSIDERATION TO CAST A VOTE TO ELECT A REPRESENTATIVE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS

REPORTS

10. GENERAL MANAGER'S REPORT

- a) UPDATE ON THE 30" RECYCLED WATER PIPELINE PROJECT (SEE ATTACHMENT "A")
- b) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

11. GENERAL COUNSEL'S REPORT ON PROPOSITION 218

12. DIRECTORS' REPORTS / REQUESTS

13. PRESIDENT'S REPORT / REQUESTS

14. ADJOURNMENT

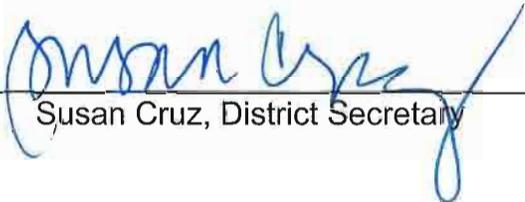
All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

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 1, 2006, 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 1, 2006.



Susan Cruz, District Secretary

AGENDA ITEM 4

MINUTES OF THE BOARD OF DIRECTORS MEETING OTAY WATER DISTRICT July 5, 2006

1. The meeting was called to order by Vice President Lopez at 3:40 p.m.

2. ROLL CALL

Directors Present: Breitfelder, Croucher, Lopez and Robak

Directors Absent: Bonilla (handling pressing business matters and is unable to attend)

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 Mehdi Arbabian, Chief of Operations Pedro Porras, Chief of Development Services Rod Posada, 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 Croucher 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 OF THE SPECIAL BOARD MEETING OF MAY 30, 2006

A motion was made by Director Breitfelder, seconded by Vice President 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 special board meeting of May 30, 2006.

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:

Director Breitfelder requested that items 6h, ADOPT RESOLUTION NO. 4082 AMENDING POLICY 26, DISTRICT ADMINISTRATION OF REIMBURSEMENT AGREEMENTS; 6j, ADOPT THE OTAY MESA VALUE ENGINEERING STUDY; and 6k, ACCEPT MR. JOSE RODRIGUEZ'S REQUEST FOR A WAIVER OF PENALTY FEES IN THE AMOUNT OF \$4,617 FOR AN UNAUTHORIZED SEWER CONNECTION; be pulled for discussion.

A motion was made by Director Croucher, 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 following consent calendar items.

- a) ADOPT RESOLUTION INCORPORATING THE NATIONAL INCIDENT MANAGEMENT SYSTEM AND INCIDENT COMMAND SYSTEM INTO FUTURE DISTRICT EMERGENCY RESPONSE EFFORTS
- b) REJECT ROSETE / DUCUT CLAIM
- c) ADOPT RESOLUTION NO. 4083 TO ESTABLISH THE TAX RATE FOR IMPROVEMENT DISTRICT NO. 27 AT \$0.007 FOR FISCAL YEAR 2006-2007
- d) APPROVE REVISIONS TO THE CERTIFICATE INCENTIVE PROGRAM; RATIFY ONE MEMORANDUM OF UNDERSTANDING SIDE LETTER FOR IN-RANGE ADJUSTMENTS; ADOPT RESOLUTION NO. 4084 TO REVISE THE DRUG FREE WORKPLACE BOARD POLICY NO. 22; AND, ADOPT RESOLUTION NO. 4086 TO REVISE THE EMPLOYEE RECOGNITION BOARD POLICY NO. 2

- e) APPROVE UTILITY AGREEMENT NO. 31755 WITH CALTRANS FOR SR 905 UTILITY RELOCATIONS
- f) AWARD A CONSTRUCTION CONTRACT TO ZONDIROS CORPORATION IN THE AMOUNT OF \$930,316 FOR THE CONSTRUCTION OF THE SR 905 UTILITY RELOCATIONS, ALTA ROAD VAULTS AND METER BYPASS PROJECT
- g) AWARD A PROFESSIONAL ENGINEERING SERVICES CONTRACT TO PBS&J IN THE AMOUNT OF \$119,580 FOR THE REVISION OF THE WASTE DISCHARGE PERMIT FOR THE DISTRICT'S RECYCLED WATER DISTRIBUTION SYSTEM
- h) AWARD A CONSTRUCTION CONTRACT TO BLAIR RASMUSSEN CONSTRUCTION IN THE AMOUNT OF \$60,747 FOR THE REMODEL OF THE METER SHOP

INFORMATION / ACTION ITEMS

8. ENGINEERING AND WATER OPERATIONS

- a) ADOPT RESOLUTION NO. 4082 AMENDING POLICY 26, DISTRICT ADMINISTRATION OF REIMBURSEMENT AGREEMENTS

Director Breitfelder indicated that he wished to confirm his understanding of the proposed revised policy. His understanding is that the board approves reimbursement agreements at their inception and it is again presented to the board prior to processing the reimbursement. He asked if this understanding was accurate. Chief of Development Services Rod Posada indicated that that was correct. He stated that additionally, if there are agreements that are older than five years, they would also be presented for board consideration.

It was discussed that several staff members review the reimbursement requests in detail and if staff disagrees with the amount requested, they contact the developer and review areas with the developer where there is concerns. He stated that many times, the developer agrees to a lower figure than originally requested.

Director Breitfelder indicated that it seems that the District's staff has the process pretty much handled. He indicated that he felt it appropriate that the board approve the initial agreement and only if there were discrepancies or issue with the requested reimbursement, otherwise he felt that it need not be brought back for board approval as it may be perceived that the board is interfering with the contracts (politicizing the action).

General Manager Watton indicated that some reimbursements are hundreds of thousands or millions of dollars and he would like the board to be aware of the

amounts of the reimbursements that are being provided and that agreements are being closed. He stated that he had not looked at it from the standpoint of the board actually interfering with the contracts which is another matter. He stated that it is brought back to expose the board to the reimbursements.

Director Croucher indicated that the Engineering and Water Ops Committee reviewed this item and staff had brought to their attention the weaknesses in the current policy. The committee had asked staff to recommend improvements to the policy. They also asked staff to get input from the developers as well. He stated that he felt that it was part of the board's job to improve the future and identify weaknesses.

General Counsel Calderon indicated that there is no real involvement by the board in reviewing the amount of the reimbursement. He stated that staff reviews the reimbursement very thoroughly and the reimbursement request is simply being presented for final approval as it exceeds the General Managers authority. He indicated that many times the reimbursements are not requested in the fiscal year in which they are expected and it is appropriate to present it to the board so they are aware of the requests.

General Manager Watton indicated that the reimbursement is fact based and would be difficult for board members to interfere or influence.

Director Breitfelder inquired what would stop a board member from utilizing the implied threat of his/her power and also what happens if a board member votes no on the reimbursement request. General Manager Watton indicated that the developer would probably sue the district as, again, the reimbursement is fact based. General Counsel Calderon indicated that there is a contract in place and the District would be bound by the contract. The only thing that the District could dispute is the actual charges which would need to be backed with factual data.

Director Breitfelder indicated that it would be naive for the board not to recognize that there is at least an implied threat here. He indicated that he has stated his position and is ready to vote.

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

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

to approve staffs' recommendation.

b) ADOPT THE OTAY MESA VALUE ENGINEERING STUDY

Sr. Civil Engineer Randy Klaahsen indicated that the recycled system in the Otay Mesa area was originally installed to serve a power plant. He stated that there was currently 20 and 30-inch transmission pipelines installed in the area. He stated that typically the District does not use less than 8-inch pipelines on standard distribution networks and thus, if the zoning in the Otay Mesa area was changed to residential, the current distribution and transmission system could handle the needs without any problems. He stated that if the area should change from industrial to residential there would be a slight increase in demand for recycled water in the area. It was noted that the Otay Mesa study looked at both scenarios; if the area remained industrial or was rezoned for residential.

Hi indicated that the value engineering's study goal was to:

- Promote a team approach
- Look at alternatives to reduce capital costs for servicing the Otay Mesa 860 zone with recycled water
- Address developer concerns constructing the local recycled water system

He indicated that the original plan was to serve the Otay Mesa area with recycled water through a reservoir and pump station and to build a transmission network from the west to the east. He indicated that a panel of 15 members from various agencies and the City of San Diego came up with 32 different ideas that were whittled down to 10 to 12 ideas. Harris and Associates reviewed the ideas and calculated cost and benefit for each and identified the following key alternatives:

- Pipeline from the North along proposed Route 125
- Pipeline from North from La Media Road
- Pipeline from North along Wueste Road
- Downsizing Exaction Project Distribution System
- Eliminate recycled water use on demands under 1 acre foot a year

He stated that it was determined that the Wueste Road alternative provided the same level of service at a lower cost and eliminated the need for the 450-2 reservoir and the 860-1 pump station along with the long-term maintenance associated with such infrastructure.

He stated that ultimately the District would be required to meet approximately 18 MGD during the height of summer. The district plans to meet the supply with 100% recycled water.

Director Robak inquired what year staff expected demand to reach 18 MGD and if the district would have the capacity to serve this demand. Sr. Civil Engineer Klaahsen indicated in the year 2030. He indicated that the District currently has 7.1 MGD supply and the District will need to acquire additional supplies. He stated that this is being addressed by the Integrated Water Resources Plan. General Manager Watton indicated that current demand was peaking at over 8 MGD at the moment. He indicated that the City of San Diego allows the District

to take at peak if the water is available. If it is not, the system is supplemented with potable water.

He stated the cost difference for the pipeline from the west alternative cost approximately \$20.5 million and the Wueste Road alternate cost approximately \$14.1 million with a difference of \$6.4 million in capital cost savings. He noted that the operation and maintenance cost will also go down (from \$636,000/year to \$238,000/year as the original planned reservoir and pump station have been eliminated.

He indicated they reviewed the distribution network and were able to reduce the network from 240,000 linear feet to 150,000 linear feet while still getting good overall coverage in the system. He stated that general counsel did not recommend eliminating recycled water use on users that would have a demand of less than 1 acre foot a year because of the sense of unfairness to adjacent properties and the requirement for a nexus study under California Government Code Section 66000.

Sr. Civil Engineer Klaahsen indicated that staff was asking the board to:

- Adopt the Otay Mesa Value Engineering Study
- Adopt the downsized distribution system network that will relieve some of the burden on developers and save approximately \$8.8 million dollars in exaction pipelines
- Continue to require all new developments to install recycled water distribution systems and irrigate landscaping with recycled water

Director Robak inquired with regard to the nexus of what has been and will be installed and the need to acquire additional resources from the city, are the developer paying their fair share. Sr. Civil Engineer Klaahsen indicated that the District only has two capital improvement projects for the system; the main transmission pipeline on Alta Road and a transmission pipeline on Airway Road. He indicated that the developers are installing the rest of the system.

General Manager Watton indicated that developers also pay a meter fee for the recycled system which is kept by the District. He stated that finance calculates this fee on the whole recycled system, not just the Otay Mesa area. He indicated that the fees are not unique to the Otay Mesa area.

Director Robak further inquired if the ratepayers who do not utilize recycled water assist in paying for the cost of recycled water for those ratepayers who do or are the developers paying for the full system. General Manager Watton indicated that the way fees are set-up, all ratepayers are paying for the recycled system. He indicated that the potable customers also receiving a benefit from a supply standpoint. Chief Financial Officer Beachem indicated that the potable and reclaimed capacity fee is a combined calculation. He indicated that it is the same fee for both services. He indicated that in a sense, the potable customer is paying for a portion of the reclaimed CIP system.

Director Robak indicated that he just wished to be sure that ratepayers are paying equitably for potable, sewer and recycled services. General Manager Watton indicated that the rate study several years ago had identified that the sewer customers were not paying their fair share. This is when the District determined what sewer rates should truly be to answer the nexus question.

Sr. Civil Engineer Klaahsen also added that there was a ripple effect depending on where the supply would come from. If the supply came from the South Bay Reclamation Plant, then staff would need to assure that the distribution systems did not get over pressurized and that the pump stations can be upgraded without requiring a full retrofit. It was determined that the District will need to add an impeller to some pumps in the 680 pump station in 2015 and the pumps would need to be changed out at the 944 pump station in 2025. Director Robak inquired that in the future, if re-purified water was approved for consumption, would the purple pipes still be required. General Manager Watton indicated that new systems would no longer require dual piping and the potable system would be sized to fit the new situation. However, in areas where dual piping exists, the purple pipes would continue to be utilized for capacity purposes. General Manager Watton added that studies indicate that the cost is less to continue systems as they are now, rather than moving to re-purification.

Director Croucher indicated that the Engineering and Water Operations Committee also discussed this item at length and the possibility of providing reclaimed water south of the border, should there be a need, through the current project. He stated that he was also happy that all current facilities would continue to be utilized which is a change from discussions from three to four years ago where some facilities would no longer be utilized. He stated that it was encouraging to be able to work out, through brainstorming sessions with other agencies, a solution to maximize the use of facilities already in the ground.

A motion was made by Director Croucher, 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 staffs' recommendation.

- c) ACCEPT MR. JOSE RODRIGUEZ'S REQUEST FOR A WAIVER OF PENALTY FEES IN THE AMOUNT OF \$4,617 FOR AN UNAUTHORIZED SEWER CONNECTION

Director Brietfelder indicated that there was discussion in the Engineering and Water Operations Committee the desire to waive the \$50 application fee. He stated that items approved on the consent calendar is an approval of staffs'

recommendation. He stated by approving staffs' recommendation on this item, the board would not be approving the committee's desire. He wished to discuss this item so the committee's request can be acted upon.

Director Croucher indicated that the Engineering and Operations Committee noted that the homeowner did not have anything to do with the illegal connection and that he, in fact, had a legal connection. He stated that the homeowner purchased the property approximately a month prior to the District's inspector identifying that there was an illegal connection from the property. He stated that the \$50 application fee is charged to dissuade frivolous claims and it also covers staffs' time to process the waiver. He stated in this particular case, because the homeowner's request is true and valid and had the district acted upon the illegal connection, it would have been prior to his ownership of the property, the committee wished to also refund the application fee.

Vice President Lopez indicated that the recommendation to waive the application fee of \$50 is noted in the committee action attachment. General Counsel Calderon indicated that this item is presented as all requests for penalty waivers must be presented to the Board of Directors for approval.

Director Robak inquired where the illegal line was hooked to. It was indicated that the illegal line was connected from the pool area to the storm drain.

Director Breitfelder indicated that he wished to note that the fee is to cover staffs' time and a waiver of such a fee could set precedent for other issues which may not be so convenient to the district. Vice President Lopez indicated that he felt that it was appropriate in this particular case.

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

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

to approve staffs' recommendation with an amendment to also waive the \$50 application fee.

9. ADMINISTRATION AND FINANCE

a) PUBLIC HEARING TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR FISCAL YEAR 2006-2007

- 1) ADOPT RESOLUTION NO.4078 TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR DISTRICT CUSTOMERS FOR FISCAL YEAR 2006-2007 TO BE COLLECTED THROUGH PROPERTY TAXES; TO ADOPT VERBIAGE CHANGES TO

CLARIFY PENALTY CHARGES WHEN A SIGNER TERMINATES AN AVAILABILITY DEFERRAL AGREEMENT PRIOR TO ITS EXPIRATION DATE; AND, CLARIFY THE PROCESS FOR A PROPERTY OWNER TO GET A REDUCED RATE FOR LAND THAT MEETS OR EXCEEDS A 30% SLOPE (HENDERSON)

Chief Financial Officer Joe Beachem indicated that each year the board must open a public hearing to receive the public's comments on the District continuing water and sewer availability fees. He indicated that the District contacted all new customers to notify them that there is an availability fee that will appear on their property taxes. He indicated that the fee funds capital expenditures and that the District has been collecting the fee for over 30 years which is authorized through the State Code. General Counsel Calderon indicated that state law requires that the District adopt a resolution annually to reassess the fee.

Vice President Lopez opened the public hearing at 4:34 p.m. No one wished to be heard. The public hearing was closed at 4:34 p.m.

Director Robak inquired if there were areas in Jamul where owners are paying fees, but were not within the CWA or MWD boundaries. General Manager Watton indicated that there are a few thousand acres that are within Otay's boundaries where the owners are paying the District's fees, but they are not paying CWA or MWD fees. He stated that if the owners of these lands wish a permanent water supply, they would need to annex into CWA and MWD boundaries. He indicated that property owners who are paying availability fees have the ability to submit an application and get water from the District, but there was no guarantee, as some may also need to build a pipeline to receive the water. Customers may not necessarily understand this. However, there is a value to paying the fee if at some point the owner wishes to develop their parcel of land and receive water from the district.

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 continuing water and sewer availability charges for FY 2006-2007.

10. ENGINEERING AND WATER OPERATIONS

- a) APPROVE THE DISTRICT'S PARTICIPATION IN A JOINT WATER RECYCLING FACILITY FEASIBILITY STUDY AT A COST NOT TO EXCEED \$80,000

Sr. Civil Engineer Klaahsen indicated that there would be three participants in the feasibility study; Otay, Sweetwater Authority and the City of Chula Vista. He stated that the City of Chula Vista will require an additional 5 MGD of wastewater capacity from Metro or the new water recycling facility once the city is built out. Sweetwater Authority recently completed a recycled water master plan and they have an interest in the water recycling business. Unfortunately, one of their biggest potential users will no longer require recycled water, LLS Power (Duke Power Plant) and thus, they have approached Otay as it has a need for additional recycled water supplies.

He indicated that there are two (2) potential sites that will be studied:

- 4th Street and Main in the City of Chula Vista (Otay River Plant)
- Downstream of Sweetwater Authority's Dam in the Sweetwater River Shed

He stated that the recycling facility would strip wastewater from the Spring Valley sewer outfall and solids would be returned to the Metro System, similar to the Chapman Treatment Plant. He stated the treated effluent would be pumped to pond 1 and 4 in the Use Area where it would be distributed to the District's recycled system.

Sr. Civil Engineer Klaahsen indicated that the treatment method, Membrane Bioreactor (MBR), would be utilized at the proposed treatment plant. He stated that this treatment method has been studied by CWA and costs about 85% of the capital cost of a conventional treatment plant. He indicated that it also takes approximately 50% less area than a conventional treatment plant and the effluent quality is better. He noted that the solids would be returned to the Metro System so the plant would not have to deal with solids handling.

He noted that the capital cost for the MBR is approximately \$50 million and operation and maintenance cost for 30 years is \$13 million. He stated that the cost to send the solids to the Metro System has not yet been estimated, but it would be charged at a higher rate as the plant would send higher TSS (Total Suspended Solids) and higher BOD of water. He also stated that the cost to pump the effluent to the District ponds is not included in the estimates as well. He stated that the present worth cost for the water is \$700 per Acre Foot and this figure did not include the CWA or MWD incentives. The facility would require about a four acre site.

He indicated that there were some challenges to building the MBR facility. He indicated that they would need to work with the City of San Diego on the solids disposal and that there may be an opportunity to work with the Spring Valley Sanitation District. There was also an impact to losing the power plant as a customer as they would have utilized 5 MGD of recycled water daily for cooling purposes. He indicated that during low demand days in the winter, the unused water would need to be stored somehow to avoid paying the City of San Diego capacity fees for sending the unused water to their system. He indicated that

they are exploring ways in which the water can be stored; possibly injected into groundwater, live-stream discharge, etc.

Sr. Civil Engineer Klaahsen indicated that staff is recommending that the District participate in a joint study with the City of Chula Vista and Sweetwater Authority as a 1/3 partner in the Recycling Facility Feasibility Study in an amount not to exceed \$80,000. He noted that Sweetwater Authority has received a \$25,000 FAP Loan from the CWA to move forward with the study.

Director Brietfelder inquired when the study would be completed. Sr. Civil Engineer Klaahsen indicated the study would not start for a couple month and when it is started it would take approximately six to nine months. He indicated that the study would probably take approximately one year to complete.

Vice President Lopez inquired why CWA would be administering the project. Sr. Civil Engineer Klaahsen indicated that the Sweetwater Authority would administer the study. CWA is involved as Sweetwater Authority received a loan from CWA to do the study. If it is determined through the study that the recycling facility is feasible, then the partners would need to pay back the \$25,000 loan to CWA. General Manager Watton further indicated that Sweetwater Authority originally approach CWA as the project was more oriented toward the bay front. The project has expanded and now two sites will be studied.

Director Robak inquired why it would make more sense at the outfall rather than the Chapman Plant. Sr. Civil Engineer Klaahsen indicated that at the outfall there would be much more wastewater available. He indicated that the Chapman basin does not have potential for growth as there is no new supply potential in its location. He indicated that there would be approximately 11 MGD in the outfall pipe that will be studied.

Director Robak inquired how the cost of \$700 / AF figure was determined. Sr. Civil Engineer Klaahsen indicated that CWA had studied 11 different sites (CWA MBR Study) in 2005 and this was the figure from their study. General Manager Watton noted that the \$700 / AF figure is for the plant itself, but that the figure did not include the cost for the distribution facilities to the District's use area or the increased solids disposal cost. Director Robak inquired what the cost was for AF at the Chapman Plant. General Manager Watton indicated approximately \$1,100. Sr. Civil Engineer Klaahsen indicated that the economy of scales really impacts the cost (5 MGD vs. 1.2 MGD).

General Manager Watton indicated that, per discussions at CWA, the MBR process is not much cheaper for the product water. He stated that he was not certain if this was improving, but his understanding was mainly the land area, operations and maintenance cost was much less. Sr. Civil Engineer Klaahsen indicated that the operations and maintenance cost was much less due to the fact that there was much more automation with an MBR facility.

Director Robak inquired if the study would possibly take a look at treating the effluent water from the Chapman Treatment Plant and treating it at the proposed MBR plant. Sr. Civil Engineer Klaahsen indicated that, yes, that would also be part of the study.

A motion was made by Director Croucher, 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 committee recommendation with the amendment that the District may wish to be partner under both location alternatives if it is financially beneficial to the District.

11. BOARD

a) DISCUSSION OF 2006 BOARD MEETING CALENDAR

There were no changes to the calendar.

b) ADOPT RESOLUTION NO. 4085 CONCURRING IN THE NOMINATION OF MS. JO MACKENZIE TO CALIFORNIA SPECIAL DISTRICT ASSOCIATION'S BOARD OF DIRECTORS

A motion was made by Director Croucher, 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 adopt Resolution No. 4085 concurring in the nomination of Ms. Jo MacKenzie to the California Special District Association's Board of Directors.

c) AUTHORIZE OTAY DELEGATES TO THE SAN DIEGO COUNTY WATER AUTHORITY TO TAKE AN APPROPRIATE POSITION ON PROPOSITION 84, CAVES BOND INITIATIVE

General Manager Watton indicated that that he had attached to his report some arguments against Proposition 84 prepared by Olivenhain and arguments in favor prepared by the *Californians for Clean Water, Parks and Coastal Protection*. He stated that the issue was to be agendized by CWA at the end of July, but he is hearing that it may be delayed. He indicated that Director

Croucher and he (Otay WD's CWA delegates) are, at this time, leaning toward opposing the proposition. He stated, however, there is more information being developed and he is requesting that the board permit the district's delegates to decide on a position on Proposition 84 at CWA's meeting scheduled later in the month.

Director Brietfelder inquired what type of information would change their stance on the proposition. General Manager Watton indicated that there could be some developments on how these bonds will be administered relative to the regional master plans. If Mr. Caves were involved, that could be a benefit and the district may wish to lean toward a neutral stance. He stated that there could also be some issues with regard to the Governor's bond that could develop, though he is not anticipating any, but he wished to request that they have enough flexibility to consider any changes prior to making their final decision on this matter at CWA's board meeting. He noted that he is fairly confident that the decision would be to oppose for the reasons outlined in his staff report. General Manager Watton indicated that he was not opposed to the bond itself, but to the fact that the public may believe it is a water bond. He indicated, as a water agency, the district should make it clear to the public that they are voting on a Park and Recreation bond rather than a water bond. He indicated that there was billions of dollars in bond initiatives this year, and he felt that the public may be misled into thinking this \$5.3 billion bonds was a "water" bond and not be open to approving another water bond when the Governor's bond is presented for approval.

Director Croucher indicated that there was an ACWA Region 10 meeting at Vallecitos WD to discuss Proposition 84 on July 6, 2006. He felt that the District should not determine the district's stance on this issue prior to other major institutions to whom we align the District with (ie., ACWA). He stated that they request that they have the opportunity to decide on a position at CWA's board meeting later this month should the vote on this issue not be postpone.

Director Robak inquired if ACWA is in favor or against Proposition 84 as it was not clear in the information provided. General Manager Watton indicated that they had favored the proposition until they met with the Region 10 representatives and other agencies.

He indicated that \$1 billion was earmarked for the Integrated Regional Water Management Plans and \$91 million was earmarked for San Diego. He indicated that Mr. Caves indicates that there was a billion planned for water projects, but the actual monies were going toward watershed restorations and environmental issues and water would take a smaller role.

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

| | |
|----------|--|
| Ayes: | Directors Breitfelder, Croucher, Lopez and Robak |
| Noes: | None |
| Abstain: | None |

Absent: Director Bonilla

to authorize the District's delegates to CWA to take an appropriate position on Proposition 84, Caves bond initiative.

d) REPORT FROM AD HOC COMMITTEE REGARDING GENERAL MANAGER SALARY REVIEW

Director Croucher indicated that the committee had reviewed the compensation of the General Managers for surrounding agencies (Helix WD and Sweetwater Authority; Padre Dam was not included as their current General Manager has retired). They also looked at the vehicle allowances provided to the General Managers. Currently, General Manager Watton receives an \$800/month vehicle allowance which the committee wished to move over into salary.

Director Croucher indicated that the committee recommends that the General Manager's salary be increased to \$188,141.86 to bring his compensation in parity with the District's surrounding agencies. The increase would include the vehicle allowance and 3% cost of living (COLA) increase provided to all district employees.

Director Breitfelder inquired what the General Manager's compensation was at Sweetwater Authority and Helix. Director Croucher indicated the following:

| | |
|------------|---|
| Sweetwater | \$180,177 plus a bonus of \$5,165 |
| Helix | \$173,250 plus a \$10,000 car allowance |

He noted that the figure for Sweetwater was last years salary and that they have not yet negotiated salary increases for this fiscal year. Director Croucher indicated that if the COLA increase of 3% was not included, General Manager Watton's salary would be \$182,662 which is in-line with neighboring agencies. He stated that they did check the current COLA rate which was 4.5%, but it was felt that they should stay with the 3% increase negotiated by employees. General Manager Watton also agreed.

Director Lopez indicated that the committee looked at what has been accomplished since General Manager Watton was appointed along with his experience and felt that they should bring his salary in parity with surrounding agencies.

Director Breitfelder indicated that he wished a good methodology that was reasonably consistent with what is being done throughout the organization as a whole and that he was satisfied.

Director Robak indicated that he was in agreement with the comments that have been made concerning the General Manager's effectiveness. However, he had expected a report and not necessarily an action item. He indicated that he would have liked to see a spreadsheet and a little more detail. He stated that he did not

doubt the figures the committee reviewed, but he was only expecting an update and did not expect to vote on this issue. He did not disagree, but was not prepared to vote at this time.

Director Breitfelder indicated that he felt that this was a reasonable request.

Director Croucher indicated that by putting the vote off, he did not want any confusion as to the board's support for the General Manager. He stated that the committee's recommendation concerning the General Manager's salary was based on fact and he felt that it was important that the board not table this item to the next meeting.

Director Robak indicated that he was not in disagreement, however, he had only expected a report and had not anticipated on voting on this item. He had expected that the item would be discussed further in closed session.

It was noted that wages could not be discussed in closed session and the reason the process seemed a little different from the year before is the General Manager declined an increase last year. Thus, there was no discussion on the increase.

Director Breitfelder indicated that they felt the committee did a very good job in reviewing and making recommendation on this issue. He stated that, however, as part of standard operating procedure, he felt a board member had the right to request documentation to review the information in advance prior to an important decision. He stated on this basis alone he is making a motion to table the issue until the next board meeting.

Vice President Lopez indicated that he would like to see a 5-0 vote on this matter and would like the President of the board to have an opportunity to vote. He stated in this respect, he would agree to table this item until the next board meeting.

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

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

to table this item until the next board meeting.

REPORTS

12. GENERAL MANAGER'S REPORT

General Manager Watton indicated that Chief of Operations, Pedro Porras, accepted the District's award in a ceremony held in Los Angeles from the State

of California for excellence in energy savings. He stated that the District was one of two water district's (El Dorado MWD) who received the award along with numerous industrial organizations. He indicated that the award was primarily for the work operations has done to utilize electrical power off-peak which has saved millions of kilowatt hours. The program was part of the State of California's plan to encourage the use of energy during off-peak hours rather than during the day when energy demand is high.

He noted that the 30" recycled water pipeline, reservoir and pump station project was on schedule. He also indicated that the Firewise landscape groundbreaking ceremony held on June 6th was a very nice event and it had brought new people to the garden. He stated that the San Miguel Fire Consolidated District had obtained Prop 50 grant funding for the new firewise landscape and he felt the new display would be useful to the community.

He indicated that at the May 30, 2006 Budget Workshop, the board had a number of questions. He stated that a document has been attached to his report responding to the board's questions. He noted that if the board had questions after reading the attachment, to please contact him and staff would be happy to provide any additional information the board may require.

He noted that the Interactive Voice Response system would be coming on line soon. It was verified that a caller could always default to a live operator whenever they wish to.

General Manager Watton indicated that staff will be preparing a Request for Proposal (RFP) for a financial advisor to assist the district with its pending debt issuance. He stated that the district would be working with the rating agencies to provide them a very good understanding of what the District does, its strengths and the community that it serves, with the idea that it would help improve our credit rating and save the district money on the bond issuance.

He also shared that the District had a pre-proposal meeting on June 8, 2006 for the 36" pipeline project which received an excellent response. He lastly noted an update on the Jamul Indian Village (JIV). He stated that the JIV has submitted their Sub-Area Master Plan for the casino development and have distributed a notice to the residents of Jamul of the Environmental Impact Report (EIR) for the project. He stated a copy of the EIR is attached to his report.

Director Robak inquired if there was a difference between a tribal EIR versus a regular EIR that the District would prepare. General Manager Watton indicated that it is the same format, but under the autonomy of the Indian government, they can set up their own EPA and issue their own environmental impact statements. He noted that they are guided by the EPA, but they can set up their own Jamul Indian Village EPA which is what they will be doing. He stated that this was very common among the Indian nations.

He noted that Brandon DiPietro was awarded an On-the-Spot Award of \$100 for freeing a nine year old boy from under a truck following a traffic accident on Proctor Valley Road in Chula Vista. He indicated that Mr. DiPietro had lifted a truck off the child with a gate key from his district vehicle. He stated that the child was severely injured but survived the accident. The District wished to recognize Mr. DiPietro's willingness to go beyond the call of duty and provide assistance to the public.

General Manger Watton indicated that the construction on the interconnect with Helix WD has commenced on Sweetwater Springs Blvd. near Loma Elementary School. He indicated that the Monte Vista High and Loma Elementary have been very appreciative that the District delayed construction until the close of the school year. He stated that the contractor was doing a good job and was a little ahead of schedule.

Director Robak inquired if the District was continuing to move forward with the annexation of the balance of the Monte Vista High School site from Helix WD. General Manager Watton indicated that it was. Chief of Development Services Rod Posada indicated that Monte Vista has submitted their official request for annexation to the District. LAFCO must approve the annexation and staff anticipates forwarding the annexation for board approval in either August or September 2006.

13. SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher indicated that CWA postponed the EIR report for the Carlsbad desalination plant. He noted that the budget increase of \$1.28 million has been transferred into the budget for the water conservation programs. He indicated that the funds were transferred from reserves.

He stated that the Mission Hills pipeline break repair cost was \$3.5 million. He indicated that this figure does not include the water lost from the break. He stated that the demand on the Skinner Water Treatment Plant has gone over 100% production capacity a couple of times in the last month. He stated that this shows the importance for the District to pursue additional resources through agreements with the City of San Diego, Helix WD, Padre MWD and Sweetwater Authority as it will only get worse. He stated that Mr. Ben Haddad will be retiring from the CWA board and that a decision was made in the All American Canal Lining project litigation in favor of CWA with no injunctions. A report should be forwarded by CWA some time soon.

Director Robak inquired when construction would commence on the lining project. General Manager Watton indicated that the IID is set to award the contract this month and expect that construction would begin in October.

14. DIRECTORS' REPORTS/REQUESTS

Director Robak thanked staff, in particular Communications Officer Armando Buelna, who were involved in the 50th Anniversary Open House held on June 17, 2006. He stated that it had gone very well and the people who attended from the community seemed to be very pleased with what the District had shared with them.

He also shared that he along with representatives from the WCG met with Sweetwater Authority to discuss their joining the JPA. He stated that the matter is expected to go before their committee and board this month and that we should hear soon the outcome of discussions.

He thanked staff for the implementation of the Blue Cross Health Care program. He indicated that he had requested in past a quarterly report on the District's consultants and their fees and a quarterly report on legal matters and fees for on-going matters. He asked if staff might focus on providing these reports at the end of each quarter and that he would very much appreciate it.

Director Lopez thanked General Manger Watton for the good work that he is accomplishing at the District. He stated that he also appreciated his approach in working with the directors.

15. ADJOURNMENT

With no further business to come before the Board, Vice President Lopez adjourned the meeting at 5:48 p.m.

President

ATTEST:

District Secretary

AGENDA ITEM 4

**MINUTES OF THE
BOARD OF DIRECTORS MEETING
OTAY WATER DISTRICT
June 7, 2006**

1. The meeting was called to order by President Bonilla at 3:31 p.m.

2. ROLL CALL

Directors Present: Bonilla, Croucher, Breiffelder, Lopez and 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 Mehdi Arbabian, Chief of Operations Pedro Porras, Chief of Development Services Rod Posada, 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 Breiffelder, seconded by Director Lopez and carried with the following vote:

| | |
|----------|---|
| Ayes: | Directors Bonilla, Breiffelder, Croucher, Lopez and Robak |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

to approve the agenda.

5. SPECIAL ORDERS OF THE DAY

a) PRESENTATION OF OTAY WATER DISTRICT'S SCHOLARSHIP AWARD

Director Croucher presented the District's \$1,000 scholarship award to Mr. Michael Ramirez, a student from Monte Vista High School. He stated that the scholarship was awarded once a year to a student within the District's service area who is selected based on an essay they submit on how special districts serve the community and their importance to the community. Director Croucher congratulated Mr. Ramirez and indicated that Mr. Ramirez planned on attending UCSD where he will major in biology.

Mr. Ramirez indicated that he was happy to receive the scholarship as it will certainly help him with his school expenses.

6. APPROVAL OF MINUTES OF THE REGULAR MEETING OF MAY 3, 2006

Director Breitfelder indicated that he had wished to clarify his comments as he was not very clear on the information concerning elections that he wished published for the public. He asked that the first full paragraph on page 12 of the May 3 minutes be amended as follows:

He indicated that he wished to advise the public that the position of director was an elected position, indicate when they could file to run for a seat on the board, and a post a map of the District and the division boundaries on the District's website "Pipeline" newsletter.

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

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

to approve the minutes of the regular board meeting of May 3, 2006 as amended.

7. 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

8. 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 Croucher, seconded by Director Breitfelder and carried with the following vote:

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

to approve the following consent calendar items.

- a) APPROVE A REIMBURSEMENT AGREEMENT WITH MCMILLIN ROLLING HILLS RANCH, LLC, AS THE SUCCESSOR IN INTEREST (PACIFIC BAY HOMES), FOR CIP NO. W081 IN THE AMOUNT OF \$298,192.13
- b) AWARD A PROFESSIONAL ON-CALL ENVIRONMENTAL SERVICES CONTRACT TO MOONEY, JONES & STOKES FOR AN AMOUNT NOT TO EXCEED \$100,000 FOR FISCAL YEAR 2007
- c) APPROVE FIVE HUMAN RESOURCES POLICIES, PROCEDURES AND PROGRAMS AND ADOPT RESOLUTION NO. 4081 TO REVISE THE RECRUITMENT AND SELECTION POLICY, EMPLOYMENT BOARD POLICY NO. 24, AND REPEAL APPOINTMENT OF TEMPORARY AND CONTRACT EMPLOYEES BOARD POLICY NO. 36

Director Robak inquired with regard to Item 8b, the on-call environmental services contract, if the district had recently approved a yearly contract with the same firm. General Manager Watton indicated that the district had done so and this was an extension of the existing contract. Chief of Development Services indicated that the board had approved last year an option for staff to extend the contract for another year if they were in good standing with the District.

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

| | |
|----------|---|
| Ayes: | Directors Bonilla, Breiffelder, Croucher, Lopez and Robak |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

to approve the consent calendar items.

INFORMATION / ACTION ITEMS

9. ENGINEERING AND WATER OPEATIONS

- a) CIP UPDATE REPORT FOR THE 3rd QUARTER OF FISCAL YEAR 2006

Engineering Manager Ron Ripperger indicated that staff had prepared a six-year rolling CIP at the end of fiscal year 2005. The CIP report contains information about budget, sources and allocations of funds, project costs, locations, descriptions, justifications and schedules of the projects within the six-year rolling CIP.

He stated that the approved budget for the fiscal year 2006 budget consisted of 101 projects that total \$36 million. He stated that the projects are broken down into four categories:

- Capital Facilities \$25.6 million
- Developer Reimbursement \$ 5.9 million
- Maintenance \$ 1.8 million
- Capital purchase \$ 2.7 million

Total: \$ 36 million

Engineering Manager Ripperger indicated that expenditures through the end of the 3rd Quarter totaled approximately \$24.5 million which is 92% of forecasted expenditures through the third quarter. He stated that the overall expenditures to date are above the yearly targeted goal of 70 to 80 percent of planned expenditures. He presented a slide with a map showing the location of the district's projects and their status. He reviewed the status of various flagship projects (see attached copy of presentation).

He also reviewed the status of consultant contracts and indicated that change orders are at a negative 1.1% (-\$478,582) dropping the original construction contract total for the fiscal year from \$43,845,028 to \$43,337,426. He stated overall, the district has spent approximately 68% of the total expenditures planned for fiscal year 2006.

General Manager Watton added that the District is on target to meet the planned expenditures of \$36 million by fiscal year-end.

10. ADMINISTRATION AND FINANCE

a) PRESENTATION OF BOARD OF DIRECTOR'S EXPENSES FOR 3RD QUARTER OF FISCAL YEAR 2006

Finance Supervisor Sean Prendergast indicated that Board of Directors Policy 8 requires that staff present the expenses and per diems for the board members on a quarterly basis. He indicated that this item was also reviewed by the Finance and Administration Committee at a meeting held on May 24, 2006. He presented slides showing in detail each director's expenses for the third quarter of fiscal year 2006 (January to March 2006) and total expenses for each. He indicated that the total board of director expenses and per diems for the third quarter of fiscal year 2006 was \$8,592.93 and fiscal year to date was \$21,875.21. Finance Supervisor Sean Prendergast also shared that staff projects that total Directors' expenses through the end of the fiscal year would total approximately \$28,604.

Director Breitfelder noted meetings listed on Directors per-diem forms which were attended, but were not requested for a reimbursement. He indicated that he felt the meetings were all in the performance of duty and led to Directors becoming stronger and a more valuable asset to the District and should merit compensation. He stated that he felt that it would be appropriate for the board to have an explicit understanding that meetings attended consequent to a director's role, either as an elected official or appointee of the board, should be applicable

under Policy 8, Directors Compensation, Reimbursement of Expenses and Group Insurance Benefits. He stated that alternates are necessary and valuable. However, because they do not attend the meetings regularly, they do not have the background or relationships when they are needed to attend. He indicated that he felt that it would add an element of balance if Policy 8 allowed/supported a stipend for alternates to attend such meetings. He stated that he felt that the District would benefit by putting such a strategy in place.

Director Robak indicated that he and President Bonilla have discussed Policy 8 and per diems and they had agreed that the board had a policy and they would work within the policy. He indicated that the policy would be agendized for discussion at the board retreat to be scheduled later this year.

Director Breitfelder indicated that this discussion was not about changing Policy 8, but rather their understanding of the policy and what their consensus was as a board.

General Counsel Calderon indicated that Policy 8 is very specific on this issue and if there will be changes along the lines of the discussion today, the policy would need to be taken up as a separate item on the agenda to adopt revisions to the policy. He stated that the President has the discretion to pre-approve stipends for meetings that are outside those designated in the Policy. He stated that if the board wished to change that authority or broaden the types of meetings that would be pre-approved under the policy, then this would require a change to the policy.

Director Croucher indicated that he wished to acknowledge that the Directors expenses and per-diems for this fiscal year, if it comes in as projected at approximately \$28,000, would be the lowest amount over the last 10 years.

- b) APPROVE ISSUING A PURCHASE ORDER TO LOGICALIS FOR \$385,000 TO COVER THE COSTS OF UPGRADING THE DISTRICT'S DATA CENTER

Chief Information Officer Geoff Stevens indicated that the existing data center is at the end of its useful life and must be replaced. He stated that staff will also take this opportunity to create a redundant system (a production and test system). He stated that by having redundant systems, it would allow staff to do full testing during the day. He stated that if the production system failed, it would fail over to the redundant system. He stated that another advantage of a redundant system is that staff can test new applications or new releases of enterprise software on one system, while running production on the other system. He stated that there are different levels of testing: 1) unit testing where the application is tested; and 2) regression testing where users are hitting the application at the same time. This would provide the District an industry standard database structure and would also improve the reliability of the data center and allows staff to provide reliable 7/24 support.

He noted that the hardware for this project was competitively bid and the firm selected was the lowest responsive bidder. He stated that the project would take approximately two to three months to implement. He stated the design and quality of the equipment has been improved and the number of servers have been reduced through consolidation.

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

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

to approve staffs' recommendation.

- c) APPROVE ISSUING PURCHASE ORDERS TO: 1) SOFTCHOICE FOR \$315,000 FOR A THREE YEAR ENTERPRISE AGREEMENT FOR ALL MICROSOFT SOFTWARE LICENSES; 2) EDEN SYSTEMS FOR REGULAR MAINTENANCE AGREEMENT FOR \$105,000; 3) AT&T / SBC FOR \$88,000 FOR COMMUNICATIONS SERVICES; AND 4) NETWORK INSIGHT FOR \$119,000 FOR 7/24 NETWORK MONITORING SERVICES AND DATA CENTER SERVICES

Chief Information Officer Stevens indicated that the Asst. GM of their department asked that IT sync contracts required to maintain the data center with the fiscal year. He stated that staff reviewed all data center contracts and identified four contracts that exceeded the General Manager's authority. These contracts are being presented for the board's approval:

- Three-year Microsoft Software Agreement (Softchoice)
 - Cost of \$315,000 and would cover all Microsoft software
 - The agreement would save the District \$224,000 over the next three years.
 - The District also received a credit of \$70,000 for purchasing last year 200 licenses of an individual software
- Eden Systems Maintenance Agreement:
 - Cost of \$105,000/year and will cover enterprise software (Financial, Customer Information, Permitting and Human Resources)
- AT&T / SBC Telecommunications Services
 - Cost of \$88,000 covers AT&T, SBC, T1 and Cell Phone Support
- Network Insight for Data Center Monitoring and Technical Services
 - Cost of \$119,000/year and would provide 7/24 hour monitoring of the District's data center and technical consulting services for assistance in maintaining the network technical environment.

He indicated that if the board approves these contracts, the renewal/expiration dates will be in-line with the fiscal year.

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

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

to approve staffs' recommendation.

- d) APPROVE ISSUING PURCHASE ORDERS TO GTC SYSTEMS, INC. FOR TABLET PC HARDWARE FOR \$99,000 AND DCSE, INC. FOR SOFTWARE LICENSES IN THE AMOUNT OF \$84,000 TO SUPPORT TABLET PC's

Chief Information Officer Stevens indicated that the District has implemented its Infrastructure Management System which brings Work Orders to the operations staff in the field. He stated a major component of this system is the mobile wireless Tablet PC which brings the Work Order System into the field. He stated that Tablet PC will allow field staff to utilize GIS maps, Engineering As Builts, SCADA, Customer Information as well as email. He noted that there was a lot of security built into the Tablet PC and they have been password protected. He indicated that the major corporate applications are made available from a "Cytrix" environment which only transmits a "picture" of the data stored in our data center. He stated, thus, there is no actual data stored on the Tablet PCs. If one of the units was stolen or lost, there would be no chance of losing customer data. He stated the Tablet PC's would increase the productivity of the field workers and would allow the District to start to automate the business processes in the field.

He stated that staff still needs to work on areas where staff may have trouble receiving the on-line signal in the field. Currently, if a user cannot reach the on-line data, they can access the second set of applications available on the tablet itself which includes the GIS maps and engineering as-builts. The user can also make route changes on the PC and forward the changes to the "home" base once they receive a signal and update the District's data.

He indicated that 39 Tablet PC's have been ordered and would cover all the needs in operations, customer service and meet some of the needs of Engineering. Two Tablets will also be utilized in the Information Technology Department. He stated that as the technology is rolled out in Development Services, more Tablet PC's may be ordered.

Chief Information Officer Stevens also shared that the units come with a 3-year "bumper to bumper" warrantee. Should something happen to a tablet, it would be replaced at no charge. He noted that the units have been field tested by operations and they have approved the selection of the chosen tablet.

Director Robak indicated that the Finance and Administration Committee reviewed this item at their meeting held on May 24, 2006. He stated that it was reviewed in detail and the tablets would provide efficiency and save money which is a win-win situation. He indicated that he was please to hear that the operations staff had road tested the tablets and were very happy with them and that they are looking forward to utilizing them in the field.

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

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

to approve staffs' recommendation.

11. BOARD

a) DISCUSSION OF 2006 BOARD MEETING CALENDAR

There were no changes to the calendar.

REPORTS

12. GENERAL MANAGER'S REPORT

General Manager Watton indicated that the District has had discussions with the Jamul Indian Village regarding the District possibly handling the wastewater from their proposed casino. He stated that the District presented them some alternatives and they would be speaking with their financing group and getting back to the district. He noted that their request was being handled similar to other customers with the same request.

He indicated with regard to the Jamul property which had fallen out of escrow that the District has received the forfeited deposit from the potential buyers and it was officially out of escrow. The property is now unencumbered and staff will be reviewing current market conditions and next steps with the property.

General Manager Watton noted that the Special District Risk Management Authority had contracted an independent contractor to conduct an audit of the District's safety and liability management programs. He stated that during the contractors visit he had commented that the District was one of the top agencies that he has reviewed. The contractor indicated that he cannot indicate this in his report (the District will receive a "standard" report), but he wished to note to management that staff was doing an outstanding job with its safety, construction and office practices.

General Manager Watton indicated that the bank change over was almost complete. He stated that staff was happy with Union Bank. He noted that staff has asked the District's auditors to review the legitimacy of the backdated Workers' Compensation billing and the auditors indicated that the bills were legitimate. He indicated that staff is very happy with the District new Workers' Compensation Carrier (SDRMA) as they are very interactive with the District and work with staff to resolve claims. He stated that it is very clear that changing insurance carriers was a great move for the District, not only financially, but operationally as well.

He also shared that the District hosted a WaterReuse meeting (May 17, 2006) and shared updates on the District's projects. He stated that the meeting went very well and was well attended.

He indicated that the City of San Diego has submitted the Principles of Understanding for the planned pump station at the city's Alvarado WTP. He indicated that this is an additional possible source of treated water from the city from either their Alvarado WTP or Miramar. He indicated that this was a very key project to our treated water reliability and staff will be working on this item over the next year. He noted that monies have been included in the budget for this project.

He noted that the Sweetwater Springs Interconnect construction has commenced. He stated that it was requested by Directors Croucher and Robak that the construction be delayed until the close of the school year. He indicated that this was also another important interconnection project which will provide a million gallons a day from Helix Water District.

He shared that the 803-4 Reservoir (Vista Grande) is on-line and has been filled. He stated that there is some site work that needs to be finished, but it is essentially a completed and an accepted project. He stated that the reservoir also meets the deficit the District had in the area for fire fighting.

Director Robak noted that the General Manager's report states that three managers attended the East County Supervisor's Academy. He asked who hosts the training academy. General Manager Watton indicated that the Centre for Organization Effectiveness provides the training. Human Resources Manager Kelli Williamson indicated that a sub-committee of the Water Utilities Human Resources Committee coordinates the training events and that this particular training was hosted on by Helix Water District. Helix invited other agencies within the county to participate and Otay sent approximately eight employees to attend the training. She stated that the District has sent approximately 25 employees throughout the year to various training events held by this organization. General Manager Watton indicated that feedback has been very positive on the trainers and materials.

13. SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher indicated that the additional funding (approximately \$700,000) to the Water Conservation budget was approved by CWA's board. He stated the funding includes \$25,000 to help off-set schools costs for conservation classes and \$75,000 for artificial turf programs. They are also discussing ending the low-flush toilet voucher program as the only toilet available on the market is the low-flush toilets. General Manger Watton indicated that this was adequate for this year, but they hope to do more next year.

Director Croucher indicated that the two water audits that Otay conducted for the correctional facilities in the Otay Mesa area were recognized as very successful. He noted that the success of such audits were important for conservation, however, it does cost the District money in lost water sales. He stated the more we conserve the less we have in sales. He indicated that though the conserved water is a benefit, he felt that the burden of the conservation program should be shared throughout the county and the agencies really need to invest in the water conservation efforts along with Otay.

He indicated with regard to the Caves initiative, though it is publicized as a water bond, most of the funding would go to parks and recreation. He indicated that they will be reviewing in the next month how the initiative would affect the water agencies and how much monies they can expect to receive through the initiative. He noted that desalination was discussed in closed session and they expect to see some activity on this issue in the next couple months. He indicated that the water line break in the Mission Hills area has been repaired, however, they have noticed another area which is showing signs of weakening and CWA may need to shutdown more of the lines. He stated that the agreements that staff has with the City of San Diego and Helix will serve the district well during the shutdowns and he congratulated staff on their work in securing such agreements. He lastly noted that the CWA committee which wa tasked with reviewing project cost overruns will be meeting again next month and hopefully he will have information to report on their recommendations on how to prevent further significant cost overruns.

14. DIRECTORS' REPORTS/REQUESTS

Director Breitfelder commended Ortiz construction on their good work on the 36" recycled pipeline project. He indicated they are obviously doing a terrific job in a number of ways which has included keeping the obstruction of traffic within his neighborhood to a minimal and he wished note that he and his neighbors greatly appreciate this. He shared that though there are some absentee ballots to be counted, it appears that Joel Anderson and Mary Salas have been elected to State Legislature. He stated that this is certainly a big deal as there will be additional understanding of special district and infrastructure in the legislature. He stated that he wished to commend Sweetwater Authority for their foresight in employing an individual who has declared candidacy for office. He stated that he felt that it was a shrewd move on their part and their insight deserves some recognition. He indicated that at the last meeting, he concluded that there was a communication gap with regard to committees. He stated that he wished to

clarify for the record that he believes that the primary mission of the committees are to review action items in detail and make recommendation to the board as a whole to vote "yes" or "no" on staff recommendations. He wished to convey that in the future, he would very much like to see those explicit recommendations for either a "yes" or "no" vote from all committees on action items. He stated that he is not expressing dissatisfaction with the current process, he just wished to clarify.

Director Breitfelder also indicated that he attended the Council of Water Utilities and CSDA meetings. He stated that the opinion among most agencies is to move away from scholarships and more toward internship programs. He stated that he would like to see the San Diego Region Water/Wastewater Internship Program through CWA handled on a bigger scale with more participation from the South Bay educational community. He indicated the Conservation Action Committee discussions were centered on the upcoming Summit. He stated that there has been discussion that legislation could be adopted by the County of Supervisors regarding conservation that would apply countywide. He stated that apparently it does not work that way and their jurisdiction would not apply to all municipalities, thus, the legislation will need to be taken to one city at a time. He also noted that he met with Mayor Padilla and they discussed the high level of staff cooperation between the City of Chula Vista and the District. He stated they also talked about having more communications with the senior staff of the district and elected officials of the city.

He lastly shared that he participated in a student tour led by the District's Water Conservation Specialist, Pam Rega. He stated that he was very impressed with the tour and the information taught and he felt the children would retain much of what they learned into adulthood. He encouraged the directors to attend the tour if they have some time.

Director Croucher indicated that he was thanked by Monte Vista High School and Loma Elementary and believed the District also received a thank you for working around the schools schedule with regard to the interconnect project with Helix. He commended staff for working with the schools.

Director Lopez apologized for missing the Finance and Administration Committee meeting, but was called for duty and could not attend. He also congratulated Chief Financial Officer Joe Beachem on the birth of his new son.

Director Robak asked that if staff could provide a copy of the CIP report either in hard or electronic copy for future meetings. He noted that the Spring Garden Festival event held on May 20, 2006 was very successful. He stated that there were over 6,000 people in attendance of the festival which is a record for the event and the Garden has received over \$21,000 in sponsorships. He also noted that the District's Open House was scheduled on June 17 and encouraged attendance of the event. He stated that there were many events scheduled which includes a tour of the District Chapman Treatment Plant.

Director Robak indicated that they had a meeting with the County in Supervisor Dianne Jacob's office to discuss recycled water in the Rancho San Diego / Spring Valley Area. He stated that the discussion received a positive reception from Supervisor Jacob and CalTrans. He stated that if everything fell into place, this project would provide a nice opportunity to bring recycled water to the east county within the district's service area.

Director Croucher noted that KFMB, Channel 8, will be visiting the San Vincente Pipeline Project and will broadcast the story at 6:00 p.m. this evening and KUSI, Channel 51, will broadcast their story at 10:00 p.m.

President Bonilla indicated that Otay Water District hosted the Joint Agency Board meeting on May 5, 2006. He stated that Helix WD, Sweetwater Authority, Padre Dam MWD, Lakeside WD and Riverview WD attended. He reviewed the various presentations made at the meeting by the various agencies. He stated that on May 11, 2006 he and staff met with the Jamul Indian Village representatives and discussed the district possibly handling the wastewater or recycled water from their proposed casino and the various options available in the handling of that water. On May 17, 2006 he met with General Manager Watton to discuss committee agenda items that would be reviewed during the month of May. He stated that on May 18, 2006 he attended with directors and staff the 980-2 Pump Station Dedication Ceremony and the Chula Vista Chamber Mixer. He stated it was a successful event and congratulated Communications Officer Armando Buelna for his work on the event. President Bonilla indicated that on May 26, 2006 General Manager Watton, General Counsel Calderon and he met with the Salt Creek Golf Course representatives and discussed their proposal. He stated that they presented what they felt the performance of the golf course may be with or without the proposed clubhouse. They also discussed the potential for residential development around the golf course. He stated that on May 30, 2006 he met with General Manager Watton and General Counsel Yuri Calderon to discuss the agenda matters for the June 7, 2006 board meeting and the Special Board meeting to discuss the Fiscal Year 2007 budget. He indicated that on June 5, 2006 he met with Director Breifelder and discussed Board Policy 8 and the staff report presented today with regard to the Directors' expense projection through the end of the fiscal year. He asked if staff could explain how the projections were determined, specifically his (President Bonilla's) expense projection.

Chief Financial Officer Joe Beachem indicated that typically to project out expenses for the year, accounting would divide the total expense by the current number of months passed in the fiscal year and multiply it by 12 to project the total expense for the year. He stated that in President Bonilla's case, it was felt that this typical projection model would not fit his situation as President Bonilla does not submit expenses. Staff decided to not project out any further expenses based on his expense history.

Director Breifelder indicated that he had felt that this was certainly the case and he appreciated staff explaining the process.

President Bonilla indicated that he wished to comment on Board Policy 8 and that this particular policy has gone through many revisions. He stated that he wanted to note that the Board had agreed and voted on the policy. He indicated that it was agreed that until the policy was presented again, all would agree to follow the policy. He stated that he recommends that the policy be presented at the next board retreat for discussion.

Director Breiffelder indicated that he felt that the board's basic outlook on the policy at its core is the same. He stated that he agrees that the board should follow the policy.

RECESS TO CLOSED SESSION

15. CLOSED SESSION

The board recessed to closed session at 4:30 p.m. to discuss the following item:

- a) PUBLIC EMPLOYEE PERFORMANCE EVALUATION [GOVERNMENT CODE §54957.6

TITLE: GENERAL MANAGER

RETURN TO OPEN SESSION

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

The board reconvened from closed session at 5:48 p.m. and General Counsel Calderon indicated that no reportable actions were taken in closed session.

17. ADJOURNMENT

With no further business to come before the Board, President Bonilla adjourned the meeting at 5:48 p.m.

President

ATTEST:

District Secretary

AGENDA ITEM 6a



STAFF REPORT

| | | | |
|-----------------------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | David Charles, <i>DC</i> Public Services Manager | W.O./G.F. NO: | DIV. NO. All |
| APPROVED BY: (Chief) | Rod Posada, <i>R Posada</i> Chief, Engineering | | |
| APPROVED BY: (Asst. GM): | Manny Magaña, <i>M Magaña</i> Assistant General Manager, Engineering and Operations | | |
| SUBJECT: | Adopt Resolution No.4087 Amending Policy 4 - Quotations for Fees or Charges | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Resolution No. 4087 Amending Policy 4 - Quotations for Fees or Charges.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To amend the requirement of Policy 4 - Quotation for Fees or Charges, concerning the period of time during which written quotes are honored. The proposed revisions are intended to establish that written quotations given for fees and charges (including annexation fees) shall be firm only within the calendar quarter within which the quote is given.

ANALYSIS:

It is District practice to adjust capacity fees quarterly in January, April, July, and October of each year to reflect fluctuation in construction costs as measured by the *Engineering News Record Construction Cost Index*. It is also District practice to notify Developers of the quarterly adjustments. Policy No. 4 was last modified on September 20, 1995. This Policy currently provides that written quotations remain in effect for 30-calendar days from the date the quote is given.

If the 30-day period overlaps two quarters, the capacity fees are adjusted before developer pays the quoted fees. In this situation, staff has to manually override the then current capacity fees already programmed into the system and enter the quoted capacity fees. This practice is time-consuming and may lead to errors because staff must remember to alter the fees in all parts of the system that have been automatically updated to the new capacity fees.

Staff is requesting Board consideration to amend Policy No. 4 to establish a period of time that written quotations for capacity fees or charges will be valid during either the lesser of (i) 30-calendar days from the date of issuance or (ii) until the end of the quarter in which the quote is given. All new quotation forms will clearly state that OWD capacity fees and charges will be adjusted as necessary to comply with any increase or decrease in meter fees at time of purchase. This practice is very similar to County Water Authority's existing policy concerning adjustment of their capacity fee increases.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

None.

LEGAL IMPACT:

None.



General Manager

DC/RP:vm

Attachments:

- A. Committee Action
- B. Policy 4 (Final & Strikethrough)
- C. Resolution No. 4087



ATTACHMENT A

| | |
|-------------------------|---|
| SUBJECT/PROJECT: | Adopt Resolution No. 4087 Amending to Policy 4 - Quotations for Fees or Charges |
| PROJECT: | W.O. No. |

COMMITTEE ACTION:

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

- District fees are adjusted once a quarter in the months of January, April, July and October per the Engineering News Records Construction Cost Index. On the 1st of these months, the system automatically adjusts fees and charges;
- Currently, quotes are honored 30-days from the date that they are written. If a quote is valid into the next quarter, the fees and charges in the system have been updated so staff would need to manually adjust each fee and charge throughout the system. This could cause errors and also causes issues in the finance side as the actual fee paid must be tracked;
- The committee discussed that the system could be changed, however, the District is trying to get away from customizing programs. It was felt that it is better to change business practices rather than customize systems for each situation. It was also noted that, while there were not many of these situations (on average about four a year), it is something that could be missed.
- It was also discussed that developers are forwarded advanced notice of the new fees prior to the change each quarter;
- The committee requested that staff also notify developers of new policy change on quotes.

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|--------------------------------|---------------|--------------|------------------------------|
| QUOTATIONS FOR FEES OR CHARGES | 04 | 10/15/84 | 9/20/95 9/6/06 |

Purpose.

To provide that quotations given for fees and charges (including annexation fees) shall be firm for a fixed period of time following the date of issuance.

Background.

The District frequently receives requests for information regarding fees or charges for (i) annexation of land to the District or to an Improvement District, or (ii) connection to District facilities. On occasion, after giving a quotation, the fees or charges have been increased before the property owner or developer could complete arrangements for financing. This created an unforeseen hardship.

Policy.

Responses to requests for information concerning fees or charges will be furnished by the District in writing.

The amount of such fees, or charges shall be determined in accordance with District Ordinances and District Policies.

Written quotations furnished by the District for fees or charges shall remain in effect for the lesser of (i) a period of 30--calendar days from the date of the written quote, or (ii) until the end of the calendar quarter within which the quote is issued~~ance~~ by the District. Written quotations shall advise the customer of any potential increase in the fees or charges quoted which are expected to occur within the 30-day period. Verbal quotations shall immediately be confirmed in writing by Staff.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|--------------------------------|---------------|--------------|--------------|
| QUOTATIONS FOR FEES OR CHARGES | 04 | 10/15/84 | 9/6/06 |

Purpose.

To provide that quotations given for fees and charges (including annexation fees) shall be firm for a fixed period of time following the date of issuance.

Background.

The District frequently receives requests for information regarding fees or charges for (i) annexation of land to the District or to an Improvement District, or (ii) connection to District facilities. On occasion, after giving a quotation, the fees or charges have been increased before the property owner or developer could complete arrangements for financing. This created an unforeseen hardship.

Policy.

Responses to requests for information concerning fees or charges will be furnished by the District in writing.

The amount of such fees, or charges shall be determined in accordance with District Ordinances and District Policies.

Written quotations furnished by the District for fees or charges shall remain in effect for the lesser of (i) a period of 30-calendar days from the date of the written quote, or (ii) until the end of the calendar quarter within which the quote is issued by the District. Written quotations shall advise the customer of any potential increase in the fees or charges quoted which are expected to occur within the 30-day period. Verbal quotations shall immediately be confirmed in writing by Staff.

RESOLUTION NO. 4087

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OTAY WATER DISTRICT
APPROVING AMENDMENTS TO POLICY 4, QUOTATIONS
FOR FEES AND CHARGES

WHEREAS, the District staff routinely evaluates and makes recommendations to update and revise Board policies, in order to ensure that the policies are maintained to reflect current information, and

WHEREAS, Policy Number 4, Quotations for Fees and Charges, was last revised on September 20, 1995, and

WHEREAS, the Development Services staff evaluated Board of Directors Policy Number 4, Quotations for Fees and Charges, and identified the need to update the policy with regard to the period of time during which written quotes are honored.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District that Board of Directors Policy 4, Quotations for Fees and Charges, be amended to explain the period of time during which written quotes will be honored, and that the language in the policy be amended as follows:

Policy:

Written quotations furnished by the District for fees or charges shall remain in effect for the lesser of (i) a period of 30-calendar days from the date of the written quote, or (ii) until the end of the calendar quarter within which the quote is issued by the District. Written quotations shall advise the customer of any potential

increase in the fees or charges quoted which are expected to occur within the 30-day period. Verbal quotations shall immediately be confirmed in writing by Staff.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th of September 2006.

President

ATTEST:

Secretary



AGENDA ITEM 6b

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 |
|-------------------------|---|

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.



AGENDA ITEM 6c

STAFF REPORT

| | | | |
|---------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Armando Buelna, <i>AB</i> Communications Officer | W.O./G.F. NO: | DIV. NO. All |
| APPROVED BY: | | | |
| SUBJECT: | 2006 Customer Service, Satisfaction, and Awareness Surveys | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board of Directors support retaining Rea & Parker Research and Douglas Coe of the Social Science Research Laboratory to conduct the 2006 Customer Service, Satisfaction, and Awareness Surveys.

PURPOSE:

The 2006 Strategic Performance Plan calls for implementing a standardized potable and recycled water customer survey. It also emphasized expanding quality control in Finance Customer Service to ensure outstanding Call Center interaction with customers. To accomplish these Strategic Plan objectives, staff recommends retaining Rea & Parker Research and Douglas Coe of the Social Science Research Laboratory to conduct the 2006 Customer Service, Satisfaction, and Awareness Surveys.

BACKGROUND:

In 2005, the District retained Rea & Parker Research and Douglas Coe of the Social Science Research Laboratory to perform a customer survey to establish baselines for assessing overall customer satisfaction and awareness of District programs and services. In this survey, customers were called at random from the District's customer base. The 2006 Strategic Plan envisioned conducting a follow-up telephone survey to build upon the 2005 study and inquire into topics not covered in that survey.

The 2006 Strategic Plan also calls for expanding quality control in the Finance Department with the goal of ensuring quality Call Center customer service. To address this goal, staff is recommending a separate element of 2006 study which will include a survey of customers who have interacted with the District's Call Center within the past six months. This portion of the survey will focus specifically on interactions with the Call Center.

Because these Strategic Plan goals seek to survey different populations within the District's service area, staff is recommending that two related but separate surveys be conducted.

As noted, Survey I will contact customers at random to assess general attitudes and opinions about overall awareness and satisfaction with District programs and services. Survey II, on the other hand, will only contact those customers who have called within the past six months. This survey will focus primarily on the courtesy, knowledge, and general quality of service delivered by the District's Call Center.

In accordance with District procedures, staff solicited bid proposals from ten local and one national research firm to conduct the surveys. Four responses to the Invitation to Bid were received. Proposals were received from Godbe Research, Luth Research, Rea & Parker Research, and Zogby International.

Zogby International was the low bidder at \$19,750, followed by Rea & Parker Research (\$27,500), Luth Research (\$31,700), and Godbe Research (\$33,520 to \$40,485 depending upon the length of the interview).

It is important to note that Zogby International did not include any onsite meetings with staff, board committees, or a site presentation of the survey findings to the Board of Directors, though a minimum of three site presentations were specified in the Invitation to Bid. Zogby International would be available to meet via teleconference and present the results via video conference. If an onsite meeting or a presentation were desired, the District would pay actual travel costs for a polling/research editor to be present, which they conservatively estimate at approximately \$1,000 per meeting.

Upon review of the four proposals, staff recommends the selection of Rea & Parker Research in conjunction with the Social Science Research Laboratory to develop and conduct the surveys. In contrast with Zogby International, Rea & Parker recommend a minimum of five onsite meetings be held with Dr. Richard Parker and Douglas Coe and the Otay Water District in order to develop and finalize the survey instrument, procedures, and final report format and guidelines.

Staff supports retaining Rea & Parker Research and the Social Science Research Laboratory based on their expertise, the timeliness, professionalism, quality of their work, and their

level of personalize service, as well as staff's positive experience working with this firm on the 2005 study.

Rea & Parker Research and the Social Science Research Laboratory also have extensive experience performing surveys for public agencies including the San Diego County Water Authority, local public water districts, and local government throughout San Diego County. As noted above, they also conducted the 2005 OWD customer survey.

FISCAL IMPACT:

The cost of conducting the surveys is \$27,500. Due to a broader scope of work, this is \$7,500 more than the approved \$20,000 budget (during the development of the scope of work, the project changed from performing a single survey to conducting two independent but related surveys). Appropriations of \$20,000 is included in the General Manager's Fiscal 2007 Outside Services budget (GL 11-1211-5261). The \$7,500 will be funded through savings from public relations, advocacy, consultant services, and 50th anniversary programs.

STRATEGIC GOAL:

This project is consistent with the following OWD 2006 Strategic Plan goals:

- 1.A.1 Implement a standardized Potable and Recycled Water Customer Survey.
- 1.A.3 Expand a Quality Control/Audit program to ensure quality customer service.

LEGAL IMPACT:

None.



General Manager

Attachments:

- A - Committee Statement
- B - Rea & Parker Research - OWD 2006 Customer Service, Satisfaction, and Awareness Surveys
- C - Invitation to Bid
- D - Summary of proposal rankings by panel members



ATTACHMENT A

| | |
|-------------------------|--|
| SUBJECT/PROJECT: | 2006 Customer Service, Satisfaction, & Awareness Surveys |
|-------------------------|--|

COMMITTEE ACTION:

The Communications Committee reviewed this item at a meeting held on August 8, 2006. The following comments were made:

- The 2006 Customer Survey will differ from the survey conducted in 2005 in that there will be two surveys performed:
 - A follow-up survey to build upon the 2005 study and to inquire into topics not explored in first survey; and
 - A survey of customers who have had contact with the District's Call Center within the past six months.
 - The Call Center survey will focus specifically on feedback concerning customer interaction with the Call Center.
- Eleven firms were invited to bid and 4 proposals were received.
- Staff reviewed the proposals and recommends that the District retain Rea & Parker Research for the following reasons:
 - Zogby International was the lowest bidder. However, their proposal did not include any face-to-face meetings with staff, board committees, or a presentation of the survey's findings to the Board, though a minimum of three site presentations were specified in the Invitation to Bid;
 - Zogby is willing to conduct onsite meetings, however, the District would have to pay the travel expenses of a polling/research editor. It is estimated the cost for each onsite visit is approximately \$1,000;
 - This could bring their bid to \$24,750, which is close to Rea & Parker Research's bid of \$27,500.
 - Rea & Parker Research's proposal includes a minimum of five onsite meetings with principals of the firm to develop the survey tools and to present survey findings. Rea & Parker Research also has the advantage of having knowledge of the previous survey.
 - Rea & Parker Research is based in San Diego County and affiliated with the San Diego State University campus.
 - Rea & Parker Research is well respected in San Diego County; very knowledgeable of local water issues,

performs high quality work, and the District has a good working relationship with the firm.

- While the Committee supported retaining Rea & Parker Research, they also saw advantages to retaining an internationally known research firm with the reputation of Zogby.
- The Call Center survey's (Survey II) sample size is 200 with a margin of error of $\pm 6.9\%$. It is felt that the sample size will provide good baseline data (Survey I's sample size is 300 with a margin of error $\pm 5.7\%$).
- The follow-up survey will include topics and comments received from the Board at its meeting held on January 4, 2006, including direction to:
 - o Survey OWD sewer customers on their thoughts about the District's sewer rates;
 - o Survey customers of their satisfaction of the District as a whole (i.e., rates, customer service, etc.);
 - o Explore customer views of utilizing recycled water for drinking purposes;
 - o Explore the variance between CWA and OWD customer's concerning having heard conservation messages.
- It is expected that the survey questions would be presented to the Board for review in October; the changes to the survey questions would be completed in November/December 2006; in December/January, the survey would be performed; and February/March, 2007, the results of the survey would be presented.

NOTE:

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

**Otay Water District
2006 Customer Service,
Satisfaction, Awareness
Surveys**

Proposal to

**Mr. Armando Buelna
Communications Officer
Otay Water District
2554 Sweetwater Springs
Blvd.
Spring Valley, CA 91978**

Prepared by

**Rea & Parker Research
P.O. Box 421079
San Diego, CA 92142-1079**

858-279-5070

www.rea-parker.com

June 2, 2006

Table of Contents

| | Page |
|--|-------------|
| Proposal Letter | iii |
| Project Objectives | 1 |
| Qualifications and Related Experience | 3 |
| Qualifications | 3 |
| Experience | 7 |
| References | 15 |
| Resumes | 16 |
| Scope of Services | 26 |
| Proposed Project Schedule | 34 |
| Price and Cost Proposal | 34 |
| Commitment from Rea & Parker Research | 34 |

June 2, 2006

Mr. Armando Buelna
Communications Officer
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA

Re: Otay Water District Survey Research Proposal
Survey I: General Customer Survey
Survey II: Customer Service Survey

Dear Mr. Buelna:

Rea & Parker Research is a survey/market research and economic consulting firm based in San Diego, California, with facilities in Los Angeles and Orange County. It was founded by its present owners, Louis M. Rea, Ph.D., and Richard A. Parker, Ph.D., in 1984 and has grown into a well-respected, financially stable, and substantial research organization with clients throughout the State of California and the Southwest who will attest to the firm's ability to deliver a very high quality product to its clients, with practical recommendations and valuable, actionable findings.

Dr. Parker and Dr. Rea are professors in the School of Public Administration and Urban Studies at San Diego State University. Dr. Rea has also been Director of the School for 23 years. Dr. Parker and Dr. Rea are co-authors of a highly successful book, *Designing and Conducting Survey Research: A Comprehensive Guide*, published by Jossey-Bass Publishers of San Francisco in 1992, with a second edition published in 1997, and a third edition in 2005.

Drs. Parker and Rea have extensive experience in public and urban affairs regarding the collection of primary demographic, attitudinal, and market-related data through survey research and focus group analysis, particularly regarding transportation research and water research. Water related surveys have been conducted for the Otay Water District (baseline 2005 customer satisfaction survey), the San Diego County Water Authority (2000, 2003, 2004, and 2005 public opinion polls, 2003 and 2005 member agency surveys, and 2005 economic climate survey), the City of San Diego Water Department (2004 customer satisfaction survey), North County Co-Permittees Watershed survey (2004), and the San Diego County unincorporated watershed surveys (2004), among others that are detailed in the proposal.

Rea & Parker Research has a significant history of success in deriving marketing data from ethnic minority groups. Further, Dr. Parker and Dr. Rea are highly regarded economic consultants, particularly in the areas of fiscal impact analysis, urban economic development, and site specific commercial, retail, and residential evaluation.

Mr. Armando Buelna
Otay Water District
page 2

Rea & Parker Research possesses significant expertise in issues pertaining to transportation and growth, along with vast experience in survey research and analysis, focus group research, data collection, and sampling design, all of which are detailed in the Proposal enclosed with this letter of interest.

In association with Douglas Coe, Director of San Diego State University's Social Science Research Laboratory and to meet the objectives of this project, Rea & Parker Research and Douglas Coe propose to:

- design sampling plans and survey instruments,
- coordinate all field data-collection activities
- edit, code, weight, expand, and analyze survey data
- prepare written report of findings
- prepare graphical presentations of the data
- provide final computerized data files

Rea & Parker Research is pleased to respond to this Request for Proposals and to submit this Proposal and Statement of Qualifications in an effort to be selected as the consultant for the Otay Water District 2006 Customer Surveys.

Rea & Parker Research and Douglas Coe (SSRL) are committed to keeping the lines of communication open as the project moves forward. To that end, Rea & Parker Research will provide the Otay Water District Project Manager with frequent progress reports. By using key senior staff members to implement the tasks described above, Rea & Parker Research promises to provide consistent and efficient consulting services to its clients in general, and to Otay Water District, in particular, for this project.

We thank you for the opportunity to propose our services and sincerely hope that our response to your Request for Proposals meets with your satisfaction and approval.

Sincerely,

Richard A. Parker, Ph.D.
President

PROJECT OBJECTIVES

In 1956, the Otay Water District was authorized by the State Legislature and gained its entitlement to imported water. Today, the District serves the water and/or sewer needs of approximately 186,000 people by purchasing their water from the Metropolitan Water District of Southern California through the San Diego County Water Authority. The District takes delivery of the water through several connections to large pipelines owned and operated by the San Diego County Water Authority. Since its inception, the Otay Water District has also collected and reclaimed wastewater generated within the Jamacha drainage basin and pumped the reclaimed water south to the Salt Creek basin where it is used for irrigation and other non-potable uses.

The Otay Water District wishes to conduct a statistically reliable customer satisfaction and customer awareness telephone survey among residential customers. The purpose of the survey is twofold – first, to provide a baseline for measurement of customer satisfaction. Secondly, to provide information concerning customer awareness of and reaction to the communications, utility rates and costs, conservation activity, field service and overall opinions of quality and reliability.

The Otay Water District requests that consultants propose to conduct two distinct surveys, as follows:

Survey I: 300 customers of the Otay Water District will be randomly sample surveyed.

The primary areas of interest are:

- Overall customer satisfaction
- Awareness of rates
- Awareness of formal/written communications
- Awareness of conservation activities/programs
- Awareness of water recycling activities
- Attitudes toward conservation
- Concerns about water supply
- Quality of water supply
- Reliability of supply
- Awareness of sewer operations
- Demographic measures
- Areas of interest concerning water or district issues (open end)
- Other areas as may occur in planning discussions

Survey II: 200 randomly selected customers of Otay Water District who have contacted the District for information and/or customer service during the most recent 6 months.

The primary areas of interest are:

- Call Center interaction—specific instances
- Courtesy of staff
- Clarity and accuracy of responses from staff
- Level of knowledge displayed by Call Center staff
- Experience with field staff

- Quality of service received
- Overall satisfaction with service received
- Use of online services
- Quality of online services
- Demographic measures

Richard A. Parker, Ph.D., Professor, School of Public Administration and Urban Studies—San Diego State University, Louis M. Rea, Ph.D., Professor and Director of the School of Public Administration and Urban Studies—San Diego State University —and Douglas Coe, Director of the Social Science Research Laboratory (SSRL)—San Diego State University are pleased to respond to the Otay Water District Request for Proposal to be the consultant selected to perform both of the surveys, including the overall development, implementation and ensuing analysis of the knowledge, attitudes, and behaviors of the subject population, as more fully described in the Scope of Services section of this proposal that follows Qualifications and Related Experience.

This proposal applies to both surveys, with distinctions made, where appropriate throughout the proposal, and, in particular, with regard to the cost and price component of the proposal.

QUALIFICATIONS AND RELATED EXPERIENCE

RICHARD A. PARKER, Ph.D. and LOUIS M. REA, Ph.D. (Rea & Parker Research and San Diego State University), AND DOUGLAS COE (Director, Social Science Research Laboratory—San Diego State University)

Qualifications

Rea & Parker Research is a survey and market research and economic consulting firm based in San Diego, California, with facilities in Los Angeles and Orange County. Rea & Parker Research has been a significant research firm in public transportation for many years. It was founded by its present owners, Louis M. Rea, Ph.D., and Richard A. Parker, Ph.D., in 1984 and has grown into a well-respected, financially stable, and substantial research organization with clients throughout the State of California and the Southwest who will attest to the firm's ability to deliver a quality product within the originally designated budget and in accordance with the contracted time schedule.

Dr. Parker and Dr. Rea are professors in the School of Public Administration and Urban Studies at San Diego State University. Dr. Rea is also the Director of that School. Dr. Parker and Dr. Rea are co-authors of a highly successful book, *Designing and Conducting Survey Research: A Comprehensive Guide*, published by Jossey-Bass Publishers in 1992, with a second edition published in 1997, and a third edition in 2005.

Drs. Parker and Rea have extensive experience in public and urban affairs regarding the collection of primary demographic, attitudinal, and market-related data through survey research and focus group analysis. **Rea & Parker Research has conducted San Diego region water related awareness and satisfaction surveys for the Otay Water District, San Diego County Water Authority, Imperial Irrigation District, San Diego County, City of San Diego, City of Oceanside, Sweetwater Authority, and San Luis Rey Indian Water Authority**—all of which are detailed in the attached letter of transmittal and list of clients and projects that follow.

Rea & Parker Research has a significant history of success in deriving marketing data from ethnic minority groups. Further, they are highly regarded economic consultants, particularly in the areas of fiscal impact analysis, urban economic development, and site specific commercial, retail, and residential evaluation. Rea & Parker Research has conducted surveys and market research for a significant list of clients, including:

- State of California--Senate Rules Committee
- State of California--Senate Special Committee on Border Issues
- State of California--Office of the Auditor General
- State of California--Office of the Attorney General
- California Department of Transportation (CALTRANS)
- San Diego County Sheriffs Department

- San Diego County Water Authority
- Otay Water District
- San Diego Gas & Electric
- Imperial Irrigation District
- County of San Diego
- County of Orange
- City of San Diego
- City of San Diego Housing Commission
- City of Escondido
- City of Carlsbad
- City of Oceanside
- City of Poway
- City of Davis
- City of St. Helena
- City of Dana Point
- Los Angeles County Metropolitan Transportation Authority
- Southern California Regional Rail Authority (Metrolink)
- Orange County Transportation Authority
- Bay Area Rapid Transit
- Metropolitan Transit Development Board (San Diego Transit)
- Riverside Transit Authority
- Southern California Association of Governments
- SANDAG
- Sweetwater Authority
- Santa Clarita Transit
- Alhambra Community Transit
- Culver City Bus Lines
- Commerce Transit
- Pasadena ARTS
- Cerritos-On-Wheels (COW)
- Santa Monica Big Blue Bus
- Los Angeles Commuter Express
- Torrance Transit
- Carson Circuit
- El Monte Trolley
- Foothill Transit
- San Diego County Taxpayers Association
- San Diego County Law Library
- City Heights Community Development Corporation (City of San Diego)
- Centre City Development Corporation (City of San Diego)
- North Park Main Street Association (San Diego)
- San Luis Rey Indian Water Authority
- La Jolla Band of Mission Indians
- Viejas Enterprises
- Wallace, Roberts and Todd--Planners and Architects (San Francisco)
- Westec Services, Inc. (Salt Lake City)
- Joint Labor/Management Committee-Retail Food Industry
- San Diego/Imperial Counties Labor Council AFL-CIO
- Sweetwater Authority
- PRC Engineering

- RECON, Incorporated
- Christiansen and Wallace
- Stevens Planning Group
- Brian Mooney and Associates--Urban Planners
- Ault, Deuprey, Jones, Danielsen, & Gorman--Attorneys at Law
- Higgs, Fletcher & Mack--Attorneys at Law
- O'Neill, Huxtable & Abelson--Attorneys at Law
- Seyfarth Shaw—Attorneys at Law

Richard A. Parker, Ph.D. is a professor in the School of Public Administration and Urban Studies at San Diego State University where he teaches graduate and undergraduate courses in statistics, survey research, urban economic development, finance, and real estate. Dr. Parker possesses extensive analytical experience in statistical survey research, market analysis, land use, real estate development and valuation, and transportation issues. He will serve as the co-Project Director.

Dr. Parker has been a consultant to both the public and private sectors for almost 30 years. He has specialized in sample survey research for various governmental agencies and market research for retail, commercial, residential, and recreational development. Particular emphasis has been placed upon market research conducted in the field of transportation, with a myriad of rider/on-board surveys, intercept surveys, telephone surveys, and focus group projects having been performed for several transportation agencies. Dr. Parker has further established his reputation with regard to fiscal impact studies, urban redevelopment, and environmental impact/socioeconomic and demographic analyses. Dr. Parker has also been involved on a consultative basis with a number of issues concerning economic and population growth impacts in Southern California and has published a variety of articles, monographs, and books on these subjects. He has further participated in various panel discussions, delivered expert testimony to legislatures and courts, and appeared on several radio and television programs on behalf of his clients. Dr. Parker is a graduate of Brown University, the University of California at Berkeley, and UCLA. He possesses degrees in Business Administration from those institutions (B.S., MBA, and Ph.D.) plus a further graduate degree in City Planning (MCP) from San Diego State University.

Louis M. Rea, Ph.D. is a professor of City Planning and Director of the School of Public Administration and Urban Studies at San Diego State University. Dr. Rea will be co-Project Director. He has taught graduate courses in statistical analysis, transportation planning, survey research, and urban/fiscal problems. He has published a variety of articles, participated in panel discussions, and delivered numerous papers at professional conferences throughout the United States. He has extensive experience as a researcher and consultant in the San Diego area for the past 25 years.

Dr. Rea has conducted surveys in numerous consulting and research assignments for municipal jurisdictions and private businesses throughout Southern California. He has prepared environmental impact reports and market analyses for various commercial/recreational developments. He has analyzed the feasibility of assessment districts and direct benefit financing, and prepared demographic and economic profiles and projections for numerous projects.

Dr. Rea is a graduate of Colgate University in New York, with a M.A. and Ph.D. from Syracuse University in Regional Planning.

Douglas Coe has served as Director of the Social Science Research Laboratory (SSRL) at San Diego State University since 1990. SSRL has been the Archivist for the California (Field) Poll since 1985. Mr. Coe will supervise the programming and computerization of the data and statistical data output. Mr. Coe has extensive experience in computer programming project design, instrument development, data collection and analysis. He has over 30 years experience in research project management and the use of computational systems. Mr. Coe has proven his research capabilities through completed project contracts with government agencies, community organizations, private enterprises in coordinating community surveys, policy evaluations, satisfaction studies and program evaluations. Mr. Coe holds a Bachelor's Degree from the University of California at Riverside and a Master's Degree from San Diego State University. Besides working with Rea & Parker Research on many of the projects referenced listed above and detailed below, additional clients of Douglas Coe and SSRL include:

- Aetna Government Health Plans, CHAMPUS Division
- American College of Preventive Medicine
- California Department of Parks and Recreation
- California State Department of Conservation, Division of Recycling
- California State Department of Health
- Child Abuse Prevention Foundation
- City of Chula Vista Human Services Council
- City of San Diego
- Computer Economics, Incorporated
- The Field Institute, San Francisco
- Girard Foundation
- I Love a Clean San Diego County, Incorporated
- San Diego County, Solid Waste Division
- Industrial Environmental Association of San Diego
- Oceanside Unified School District
- The Office of the Chancellor, California State University
- Office of the Civil Rights Monitor
- Pacific Institute for Research and Evaluation
- Paradise Valley Hospital, National City
- San Diego Association of Governments (SANDAG)
- San Diego Community Foundation
- San Diego Convention and Visitor's Bureau
- San Diego County Department of Health Services
- San Diego County Office of Education
- San Diego County Water Authority
- San Diego Environmental Health Coalition
- San Diego Fluoridation Coalition
- Sweetwater Authority
- The San Diego Union-Tribune and NBC 7/39 Television
- Scripps Memorial Hospitals
- South Bay Union Elementary School District
- The Stevens Cancer Center - Scripps Memorial Hospitals
- Sweetwater Union High School District
- Twenty Second District Agricultural Association, State of California

- UCSD School of Medicine, Dept. of Family and Preventive Medicine
- U.S. National Park Service
- U.S. Navy Health Research Center
- U.S. Navy Special Warfare Group

Selected Sample Survey Research Projects of Rea & Parker Research—references at end of section

Otay Water District

- 2005 customer satisfaction survey of 350 residential customers concerning behavior, opinion, customer service, desalination, water reclamation, and conservation practices.

San Diego County Water Authority

- 2003 San Diego County Water Authority Telephone Public Opinion Survey conducted among 600 telephone respondents in order to assess knowledge, behavior, opinions, and willingness to pay regarding water issues, including reliability.
- 2004 Member Agency Survey was prepared, administered and analyzed regarding customer satisfaction. Project included a total revision of the instrument that had been used for many previous years in order to successfully discern possibilities for improved service by the Water Authority to its member agencies
- 2004 San Diego County Water Authority Telephone Public Opinion Survey: 710 respondents concerning behavior, opinion, future needs assessment issues, desalination, water reclamation, and conservation practices.
- 2005 San Diego County Water Authority Public Opinion Survey: 725 respondents concerning behavior, opinion, future needs assessment issues, desalination, water reclamation, and conservation practices.
- 2004 Engineering Department Employee Satisfaction Survey
- 2005 Member Agency Survey: On-line survey of general managers, division managers, operating heads regarding SDCWA policies and programs
- 2005 Survey of 400 San Diego County public works contractors to identify issues pertaining to project labor agreements and other public works contracting issues, including satisfaction with working in association with SDCWA.

State of California (Senate Rules Committee, Senate Select Committee on Border Issues, and Office of the Auditor General)

- Analysis of fiscal impact of undocumented immigrants on public services in San Diego County, including criminal justice system, education, and public health. Further identified estimated number of undocumented residents and their contributions to State and local tax revenues. Also included in the analysis were federal revenues, false documentation issues, and macro economic impacts. Study included substantial primary data gathering techniques, including direct interviews with undocumented immigrant workers and INS returnees. Prepared, administered, and analyzed sample surveys of undocumented immigrants in San Diego County for purposes of determining employment characteristics, revenue generation, demographics, and migration patterns. Research included extensive face-to-face interviews and structured roundtable discussions.

City of Carlsbad

- Prepared, implemented, and analyzed citywide sample telephone survey of 600 respondents concerning future urban commercial development in this fast growing Northern San Diego County city. Extensive analysis of underlying values through conjoint analytical techniques was featured.

County of Orange

- Prepared, implemented, and analyzed 1,040 person telephone survey of unincorporated area (North Tustin) in order to assess level of service satisfaction issues and potential annexation/sphere of influence adjustments.

City of San Diego

- Prepared, implemented, and analyzed 400 person telephone survey of residents of three low income San Diego communities concerning issues such as crime, economic development, city services, and the success of the City's "Weed and Seed Program."
- Prepared, administered, and analyzed sample survey of San Diego County residents for purposes of assessing utilization and demand factors for Mission Bay Park in San Diego. This survey of 850 persons served to inform the revision of the Park's Master Plan.
- Analysis of market for existing condominium developments in downtown San Diego. Detailed analysis included extensive survey and corresponding statistical and qualitative analysis including recommendations for future market composition.
- Consultant for the revitalization of an older commercial retail area in mid-city San Diego seeking to rejuvenate its retail base. Three surveys and a series of key

participant discussions were performed in conjunction with this effort--existing retailers, potential retailers, and residents of the area--plus corresponding statistical and qualitative analysis. Final report included a recommended retail structure for the community that would be realistic, implementable, and sensitive to the diversity of ethnicity in this community.

- Conducted 600 person telephone survey in mid-city for purposes of establishing need for community court in the area populated by myriad low-income minority and immigrant groups. Also in-person interviews/surveys of 100 local business owners.
- Conducted 400 person customer satisfaction survey for City Water Department, with emphasis, in particular, on water recycling.

San Diego County

- Public awareness survey of 1300 County residents regarding water quality and watershed protection, including level of knowledge, behavior, and opinion components.

San Diego County Sheriff's Department

- Established sampling methodology for analysis by station (11) of workload and availability for calls for service among Sheriffs patrol deputies. Over 3,000 samples drawn and analyzed to establish manpower needs.
- Sample of Communications Center 911 and administrative calls to determine optimal workload shifts and total personnel required.
- Utilized scientific sample to analyzed time savings applicable to the conversion of arrest data to laptop computers from manual entry. Final report included specific determination of manpower hours saved and recommendations for software and operational policy changes in order to maximize technological advantages.

Orange County Transportation Authority

- Marketing program consultant including two 600 person surveys among Latino and senior residents of Orange County and 12 focus groups to identify market-enhancing opportunities for transit service.
- Conducted CenterLine Customer Profile for the Orange County Transportation Authority involving intercept surveys of 8,800 potential urban light rail users and 1,500 telephone survey interviews. Final analysis assessed likely ridership, preferred destinations, trip purposes, demographic and psychographic profiles of potential light Metro Rail ridership.
- Conducted 2,000 person rider/on-board bus survey for the Orange County Transportation Authority regarding monthly, weekly, and daily bus pass sales.

Prepared questionnaire, administered survey, analyzed data in order to assess potential for expanding bus pass sales.

- Prepared Multi-Cultural Market Assessment Study for transportation services in Orange County. Formulated baseline data and marketing strategies for long- and short-term transportation related issues facing Orange County's diverse multi-cultural communities, with particular emphasis upon Hispanic and Vietnamese communities. Administered three different statistical surveys including intercept and rider/on-board formats, each in English, Spanish, and Vietnamese.
- Conducted Vietnamese ridership study, including in-person intercept survey, telephone sample survey, and focus group among Vietnamese community leaders regarding current bus service and future transit needs in the Vietnamese areas of Orange County.
- Sample survey of 400 bicycle commuters.

Los Angeles County Metropolitan Transportation Authority (MTA)

- Rider/on-board 2002 Bus survey for Los Angeles County Metropolitan Transportation Authority, including 40,000 rider/on-board surveys, 2,500 follow-up telephone interviews, and 10 focus groups. Includes additional surveys for **Alhambra Community Transit, Culver City Bus Lines, Commerce Transit, Pasadena ARTS, Cerritos-On-Wheels (COW), Santa Monica Big Blue Bus, Los Angeles Commuter Express, Santa Clarita Transit, Torrance Transit, Carson Circuit, El Monte Trolley, and Foothill Transit.**
- Rider/on-board 2002 Rail survey for Los Angeles County Metropolitan Transportation Authority, including 15,000 rider/on-board surveys, 1,000 follow-up telephone interviews, and 3 focus groups.

Southern California Regional Rail Authority (Metrolink)

- Obtained precise counts of passenger boardings and alightings at each station for each train in the Metrolink train system and conducted a 3,500 person rider/on-board sample survey regarding customer satisfaction for the Southern California Regional Rail Authority (Metrolink). Analysis included comparative data analysis of trends from the 1997 rider/on-board survey (also conducted by Rea & Parker Research) and from 1995.
- Computerized, analyzed, prepared final report, and presented findings for 6000 rider/on-board rail passenger surveys for the Southern California Regional Rail Authority (Metrolink) regarding customer satisfaction. Analysis included comparative data analysis of trends from previous rider/on-board surveys.
- Determined the requisite two-stage sample for Federal Transportation Agency requirements for annual passenger and mileage calculations.

California Department of Transportation

- On-Line Survey and focus groups with CALTRANS engineers concerning internal job issues.

Riverside Transit Agency

- On-board customer satisfaction survey, passenger count, and ride check of 100% of system—weekdays and weekends

Southern California Association of Governments

- 800 person survey and 6 focus groups to determine desired route for high-speed rail from Northern California between Los Angeles and San Diego
- 5,000 respondent cross-border transportation survey at 3 Imperial County border checkpoints—24 hours (weekends and weekdays)

University of California-Berkeley

- Panel based survey of participants in pilot study of commute by rail with pooled rental car available at work location and rail station.
- Survey of riders of Metrolink between Riverside and Los Angeles re: location of new station and potential bus connection routes

North Park Main Street Association

- Conducted two intercept surveys--business owners and shoppers in San Diego Main Street National Historic Preservation Area in order to determine shopping needs and level of improvement or decline in area since the implementation of the Main Street program.

City of Davis

- Prepared, administered, and analyzed sample survey of 833 residents of Davis, California for purposes of assessing utilization, demand, and tax allocation factors for City of Davis Department of Parks and Recreation in concert with the preparation of the Master Plan.

City of St. Helena

- Prepared, administered, and analyzed sample survey of City of St. Helena, California residents for purposes of General Plan revisions.

City of Poway

- Prepared, administered, and statistically analyzed a mail survey of 800 Poway businesses regarding their needs and opinions concerning Poway's business climate and future opportunities. Final report included detailed analysis and exposition, including recommendations where appropriate.
- Prepared, administered, and statistically analyzed a mail survey of 6,000 Poway households concerning their opinions regarding a variety of issues of importance to the City for future planning. Final report included fully tabulated results with accompanying statistical reports.

City of Dana Point

- Prepared recreation and parks needs assessment survey for administration to general public.

City of Oceanside

- Public awareness survey of 800 Carlsbad and San Luis Rey watershed residents, including level of knowledge, behavior, and opinion components.

Sweetwater Authority

- Public awareness survey of 400 residents of the water agency, including level of knowledge, behavior, and opinion components.

Imperial Irrigation District

- Statistical modeling of power demand
- Instructed employees of Energy Supply and Trading division in statistical techniques

San Luis Rey Indian Water Authority

- Prepared and supervised administration of detailed census and opinion survey of 2,500 members of five Indian tribes. Particular emphasis was given to issues of importance to the tribes' members such as job opportunities, education, cultural issues, economic development opportunities and transportation access issues. Focus group sessions with each tribe were utilized to complement the survey findings. Final report included both census data and fully tabulated and statistically analyzed summary of the opinions of reservation residents.

City of Escondido

- Prepared, administered, and statistically analyzed telephone survey of 425 residents concerning library facilities.

Stoorza, Ziegau & Metzger — Public Relations

- Conducted city-wide (San Diego) survey of voter opinion (850 participants) concerning the initiative to change the name of Dr. Martin Luther King, Jr. Way to Market Street and related issues.

MNA Consulting, Inc.

- Prepared, administered, and analyzed sample survey of City of Poway, California citizens in order to assess demand factors for new public library facility.

San Diego Housing Commission

- In accordance with the City of San Diego SRO Preservation Ordinance, a survey/inventory of all existing guest rooms in the City of San Diego was performed in order to retroactively identify rooms that qualified as single room occupancy hotel rooms as of December 1985, December 1987 and May 1988. The purpose of this survey was to identify a baseline number of such units for presentation purposes. Prepared survey instrument, SRO identification methodologies, computerization formats, statistical analyses, and final report with room-by-room breakdown.

San Diego County Department of Planning and Land Use

- Evaluated the San Diego Community Planning Process as viewed by planning group participants and informed parties (developed questionnaire, analyzed data, and prepared a final report).

San Diego County Law Library

- Prepared and implemented 5 specific survey research projects among law library course attendees, librarians, and non-attendees.

Stevens Planning Group, Inc.

- Conducted economic/marketing analysis of proposed 2500-acre resort development in East San Diego County. Analysis included examination of comparable projects plus administration of surveys to target Services groups of potential users of proposed resort activities. Surveys were tabulated and statistically analyzed and then combined with reconnaissance of comparable projects in formal report to client.

Higgs, Fletcher & Mack

- Analyzed and testified as expert witness regarding statistical survey concerning appraisal of commercial real estate subject to condemnation.

Seyfarth Shaw

- Testified as expert witness regarding adequacy of statistical survey sampling of employees in class action lawsuit

References:

Mr. John Liarakos, Media Relations
Mr. Paul Lanspery, Deputy General Manager
Mr. Dennis Cushman, Asst. General Manager
San Diego County Water Authority
4677 Overland Ave.
San Diego, CA 92123

Tel. 858-522-6703 (Liarakos)
Tel. 858-522-6783 (Lanspery)
Tel. 858-522-6785 (Cushman)

Commander Robert J. Apostolos
Gail Larsen, Communications Coordinator
San Diego County Sheriff's Department
9621 Ridgehaven Court
P.O. Box 429000
San Diego, CA 92142

Tel. 858-974-2319 (Cmdr. Apostolos)
Tel. 858-565-5498 (Larsen)

Ms. Lisa Briggs
Policy Advisor to Mayor Jerry Sanders, City of San Diego
202 C Street
San Diego, CA 92101

Tel. 619-236-6330

Mr. Nigel Blampied
Director of Operations
State of California
Department of Transportation (Caltrans)
1120 N Street
Sacramento, CA 95814

Tel. 916-654-5266

Richard A. Parker, Ph.D.

Education

- Ph.D. University of California, Los Angeles (Los Angeles, California)
Doctor of Philosophy
- M.B.A. University of California, Berkeley (Berkeley, California)
Master of Business Administration
Teacher Certification — Lifetime Secondary Credential
(Business, Social Studies, English)
- M.C.P. San Diego State University (San Diego, California)
Master of City Planning
- B.S. Brown University (Providence, Rhode Island) and
University of California, Berkeley (Berkeley, California)
Bachelor of Science — Business Administration
(Phi Beta Kappa)

Selected Related Professional Experience

- 1985- Professor, School of Public Administration and Urban Studies, San Diego State University, San Diego, California. Courses taught:
- Seminar in Urban Planning Methodologies (graduate)
 - Issues in Financing Urban Development (graduate)
 - Quantitative Methods (Statistics) (graduate)
 - Seminar in Quantitative Approaches to Public Administration (graduate)
 - Quantitative Techniques in Urban Planning (graduate)
 - Methods of Analysis in City Planning (upper division undergraduate)
 - Contemporary Urban Issues (upper division undergraduate)
 - The Metropolitan Area (upper division undergraduate)
 - Public Policy (upper division undergraduate)
 - Decision Making in the Public Sector (upper division undergraduate)
 - Public Finance (graduate and upper division undergraduate)
 - Seminar in Economics of Urban and Regional Planning (graduate)
- 1982- President/Project Director, Rea & Parker Research
- Research Clients include:
- State of California--Senate Rules Committee
 - State of California--Senate Special Committee on Border Issues
 - State of California--Office of the Auditor General
 - State of California--Office of the Attorney General
 - California Department of Transportation (CALTRANS)
 - San Diego County Sheriffs Department
 - San Diego County Water Authority
 - San Diego Gas & Electric

- Otay Water District
- Imperial Irrigation District
- County of Orange
- County of San Diego
- City of San Diego
- City of San Diego Water Department
- City of San Diego Housing Commission
- City of Escondido
- City of Carlsbad
- City of Oceanside
- City of Poway
- City of Davis
- City of St. Helena
- City of Dana Point
- Los Angeles County Metropolitan Transportation Authority
- Southern California Regional Rail Authority (Metrolink)
- Orange County Transportation Authority
- Bay Area Rapid Transit
- Metropolitan Transit Development Board (San Diego Transit)
- Southern California Association of Governments
- Santa Clarita Transit
- Riverside Transit Agency
- Sweetwater Authority
- San Diego County Taxpayers Association
- San Diego County Law Library
- City Heights Community Development Corporation (City of San Diego)
- Centre City Development Corporation (City of San Diego)
- North Park Main Street Association (San Diego)
- San Luis Rey Indian Water Authority
- La Jolla Band of Mission Indians
- Wallace, Roberts and Todd--Planners and Architects (San Francisco)
- Westec Services, Inc. (Salt Lake City)
- Joint Labor/Management Committee-Retail Food Industry
- San Diego/Imperial Counties Labor Council AFL-CIO
- PRC Engineering
- RECON, Incorporated
- Christiansen and Wallace
- Stevens Planning Group
- Brian Mooney and Associates--Urban Planners
- MNA Consulting Services
- Stoorza, Ziegans, & Metzger--Public Relations
- Ault, Deuprey, Jones, Danielsen, & Gorman--Attorneys at Law
- Higgs, Fletcher & Mack--Attorneys at Law
- O'Neill, Huxtable & Abelson--Attorneys at Law
- Seyfarth Shaw--Attorneys at Law

1971-1982 Director of Real Estate Operations, David Capell & Co., Beverly Hills, CA

Directed the real estate operations of a large entertainment industry business management firm. Functions included researching, investigating, analyzing and selecting for investment millions of dollars of real estate annually plus accounting, tax and estate planning specifically tailored to each client's needs. Shopping centers, office buildings, apartment complexes, and unimproved investment property were all transacted. Negotiated purchases, sales, refinancing, and restructuring and supervised the ongoing management of these investments.

Selected Publications

Books

Designing and Conducting Survey Research: A Comprehensive Guide (with Louis M. Rea, Ph.D., 1992 (2nd edition 1997—3rd edition 2005). Jossey-Bass, Inc., Publishers, San Francisco.

Monographs/Research Reports

Cost Benefit Analysis: A Case Study of the Berkeley Park Marina Shopping Center, University of California, Berkeley, California, 1971, 168 pp.

The Economics of Environmental Restrictions on the Use of Urban Land, Institute of Urban and Regional Development, University of California, Berkeley, California (with Leonard Merewitz, Ph.D.), 1973, 79 pp.

Back to the City: The Middle Income Housing Market in Centre City San Diego, San Diego State University, San Diego California, 1984, 258 pp.

The Fiscal Impact of Undocumented Immigrants Residing in San Diego County, State of California, Office of the Auditor General, 1992, 129 pp.

Illegal Immigration in San Diego County: An Analysis of Costs and Revenues, State of California, State Senate Office of Reproductions, 1993, 172 pp.

Articles

"Water Supply for Urban Southern California: An Historical and Legal Perspective," Glendale University Law Review, Vol. 8, Nos. 1-2, 1988.

"The Retail Commercial Strip in Transition: A Case Study in San Diego," The Western Governmental Researcher (with Louis M. Rea, Ph.D.), Fall, 1989.

Louis M. Rea, Ph.D.

Education

- Ph.D. Social Science, The Maxwell School, Syracuse University, 1975
- M.R.P. Department of Regional Planning, The Maxwell School, Syracuse University, 1973
- B.A. Economics, Colgate University, Hamilton, New York, 1971
(Phi Beta Kappa, cum laude, honors in economics)

Professional Experience

Professor and Director: School of Public Administration and Urban Studies, San Diego State University, 1975-present. Manage an academic department with a budget of \$1 million; responsible for resource allocation and the purchase of supplies and equipment; supervise 20 full-time faculty and several staff personnel; responsible for hiring part-time faculty from the professional community.

Vice-President/ Project Manager: Rea & Parker Research, 1982-present

Research Clients include:

- State of California--Senate Rules Committee
- State of California--Senate Special Committee on Border Issues
- State of California--Office of the Auditor General
- State of California--Office of the Attorney General
- California Department of Transportation (CALTRANS)
- San Diego County Sheriffs Department
- San Diego County Water Authority
- San Diego Gas & Electric
- County of San Diego
- County of Orange
- City of San Diego
- City of San Diego Housing Commission
- City of Escondido
- City of Carlsbad
- City of Oceanside
- City of Poway
- City of Davis
- City of St. Helena
- City of Dana Point
- Los Angeles County Metropolitan Transportation Authority
- Southern California Regional Rail Authority (Metrolink)
- Orange County Transportation Authority
- Bay Area Rapid Transit
- Metropolitan Transit Development Board (San Diego Transit)
- Southern California Association of Governments
- Santa Clarita Transit
- Sweetwater Authority

- San Diego County Taxpayers Association
- San Diego County Law Library
- City Heights Community Development Corporation (City of San Diego)
- Centre City Development Corporation (City of San Diego)
- North Park Main Street Association (San Diego)
- San Luis Rey Indian Water Authority
- La Jolla Band of Mission Indians
- Wallace, Roberts and Todd--Planners and Architects (San Francisco)
- Westec Services, Inc. (Salt Lake City)
- Joint Labor/Management Committee-Retail Food Industry
- San Diego/Imperial Counties Labor Council AFL-CIO
- PRC Engineering
- RECON, Incorporated
- Christiansen and Wallace
- Stevens Planning Group
- Brian Mooney and Associates--Urban Planners
- MNA Consulting Services
- Stoorza, Ziegau, & Metzger--Public Relations
- Ault, Deuprey, Jones, Danielsen, & Gorman--Attorneys at Law
- Higgs, Fletcher & Mack--Attorneys at Law
- O'Neill, Huxtable & Abelson--Attorneys at Law

Selected Publications

Books

Designing and Conducting Survey Research: A Comprehensive Guide (with Richard A. Parker), Ph.D., 1992 (2nd edition 1997—3rd edition 2004). Jossey-Bass, Inc., Publishers, San Francisco.

Monographs/Research Reports

The Fiscal Impact of Undocumented Immigrants Residing in San Diego County, State of California, Office of the Auditor General, 1992, 129 pp.

Illegal Immigration in San Diego County: An Analysis of Costs and Revenues, State of California, State Senate Office of Reproductions, 1993, 172 pp.

An Arts Plan for the San Diego Region — Region 1: An Inventory of Artists, Organizations, Facilities, and Economic Impact

Louis M. Rea, Ph.D. & James A. Clapp, Ph.D.
State-Local Partnership of the San Diego Region, August 1982

Articles

"The Retail Commercial Strip in Transition: A Case Study in San Diego," The Western Governmental Researcher (with Richard A. Parker, Ph.D.), Fall, 1989.

"Urban Forestry: Some Preliminary Research"
Western Governmental Research Journal, Vol. 1, No. 2, 1984.

“A Quantitative Comparison of Second Generation Rent Control Ordinances”

Louis M. Rea, Ph.D. and Dipak K. Gupta, Ph.D.

Urban Affairs Quarterly, Vol. 19, No. 3, March 1984.

“Direct Benefit Financing: An Opportunity for Local Government”

Louis M. Rea, Ph.D., Glen W. Sparrow, Ph.D., and Dipak K. Gupta, Ph.D.

Public Administration Quarterly, Vol. 7, No. 3, Fall 1984.

Douglas S. Coe

Education:

1986 M.A. San Diego State University
1968 B.A. University of California, Riverside

Professional Experience:

| | |
|----------------|---|
| 1990 - present | Director Social Science Research Laboratory San Diego State University |
| 1982 - 1989 | Associate Director Social Science Research Laboratory San Diego State University |
| 1977 - 1982 | Coordinator of Instructional Services Social Science Research Laboratory San Diego State University |

Douglas Coe is the Director of San Diego State University's Social Science Research Laboratory. Coe has thirty years of experience in designing and conducting social research studies and in administering programs that support academic computing. As Director, Coe administers programs that support social research and computing at the University and in the greater community. These programs are provided through the six units described below.

Research Services offers a complete range of public opinion polling and survey research services, including sample design, data collection, data reduction, graphic presentation of data, statistical analysis and data archiving. The section maintains computer systems to support faculty research. Undergraduate internships and research assistant positions are available. Typical research clients include units of government, community groups, SDSU faculty research projects, and University administrative units.

Instructional Services works closely with faculty to assimilate technological resources into the curriculum and to support academic computing among students and faculty. This is accomplished through four programs: (1) Social Science 201 A through D courses on the use of the Statistical Package for the Social Sciences, Database, Spreadsheet, and Internet Resources, (2) non-credit workshops on the use of selected software applications, (3) class presentations at the request of faculty to support computer-related instructional assignments, and (4) on-demand consultation for individual users of open-access computing laboratories.

Data Resources assists faculty and students in the use of archived research, datasets from a variety of on-line information resources, and provides database programming services for specific applications. Principal sources of archived and electronically accessible information include the Inter-University Consortium for Political and Social Research (ICPSR), the Social Science Database Archive (SSDBA), the U.S. Census, Field Institute California Polls, the Roper Center for Public Opinion Research and Lexis/Nexis. Assistance is provided for locating, downloading, installing, and subsetting datasets for instructional or research use.

Systems Support Group provides network administration and technical infrastructure support for

College of Arts and Letters computing systems. Services include managing computer classrooms, network design, implementation and administration, installing software applications, electronic mail, Internet related software, interfacing peripherals, virus diagnosis, file recovery, disk management, operating systems, and procurement advice. Faculty and staff requests for assistance are initiated and tracked through an on-line work order system.

South Coastal Information Center (SCIC) contracts with the California Office of Historic Preservation (OHP) to provide information management for all cultural resources in San Diego County. SCIC is a source of valuable research data for archaeologists, historians, and architects. Databases in historic resources and prehistoric and historic archaeology are maintained and constantly updated. Site data and building information are electronically stored, and over 3,000 historical and archaeological reports are available. Geographic information system software provides accurate mapping of archaeological site data. Student interns master the basics of historic preservation laws and regulations, while learning effective cultural resource information management.

Research Contracts

Community and Governmental Organizations:

Aetna Government Health Plans, CHAMPUS Division

Survey of CHAMPUS Beneficiaries (1995)

Survey of CHAMPUS Medical/Surgical Providers (1995)

American College of Preventive Medicine

National Survey of Physician Compensation (1989)

California Department of Parks and Recreation

South Coastal Information Center (1987 through present)

California State Department of Conservation, Division of Recycling

Redondo Beach Community Survey on Recycling (1996)

Santa Cruz Community Survey on Recycling (1996)

Pacific Beach Community Survey on Recycling (1995)

Pacific Beach Business Improvement Association Survey on Recycling (1995)

California State Department of Health

State-wide Survey of Childhood Immunization Issues Among African-American Households (1997)

Child Abuse Prevention Foundation

Evaluation of Alcohol Related Birth Defects Prevention Media Campaign (1991)

City of Chula Vista Human Services Council

Chula Vista Human Needs Assessment Survey (1992)

City of San Diego

Citizens' Satisfaction with City Services (1996)

Computer Economics, Incorporated

National Survey of Corporate Information Systems Managers (1997; 1998; 1999)

The Field Institute, San Francisco

Archivist for the California Field Poll (1985-1999)

Girard Foundation

Evaluation Study of the Girard Foundation Technology Assistance Program (1997)

I Love a Clean San Diego County, Incorporated

San Diego County, Solid Waste Division
Attitudes and Perceptions Regarding the Recycling of Used Motor Oil (1997; 1998)

Industrial Environmental Association of San Diego
Perceptions of Exposure to Industrial Hazardous Materials (1995)

Oceanside Unified School District
Survey of District Parents and Community Members (1998)

The Office of the Chancellor, California State University
Public Perceptions of San Diego State University (1999)
Public Perceptions of California State University, Los Angeles (1999)
Public Perceptions of California State University, Stanislaus (1999)

Office of the Civil Rights Monitor
National Testing Project (1997-1999)

Pacific Institute for Research and Evaluation
Evaluation of Efforts to Reduce Cross-Border Binge Drinking (1998-2001)

Paradise Valley Hospital, National City
Mammography Follow-up Study (1994)
Mammography Baseline Study (1992)

San Diego Association of Governments (SANDAG)
Interstate 15 Congestion, Pricing, Monitoring and Evaluation Project (1996-1999)

San Diego Community Foundation
Give Five Community Survey (1990; 1992)

San Diego Convention and Visitor's Bureau
Membership Study (1999)

San Diego County Department of Health Services
Alcohol Use and Alcohol Problems Among San Diego County Residents with Special Emphasis on Women (1989)

San Diego County Office of Education
Utilization of Instructional Television Programming Among Educational Professionals (1997)
Viewership Survey for San Diego County Office of Education's Instructional Television Station, I.T.V. (1994; 1996)

San Diego Environmental Health Coalition
Navy Nuclear Ship Basing Study (1996)
Safe Substitutes Survey, San Diego County (1992)
Household Hazardous Wastes Survey, City of Coronado (1992)

San Diego Fluoridation Coalition
Attitudes Regarding Fluoridation (1997)

The San Diego Union-Tribune and NBC 7/39 Television
Library Special Election Study (1999)
1998 General Election Study (1998)
Proposition C Padres Ballpark Study (1998)
Health Care Study - Survey of Physicians (1997)
Health Care Study - Survey of Adult San Diego County Residents (1997)
Jack Murphy Stadium Expansion Controversy (1997)
Presidential/General Election Studies (1996)
California Primary Election Study (1996)

Scripps Memorial Hospitals
HealthPlus55 Survey (1991; 1993)

South Bay Union Elementary School District
Community Views of South Bay Union Elementary School District (1994)

Parent Views of South Bay Union Elementary School District (1994)
The Stevens Cancer Center - Scripps Memorial Hospitals
Sun Exposure Index Awareness Survey (1996)
Sweetwater Union High School District
Community Survey Regarding Graduation and Promotion Requirements (1999)
Community Views of Sweetwater Union High School District (1995; 1996)
Parent Views of Sweetwater Union High School District (1995; 1996)
Twenty Second District Agricultural Association, State of California
Del Mar Fair Regional Study (1993; 1994)
Del Mar Fair Attendees Survey (1992)
UCSD School of Medicine, Dept. of Family and Preventive Medicine
"Por La Vida" Intervention Model in Cancer Education (1995-2000)
Interstitial Cystitis Prevalence (1993)
U.S. National Park Service
National Archaeological Database Project (1991)
U.S. Navy Health Research Center
The Seabee Health Survey (1999)
U.S. Navy Special Warfare Group
Navy SEALs Foreign Language Acquisition

SCOPE OF SERVICES

As indicated in the previous section, the Scope of Services that is presented below outlines the methodology to be used for each survey. Where there is a difference between them, this difference will be clearly elaborated.

TASK 1: FINALIZE PROJECT WORK PROGRAM AND DEVELOP MANAGEMENT PLAN

Subtask 1.1: Kickoff Meeting with the OTAY WATER DISTRICT Project Team

Rea & Parker Research will meet with the Otay Water District Project Manager and other Otay Water District team members to: 1) review project objectives; 2) review the preliminary work program and make revisions recommended by the Otay Water District; 3) clarify and address any outstanding technical issues; 4) establish formal lines of communication between the Otay Water District and Rea & Parker Research; 5) determine content and format of routine progress reports; and 6) discussion of draft survey questions submitted by the Authority.

At this initial project (kick-off) meeting Rea & Parker Research will be interested in discussing the final use of the data in order to ensure that it is collected to achieve the overall objectives of the Otay Water District.

One of the primary purposes of the initial meeting is to guarantee that all parties fully understand all decisions and analyses that will be undertaken using the final data. Rea & Parker Research then will suggest which charts, tables, and analytical documentation would contribute to making these decisions and analyses and will design the specifics of the research process accordingly. This approach ensures that Otay Water District will receive from Rea & Parker Research actionable findings and recommendations that address all research objectives.

There will be at least 5 meetings between Rea & Parker Research and Otay Water District, of which this is to be the first. Subsequent meetings will include submittal of resulting draft questions for both surveys prepared by Rea & Parker Research and preliminary review of findings for each as a prelude to final report writing.

Subtask 1.1 Deliverable: (1) Conduct project kick-off meeting and provide written summary for Otay Water District Project Manager review within three days of the meeting

Subtask 1.2: Complete formal work plan within 5 days of initial meeting

Within 5 calendar days of the initial project meeting, Rea & Parker Research will make agreed upon changes to the work program (tasks, subtasks, and deliverables) and submit to Otay Water District Project Manager for review.

Subtask 1.2 Deliverables: (1) Final work program (project objectives tasks, subtasks, and deliverables)

Subtask 1.3: Review Background Materials

As detailed in the qualifications section of this proposal, Rea & Parker Research is extensively familiar with public and private market research, market segmentation, customer satisfaction, and attitude and awareness analyses, and, in particular, within the water utilities industry.

Rea & Parker Research will bring to bear upon the tasks at hand this knowledge and practical experience, beginning with a detailed review of the previous public awareness study/studies.

Subtask 1.3 Deliverable: (1) Technical Memorandum outlining key ideas and understanding of the project derived from these background materials.

Subtask 1.4: Sampling Plan for Public Awareness/Public Opinion Research

It has been initially suggested by the Otay Water District that one random sample telephone survey with an overall sample size of 300 qualified residents of the district (age 18 or older/suggestion: also screen for one year residence within district)—simply referred to as “qualified residents” for the balance of this proposal) be conducted (margin of error +/- 5.7% @ 95% confidence), the objective of which will be to determine public awareness and public opinions of water issues. A second sample survey is to be conducted with an overall sample size of 200 is to be conducted among customers who have contacted the Otay Water District within the past 6 months. Assuming approximately 15% of customers have been in contact with the District in this timeframe (based upon 2005 survey showing 19% in 12 months), the 200 person sample would represent a margin of error of +/- 6.9%. These samples will be randomly drawn from clean, current, and comprehensive lists of all Otay Water District customers and customers who have contacted the District within the most recent 6 months. These lists will be provided to Rea & Parker Research by the Otay Water District.

Subtask 1.4 Deliverable: Within 7 days of the execution of an Agreement and Project Kick-Off between Rea & Parker Research and Otay Water District, formal sampling plans will be prepared by Rea & Parker Research.

TASK 2: DESIGN SURVEY INSTRUMENTS

Subtask 2.1: Design Survey Instrument for Qualified Residents

Richard Parker, Louis Rea, and Douglas Coe have strong professional and academic-related backgrounds in survey design, including the publication of a very successful textbook on the subject, *Designing and Conducting Survey Research* (authors: Richard Parker and Louis Rea), in 1992, 1997, and 2005.

Rea & Parker Research will work with Otay Water District staff in preparing the survey instruments. Rea & Parker Research is very conversant in all forms of survey instruments, including reasons for success and drawbacks. Rea & Parker Research will utilize this knowledge working with Otay Water District staff to prepare instruments that will facilitate computerization and will capitalize upon the key elements and findings from the baseline survey. The

questionnaire will include questions sufficient to compare the results of the baseline survey with the current ones while simultaneously improving upon the previous survey in terms of information derived. To the maximum feasible extent, Rea & Parker Research will identify the methods necessary to measure changes from the baseline survey and to identify the causes of such changes.

Otay Water District and Rea & Parker Research are seeking to gain information from qualified district residents in order to specifically identify knowledge and opinions concerning:

Survey I: 300 customers of the Otay Water District will be randomly sample surveyed.

The primary areas of interest are:

- Overall customer satisfaction
- Awareness of rates
- Awareness of formal/written communications
- Awareness of conservation activities/programs
- Awareness of water recycling activities
- Attitudes toward conservation
- Concerns about water supply
- Quality of water supply
- Reliability of supply
- Awareness of sewer operations
- Demographic measures
- Areas of interest concerning water or district issues (open end)
- Other areas as may occur in planning discussions

Survey II: 200 randomly selected customers of Otay Water District who have contacted the District for information and/or customer service during the most recent 6 months.

The primary areas of interest are:

- Call Center interaction—specific instances
 - Courtesy of staff
 - Clarity and accuracy of responses from staff
 - Level of knowledge displayed by Call Center staff
 - Experience with field staff
 - Quality of service received
 - Overall satisfaction with service received
 - Use of online services
 - Quality of online services
 - Demographic measures
- Other areas that may occur in planning discussions, including the possibility of:
- Knowledge about sources of water
 - Environmental considerations
 - Statewide water issues
 - Major sources, uses and users of water in San Diego County
 - Drinking water safety issues
 - Desalination
 - Willingness to pay

Rea & Parker Research will prepare draft questionnaires, according to the above criteria, that will entail approximately 10-12 of interview time and submit them to the Otay Water District Project Manager for tentative approval.

A minimum of five meetings will be held among Rea & Parker Research and Otay Water District, including the Kick-Off meeting, in order to finalize the survey instrument, procedures, and final report format and guidelines.

Subtask 2.1 Deliverable (1) Draft copies of Otay Water District preliminary telephone surveys within 21 days of execution of Agreement

Subtask 2.2: Pre-Test Survey Instrument and Procedures and Recommend Changes

Rea & Parker Research will prepare draft questionnaires according to the above criteria and submit them to Otay Water District staff for tentative approval. Once each draft survey instrument is approved, Rea & Parker Research will pre-test the survey instruments in the field among qualified customers. Rea & Parker Research will translate the surveys into Spanish and conduct additional pretests. The minimum sample sizes for the pretests are to be 20.

During the pre-testing phase of the project, Rea & Parker Research will ensure that the survey instruments and data collection procedures gather statistically valid knowledge, behavioral, and demographic data. The questionnaire design process and pre-test will seek to eliminate difficult levels of wording, non-specific and vague words and phrases, multi-purpose questions, inappropriate emphasis, and biasing words and phrases.

As part of this phase, Rea & Parker Research will 1) refine interview procedures and logistics; 2) highlight potential changes to question wording, sequencing, and formatting. Rea & Parker Research will make recommendations to improve the survey instrument or procedures based upon the results of the pre-test; 3) analyze survey length and respondent willingness to participate; 4) compare alternative approaches to gathering specific data needs; and 5) identify unexpected responses and respondent behavior. The ultimate objective is a clear, comprehensive, and realistically implementable survey instrument.

An Otay Water District representative will attend the pretest session in order to help assess the achievement of these objectives if it so chooses. In the alternative, Rea & Parker Research will also have the capability to allow Otay Water District personnel to monitor calls, at the Otay Water District discretion, from a remote location.

Rea & Parker Research uses the CATI (Computer Aided Telephone Interviewing) system for telephone interviewing (Sawtooth WinCATI, CI3). Telephone survey research facilities for Rea & Parker Research consist of 30 interviewing stations, equipped with a state-of-the-art CATI system. CATI increases interviewing accuracy, quality, and performance. CATI selects and dials telephone numbers from a randomly drawn sample of telephone numbers, tracks and tallies outcomes, captures response data, processes complex question skip patterns automatically, schedules and tracks call-back appointments, and screens invalid response codes.

Subtask 2.2 Deliverable: (1) Rea & Parker Research will provide a technical memorandum documenting results of pre-test and recommending changes, if appropriate.

TASK 3: CONDUCT TELEPHONE SURVEYS AMONG QUALIFIED CUSTOMERS

Subtask 3.1: Select Representative Sample of Residents

Rea & Parker Research will use random statistical sampling methods to obtain final samples of at least 300 qualified residents/customers in the Otay Water District region using random telephone numbers that have been cleaned and made current for the general survey (Survey I) and 200 qualified customers for the customer service survey (Survey II).

Subtask 3.1 Deliverable: (1) Technical memorandum detailing methods used to select telephone samples and validating that samples are representative of customer base.

Subtask 3.2: Conduct the Telephone Surveys

Once the final telephone survey instruments have been tested and approved, Rea & Parker Research will complete a minimum of 300 telephone surveys among qualified customers of the District and another 200 telephone surveys among customers who have contacted the District in past 6 months. Both of these surveys will be completed within a period not to exceed one month after survey approval by the Otay Water District.

Responses will be input directly into the computer data base, and these data be provided in frequency distributions to the Otay Water District Project Manager and staff by Rea & Parker Research.

Interviewers are selected for each project from a pool of approximately 50 experienced interviewers. Each interviewer is trained in proper techniques, obtaining respondent participation, accurately recording responses, and is further trained in the importance of confidentiality. A minimum of four callback attempts is made in the case of a busy signal, an unanswered phone, or an answering machine. These callbacks are made on different days and at different times to maximize the chance of reaching an eligible respondent. All telephone interviews are conducted with a supervisor present at all times. Interviews are normally conducted from 4:00 to 9:00 p.m. on weekdays, and from 12:00 to 5:00 p.m. on Saturdays and Sundays.

Rea & Parker Research employs bilingual (Spanish/English) and (Vietnamese/English) interviewers because of the significant proportion of Latinos and Vietnamese residing within California. Bilingual Tagalog, Chinese, Mung, and Korean interviewers are also employed, as necessary.

Quality control procedures are employed throughout the interviewing and data reduction phases. Custom data entry screens are created that filter valid code ranges and accommodate automatic skip and fill patterns. Interviews in progress are selectively and unobtrusively monitored by supervisors using a special digital telephone system. Ten percent of completed interviews that are not directly monitored are selected for verification by recontacting the respondents. Rea & Parker Research will also have the capability to allow Otay Water District personnel to monitor calls, at the Otay Water District discretion, from a remote location.

- Subtask 3.2 Deliverables:*
- (1) *“Raw” frequencies from the telephone survey*
 - (2) *Final report on disposition of all call attempts and sample characteristics*

TASK 4: CODE, ANALYZE, AND WEIGHT SURVEY DATA

Subtask 4.1: Code all numeric and string survey data

Survey questions will be pre-coded into pre-defined categories for ease of data input and will be post-coded into these or other numerically defined categories when responses require such additional consideration. Survey data will be statistically compiled for analysis by the Statistical Package for the Social Sciences (SPSS) software. Each survey will be entered as its own individual record after it is thoroughly checked for inconsistent entries and omissions of key survey questions. For the purposes of this study, a valid survey will be one that is defined as “completed”—suggested to be at least 90% complete (with the exception of screened/filtered questions) and including all questions identified by Otay Water District and Rea & Parker Research as critical to the study. The data will be input in such a manner as to assure Otay Water District that invalid responses will be identified and corrected. Rea & Parker Research will provide to Otay Water District a detailed list of all codes and coding instructions in addition to the survey data in the electronic formats discussed above.

Rea & Parker Research will code all categorical data using numeric coding to facilitate subsequent analyses using SPSS. Rea & Parker Research will code any (non-address) open-ended responses to a given question into a discrete set of categories. Rea & Parker Research will input address and other alphabetic (string) data in a readable format.

- Subtask 4.1 Deliverables:*
- (1) *“Cleaned”, fully coded data set within 7 days of fieldwork completion.*

Subtask 4.2: Weight/Expand Survey Data

The data collected as part of the surveys may be expanded to the universe from which the samples were drawn, depending upon the ultimate sample population distribution and analytical requirements agreed upon by Rea & Parker Research and Otay Water District. The weights will consist of a determination of the proportionate sample size per characteristic chosen for weighting, divided by the actual sample size achieved per characteristic and will be applied to the unweighted data in SPSS.

- Subtask 4.2 Deliverable:*
- (1) *Technical memorandum documenting data expansion methods used to create sample weights including the actual sample weights that were developed*

Subtask 4.3: Analyze Data from Telephone Surveys

Rea & Parker Research will analyze the data compiled during the telephone surveys. Rea & Parker Research will consider the appropriateness of regression analysis, factor analysis, various statistical significance procedures (Chi-Square, Independent Samples t-test, Analysis of Variance), and measures of association to model these determinants and draw defensible, policy-oriented conclusions about the knowledge, opinions, and behaviors of District residents.

Initial analysis of the data will be completed within 20 working days of survey interview completion. Analysis will continue throughout report preparation as additional issues arise from the reporting process itself or from questions/requests from the Otay Water District.

Subtask 4.3 Deliverable: (1) Technical memorandum documenting methods used to analyze the survey data within 20 working days of completion of interviews.

TASK 5: PREPARE FINAL REPORTS OF FINDINGS

Subtask 5.1: Prepare Final Reports Summarizing Opinions, Satisfaction, Water-Related Behavior, Demographics, and Other Characteristics

Commencing simultaneously with data analysis, Rea & Parker Research will begin preparation of the final reports concerning the telephone surveys that will combine, contrast, and compare such information as demographics, awareness, behavior, and opinions for the samples of qualified customers. The data are to be weighted and presented in the form of frequency distributions, crosstabulations, factor analyses, regression and correlation. Key issues and characteristics that require attention AND that can significantly enhance Otay Water District policies will be identified through the use of the above referenced techniques. "Stand-alone" executive summaries will also be included. Spanish language interviews will be separately tabulated and combined into the overall data presentations, including copies of both the Spanish and English language versions of the surveys.

The analysis will include not only basic crosstabulations but also segmentation analysis that will identify, with specificity, those groups that represent the greatest deviations from the norm. The reports will include color graphical presentations of the findings. A tabulation of the outcome of all calls made during the course of both surveys (number of refusals, business and disconnected numbers, numbers that were busy or not answered after four attempts and language and age problems) shall be part of the overall report to the Otay Water District.

Initially, draft reports for each survey will be prepared and submitted for review. The draft reports will include all components of the final reports including full methodological section, description of survey administration, and an elaboration of analytical techniques utilized and findings resultant therefrom. The project team will review the draft reports and will suggest edits to Rea & Parker Research.

Rea & Parker Research will incorporate the suggestions and produce final reports that will include the color graphical components. Rea & Parker Research will provide ten (10) bound, "hard" copies of the report and frequency tables to the Otay Water District, and electronic copies of the reports and data, using Microsoft Word/Excel and SPSS for Windows formats.

Subtask 5.1 Deliverable: (1) Ten copies of the completed research report and frequency tables will be submitted. plus 1 electronic copy including data.

Subtask 5.2: Delivery of Data Sets and Key Crosstabulations

Once the data sets have been coded, weighted, and verified, Rea & Parker Research will recommend banner points to be used in preparing crosstabulations in SPSS format. Rea & Parker

Research will provide data dictionaries and glossaries, coding handbooks, field configurations, and file layouts for the data set. The District may also request several data printouts, with various questions crosstabulated by other items

Subtask 5.2 Deliverable:

- (1) *SPSS case file containing telephone survey results*
- (2) *Requested copies of data and agreed upon crosstabulations of survey questions*

Subtask 5.3: Presentation of Survey Findings

Richard A. Parker, Ph.D. will be available to personally make 3 formal presentations of the findings and recommendations from the surveys to the Otay Water District board, management, and other interested parties using PowerPoint visual presentation aids and written handout materials derived from the PowerPoint slides.

Subtask 5.3 Deliverables:

- (1) *PowerPoint presentation aids in electronic and "hard copy" formats*
- (2) *In-person presentations by Dr. Richard A. Parker*

PROPOSED PROJECT SCHEDULE

| Task/Subtask | Commencement Date | Completion Date |
|---|-------------------|-----------------|
| 1. Kick-Off Meeting | Week 1 | Week 1 |
| Formal Work Plan | Week 1 | Week 1 |
| Review Background Materials | Week 1 | Week 1 |
| Sampling Plans | Week 1 | Week 1 |
| 2. Design Surveys (incl. approval) | Week 1 | Week 3 |
| Pretest Surveys | Week 4 | Week 4 |
| 3. Select Telephone Samples | Week 3 | Week 4 |
| Conduct Telephone Surveys | Week 4 | Week 8 |
| 4. Code Survey Data | Week 5 | Week 9 |
| Weight Survey Data | Week 9 | Week 9 |
| Analyze Survey Data | Week 9 | Week 11 |
| 5. Draft Reports | Week 9 | Week 12 |
| Final Reports | Week 13 | Week 14 |
| Presentations | Week 15 | Week 16 |

COST AND PRICE PROPOSAL

Rea & Parker Research proposes to perform all tasks described in the Scope of Work (questionnaire design, sample design, data input, analysis, presentation of findings and various consultations) for each survey for full, fixed prices of **\$15,000 for Survey I** (general) and **\$12,500 for Survey II** (customer service). This price includes 10-12 minute telephone surveys with interviews of 300 and 200 qualified customers and customer service contacts, respectively, of the Otay Water District (+/-5.7% @ 95% confidence and +/- 6.9% @ 95% confidence, respectively), including Spanish version.

COMMITMENT FROM REA & PARKER RESEARCH

Rea & Parker Research is committed to keeping the lines of communication open as the project moves forward. To that end, Rea & Parker Research will provide the Otay Water District Project Manager with frequent progress reports. By using key senior staff members to implement the tasks described above, Rea & Parker Research promises to provide consistent and efficient consulting services to its clients in general, and to the Otay Water District, in particular, for this project.



MEMORANDUM



TO: Marketing Research Vendors

File No.

FROM: Armando Buelna, Communications Officer

Date 5/23/06

SUBJ: Invitation to Bid - Survey Research

The Otay Water District (the district) wishes to conduct two statistically reliable telephone surveys of residential customers. The purpose of the surveys will be to build upon baseline data from a 2005 customer survey.

Survey I - N=300, to be selected from a random sample of customers. The primary areas of interest are:

- Overall customer satisfaction
- Awareness of rates
- Awareness of formal/written communications
- Awareness of conservation activities/programs
- Awareness of water recycling activities
- Concerns about water supply
- Reliability of service
- Reliability of supply
- Awareness of sewer operations
- Demographic measures

Survey II - N=200, selected from customers who have contacted the within the last 6 months. Areas of interest include:

- Specific Call Center interaction
- Courtesy of staff
- Clarity and accuracy of responses from staff
- Knowledge of Call Center staff
- Experience with field staff
- Quality of service received
- Overall satisfaction with service received
- Use of online services
- Quality of online services

The successful vendor will be responsible for questionnaire development, fieldwork, data tabulation, and presentation of topline results.

The vendor should expect to consult with the district regularly on the questionnaire development and be prepared to provide up to three site presentations of the results.

Bids should include costs for all services and fieldwork (including translating surveys into Spanish and conducting some of the survey to Spanish speaking customers) and any and all miscellaneous expenses.

The district would like 10 copies of both the data and the report.

The district may also request several data printouts with various questions cross-tabbed by other items.

The district can provide names, telephone numbers, zip codes of survey respondents. All data and questionnaires should be returned to the district upon completion of the survey.

Please submit your proposals by June 5, 2006, via mail or e-mail to:

Armando Buelna, Communications Officer
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
abuelna@otaywater.gov

Questions about this project may be directed to abuelna@otaywater.gov or (619) 670-2256.

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

[2006 Customer Survey]

| | | WRITTEN | | | | | | | TOTAL SCORE | AVERAGE SCORE | Comments |
|-------------------------|-------------------------|---|---|------------------------------------|--|--------------|---|--|-------------|---------------|---|
| | | Qualifications, experience of Consultant's assigned personnel | Experience relevant to type of project being considered | Proposed method to accomplish work | Knowledge of jurisdictional agencies or local area | Proposed Fee | Completeness, addressed requested information | Ability to complete projects on schedule | | | |
| SCORE | | 15 | 20 | 15 | 15 | 10 | 15 | 10 | 100 | | |
| Godbe Research | <i>Geoff Stevens</i> | 9 | 10 | 12 | 7 | 5 | 11 | 6 | 60 | 77 | A former MWD analyst would be co-project manager, but has limited water experience. Good level of analysis. |
| | <i>Elaine Henderson</i> | 13 | 15 | 13 | 13 | 5 | 15 | 10 | 84 | | |
| | <i>Armando Buelna</i> | 13 | 18 | 13 | 13 | 5 | 14 | 10 | 86 | | |
| Luth Research | <i>Geoff Stevens</i> | 8 | 14 | 12 | 10 | 6 | 9 | 9 | 68 | 49 | Vague presentation. Panel scores were low for this reason. |
| | <i>Elaine Henderson</i> | 1 | 3 | 8 | 3 | 6 | 1 | 1 | 23 | | |
| | <i>Armando Buelna</i> | 10 | 10 | 10 | 7 | 5 | 6 | 8 | 56 | | |
| Rea & Parker | <i>Geoff Stevens</i> | 12 | 18 | 13 | 14 | 8 | 12 | 9 | 86 | 88 | Good experience working working with them. Good product. |
| | <i>Elaine Henderson</i> | 13 | 18 | 15 | 15 | 8 | 13 | 6 | 88 | | |
| | <i>Armando Buelna</i> | 15 | 18 | 13 | 14 | 8 | 14 | 8 | 90 | | |
| Zogby Int. | <i>Geoff Stevens</i> | 8 | 12 | 10 | 8 | 8 | 12 | 8 | 66 | 65 | Not much local exp. Great reputation/expertise. Onsite meetings not addressed. |
| | <i>Elaine Henderson</i> | 10 | 10 | 13 | 5 | 8 | 8 | 1 | 55 | | |
| | <i>Armando Buelna</i> | 15 | 15 | 10 | 8 | 8 | 10 | 9 | 75 | | |



AGENDA ITEM 7a

STAFF REPORT

| | | | |
|-----------------------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Sean Prendergast,  | W.O./G.F. NO: | DIV. NO. All |
| | Payroll/AP Supervisor | | |
| APPROVED BY: (Chief) |  Joseph R. Beachem, Chief Financial Officer | | |
| APPROVED BY: (Asst. GM): |  German Alvarez, Assistant General Manager | | |
| SUBJECT: | Director's Expenses for the 4th Quarter of Fiscal Year 2006 | | |

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item only.

COMMITTEE ACTION: _____

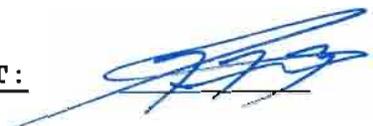
Please see Attachment A.

PURPOSE:

To inform the Board of the Director's expenses for the 4th quarter of Fiscal Year 2006.

ANALYSIS:

The Director's expense information is being presented in order to comply with State law. (See Attachment B for Summary and C-H for Details.)

FISCAL IMPACT: 

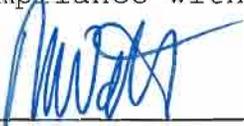
None.

STRATEGIC GOAL:

Prudently manage District funds.

LEGAL IMPACT: _____

Compliance with State law.



General Manager

Attachments:

- A) Committee Action Form
- B) Director's Expenses and per Diems
- C-H) Director's Expenses Detail



ATTACHMENT A

| | |
|-------------------------|---|
| SUBJECT/PROJECT: | Director's Expenses for the 4th Quarter of Fiscal Year 2006 |
|-------------------------|---|

COMMITTEE ACTION:

This item was reviewed by the Finance and Administration Committee on August 21, 2006 and the committee supported presentation to the full Board.

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.

Attachment B

**BOARD OF DIRECTORS'
EXPENSES AND PER-DIEMS**

**BOARD OF DIRECTORS' MEETING
SEPTEMBER 6, 2006**

Policy 8 requires that staff present the Expenses and Per-Diems for the Board of Directors on a Quarterly basis:

- Fiscal Year 2006, 4th Quarter
- The expenses are shown in detail by Board member, month and expense type.
- This presentation is in alphabetical order.
- This information was presented to the Finance and Administration Committee on August 21, 2006

Board of Directors' Expenses and Per-Diems
Fiscal Year 2006 Quarter 4 (Apr 06- Jun 06)

| | |
|------------------------|-------------------|
| • Director Bonilla | 0.00 |
| • Director Breitfelder | \$1,196.31 |
| • Director Croucher | \$1,625.00 |
| • Director Lopez | \$853.40 |
| • Director Robak | <u>\$2,388.24</u> |
| • Total | \$6,062.95 |

Director Bonilla

Fiscal Year 2006 Quarter 4

| | <u>Apr_06</u> | <u>May_06</u> | <u>Jun_06</u> | Qtr4 |
|--|-----------------------------------|---------------|---------------|----------|
| • Mileage Business | | | | |
| • Mileage Commute | | | | |
| • Conference | | | | |
| • Travel | | | | |
| • Director's Fees | _____ | _____ | _____ | |
| • | | | | |
| • Monthly Totals | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | |
| • Meetings Attended | Director Bonilla does not request | | | |
| • Meetings Paid | Per-Diem reimbursements. | | | |
| • Quarterly Total | | | | |
| • Fiscal Year-to-Date 2006 (Jul05-Jun06) | | | | 1,814.63 |

Director Brietfelder

Fiscal Year 2006 Quarter 4

| | <u>Apr 06</u> | <u>May 06</u> | <u>Jun 06</u> | Qtr4 |
|--|---------------|---------------|---------------|----------|
| • Mileage Business | | | 37.38 | |
| • Mileage Commute | 13.35 | 40.05 | 13.35 | |
| • Business Meetings | 20.00 | 52.00 | 20.00 | |
| • Seminars & Travel | | | | |
| • Director's Fees | <u>200.00</u> | <u>600.00</u> | <u>200.00</u> | |
| • Monthly Totals | <u>233.35</u> | <u>692.05</u> | <u>270.73</u> | |
| • Meetings Attended | 15 | 13 | 10 | |
| • Meetings Paid | 2 | 6 | 2 | |
| • Quarterly Total | | | | 1,196.13 |
| • Fiscal Year-to-Date 2006 (Jul05-Jun06) | | | | 7,405.21 |

Director Croucher

Fiscal Year 2006 Quarter 4

| | <u>Apr_06</u> | <u>May_06</u> | <u>Jun_06</u> | Qtr4 |
|--|---------------|---------------|---------------|----------|
| • Mileage Business | | | | |
| • Mileage Commute | | | | |
| • Director's Fees | 300.00 | 500.00 | 300.00 | |
| • Seminars | | | 525.00 | |
| • Business Meeting | | | | |
| • Monthly Totals | <u>300.00</u> | <u>500.00</u> | <u>825.00</u> | |
| • | | | | |
| • Meetings Attended | 5 | 7 | 6 | |
| • Meetings Paid | 3 | 5 | 3 | |
| • Quarterly Total | | | | 1,625.00 |
| • Fiscal Year-to-Date 2006 (Jul05-Jun06) | | | | 4,420.22 |

Director Lopez

Fiscal Year 2006 Quarter 4

| | <u>Apr 06</u> | <u>May 06</u> | <u>Jun 06</u> | Qtr4 |
|--|---------------|---------------|---------------|----------|
| • Mileage Business | | | | |
| • Mileage Commute | | 26.70 | 26.70 | |
| • Travel | | | | |
| • Director's Fees | | 400.00 | 400.00 | |
| • Conference | | | | |
| • Monthly Totals | | <u>426.70</u> | <u>426.70</u> | |
| • Meetings Attended | | 5 | 4 | |
| • Meetings Paid | | 4 | 4 | |
| • Quarterly Total | | | | 853.40 |
| • Fiscal Year-to-Date 2006 (Jul05-Jun06) | | | | 5,326.46 |

Director Robak

Fiscal Year 2006 Quarter 4

| | <u>Apr_06</u> | <u>May_06</u> | <u>Jun_06</u> | Qtr4 |
|--|---------------|---------------|---------------|-----------|
| • Mileage Business | 51.62 | 64.53 | 63.19 | |
| • Mileage Commute | | 5.34 | 3.56 | |
| • Travel | | | | |
| • Director's Fees | 600.00 | 800.00 | 800.00 | |
| • Conference | | | | |
| • Monthly Totals | <u>651.62</u> | <u>869.87</u> | <u>866.75</u> | |
| • Meetings Attended | 9 | 13 | 12 | |
| • Meetings Paid | 6 | 8 | 8 | |
| Quarterly Total | | | | 2,388.24 |
| • Fiscal Year-to-Date 2006 (Jul05-Jun06) | | | | 10,516.43 |

Board of Directors' Expenses and Per Diems
Fiscal Year 2006 to Date (Jul 05- Jun 06)

| | |
|------------------------|--------------------|
| • Director Bonilla | \$1,814.63 |
| • Director Breitfelder | \$7,405.21 |
| • Director Croucher | \$4,420.22 |
| • Director Lopez | \$5,326.46 |
| • Director Robak | <u>\$10,516.43</u> |
| • Total | \$29,482.95 |

Board of Directors' Expenses and Per Diems
Fiscal Year 2006 to Date (Jul 05- Jun 06) **Projected**

| | |
|------------------------|-------------------|
| • Director Bonilla | \$1,680.00 |
| • Director Breitfelder | \$8,278.00 |
| • Director Croucher | \$3,727.00 |
| • Director Lopez | \$5,797.00 |
| • Director Robak | <u>\$9,122.00</u> |
| • Total | \$28,604.00 |

OTAY WATER DISTRICT
ADMINISTRATIVE EXPENSES - BOARD
July 1, 2005 - June 30, 2006

| | Jul-05 | Aug-05 | Sep-05 | Oct-05 | Nov-05 | Dec-05 | Jan-06 | Feb-06 | Mar-06 | Apr-06 | May-06 | Jun-06 | TOTAL |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| JAIME BONILLA (DETAILED IN SECTION D): | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5211 Mileage - Accounts Payable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5212 Travel | - | - | - | - | - | - | - | - | 1,560.81 | - | - | - | 1,560.81 |
| 5214 Business meetings | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5114 Director's fees | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | - | - | - | - | - | - | 253.82 | - | - | - | 253.82 |
| Total | - | - | - | - | - | - | - | - | 1,814.63 | - | - | - | 1,814.63 |
| LARRY BREITFELDER (DETAILED IN SECTION E): | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | 36.45 | 43.65 | 43.65 | 29.10 | 14.55 | 14.55 | 26.70 | - | - | 13.35 | 40.05 | 13.35 | 275.40 |
| 5211 Mileage - Accounts Payable | 34.02 | 16.49 | 154.23 | 45.59 | 64.27 | 71.78 | 55.18 | 50.73 | - | - | - | 37.38 | 529.67 |
| 5212 Travel | - | - | 593.14 | - | - | - | - | - | - | - | - | - | 593.14 |
| 5214 Business meetings | 66.00 | - | 20.00 | 20.00 | 82.00 | 20.00 | 20.00 | 40.00 | 20.00 | 20.00 | 52.00 | 20.00 | 380.00 |
| 5114 Director's fees | 400.00 | 400.00 | 700.00 | 400.00 | 400.00 | 400.00 | 400.00 | 200.00 | - | 200.00 | 600.00 | 200.00 | 4,300.00 |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | 592.00 | 150.00 | 585.00 | - | - | - | - | - | - | - | 1,327.00 |
| Total | 536.47 | 460.14 | 2,103.02 | 644.69 | 1,145.82 | 506.33 | 501.88 | 290.73 | 20.00 | 233.35 | 692.05 | 270.73 | 7,405.21 |
| GARY D. CROUCHER (DETAILED IN SECTION F): | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | 4.86 | 4.86 | 3.88 | 7.76 | - | 3.88 | - | - | - | - | - | - | 25.24 |
| 5211 Mileage - Accounts Payable | - | 14.55 | - | - | - | 18.43 | - | - | - | - | - | - | 32.98 |
| 5212 Travel | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5214 Business meetings | - | 32.00 | - | - | - | - | - | - | - | - | - | - | 32.00 |
| 5114 Director's fees | 300.00 | 400.00 | 200.00 | 400.00 | 300.00 | 300.00 | 200.00 | 200.00 | 200.00 | 300.00 | 500.00 | 300.00 | 3,600.00 |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | - | - | - | 205.00 | - | - | - | - | - | 525.00 | 730.00 |
| Total | 304.86 | 451.41 | 203.88 | 407.76 | 300.00 | 527.31 | 200.00 | 200.00 | 200.00 | 300.00 | 500.00 | 825.00 | 4,420.22 |
| JOSE LOPEZ (DETAILED IN SECTION G): | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | - | - | - | - | - | - | 35.60 | 26.70 | 26.70 | - | 26.70 | 26.70 | 142.40 |
| 5211 Mileage - Accounts Payable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5212 Travel | - | - | - | - | - | - | - | - | 1,560.81 | - | - | - | 1,560.81 |
| 5214 Business meetings | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5281 Director's fees | - | - | - | - | 400.00 | 300.00 | 500.00 | 300.00 | 500.00 | - | 400.00 | 400.00 | 2,800.00 |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | - | 150.00 | 375.00 | - | - | - | 298.25 | - | - | - | 823.25 |
| Total | - | - | - | 150.00 | 775.00 | 300.00 | 535.60 | 326.70 | 2,385.76 | - | 426.70 | 426.70 | 5,326.46 |
| MARK ROBAK (DETAILED IN SECTION H): | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | 3.24 | 3.24 | 11.64 | 5.82 | 3.88 | 1.94 | 1.78 | 1.78 | 3.56 | - | 5.34 | 3.56 | 45.78 |
| 5211 Mileage - Accounts Payable | 34.43 | 20.86 | 22.31 | 92.69 | 41.23 | 33.95 | 49.84 | 66.75 | 104.96 | 51.62 | 64.53 | 63.19 | 646.33 |
| 5212 Travel | - | - | - | - | - | - | - | - | 1,421.59 | - | - | - | 1,421.59 |
| 5214 Business meetings | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5114 Director's fees | 700.00 | 400.00 | 600.00 | 700.00 | 600.00 | 600.00 | 600.00 | 500.00 | 600.00 | 600.00 | 800.00 | 800.00 | 7,500.00 |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | 50.00 | 150.00 | 395.00 | - | - | - | 307.72 | - | - | - | 902.72 |
| Total | 737.67 | 424.10 | 683.95 | 948.51 | 1,040.11 | 635.89 | 651.62 | 568.53 | 2,437.83 | 651.62 | 869.87 | 866.75 | 10,516.43 |
| TOTALS: | | | | | | | | | | | | | |
| 5211 Mileage - Payroll | 44.55 | 51.75 | 59.17 | 42.68 | 18.43 | 20.37 | 64.08 | 28.48 | 30.26 | 13.35 | 72.09 | 43.61 | 488.82 |
| 5211 Mileage - Accounts Payable | 68.45 | 51.90 | 176.54 | 138.28 | 105.50 | 124.16 | 105.02 | 117.48 | 104.96 | 51.62 | 64.53 | 100.57 | 1,208.99 |
| 5212 Travel | - | - | 593.14 | - | - | - | - | - | 4,543.21 | - | - | - | 5,136.35 |
| 5214 Business meetings | 66.00 | 32.00 | 20.00 | 20.00 | 82.00 | 20.00 | 20.00 | 40.00 | 20.00 | 20.00 | 52.00 | 20.00 | 412.00 |
| 5114 Director's fees | 1,400.00 | 1,200.00 | 1,500.00 | 1,500.00 | 1,700.00 | 1,600.00 | 1,700.00 | 1,200.00 | 1,300.00 | 1,100.00 | 2,300.00 | 1,700.00 | 18,200.00 |
| 5241 Telephone | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5213 Seminars and conferences | - | - | 642.00 | 450.00 | 1,355.00 | 205.00 | - | - | 859.79 | - | - | 525.00 | 4,036.79 |
| Total | 1,579.00 | 1,335.65 | 2,990.85 | 2,150.96 | 3,260.93 | 1,969.53 | 1,889.10 | 1,385.96 | 6,858.22 | 1,184.97 | 2,488.62 | 2,389.18 | 29,482.95 |

OTAY WATER DISTRICT
 SUMMARY - BOARD OF DIRECTORS EXPENSES
 FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT D
SECTION D**

DIRECTORS NAME **JAIME BONIILA**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------------------|------------------|---|--------------------|
| CONFERENCES AND SEMINARS | | | |
| | <u>3/22/2006</u> | | |
| | | REGISTRATION FEE - WORLD WATER FORUM (3/16-19/06) | \$ 244.86 |
| | | FOREIGN TRANSACTION FEE | 8.96 |
| CONFERENCES AND SEMINARS Total | | | 253.82 |
| TRAVEL | | | |
| | <u>3/14/2006</u> | | |
| | | HOTEL-WORLD WATER FORUM IN MEXICO CITY (3/16-19/06) | 813.69 |
| | <u>3/22/2006</u> | | |
| | | AIRFARE - MEXICO CITY, MEXICO | 622.11 |
| | <u>3/19/2006</u> | | |
| | | FEE TO CHANGE RETURN FLIGHT | 125.01 |
| TRAVEL Total | | | 1,560.81 |
| Grand Total | | | \$ 1,814.63 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT E
SECTION E**

DIRECTORS NAME **LARRY BREITFELDER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------------------|-------------------|--|-----------------|
| BUSINESS MEETING | | | |
| | <u>7/8/2005</u> | | |
| | | FIRST FRIDAY BREAKFAST - TO WELCOME BOB FILNER | \$ 11.00 |
| | <u>7/19/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>7/21/2005</u> | | |
| | | WATER AGENCY ASSOCIATION | 35.00 |
| | <u>9/20/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>10/18/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>11/15/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>11/17/2005</u> | | |
| | | CSDA QUARTERLY MEETING | 32.00 |
| | <u>12/20/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>11/16/2005</u> | | |
| | | SAN DIEGO COUNTY WATER WORKS GROUP | 30.00 |
| | <u>1/17/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>2/16/2006</u> | | |
| | | CALIFORNIA SPECIAL DISTRICT ASSOCIATION | 20.00 |
| | <u>2/21/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>3/16/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>4/18/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>5/16/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| | <u>5/18/2006</u> | | |
| | | CSDA QUARTERLY MEETING | 32.00 |
| | <u>6/20/2006</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 20.00 |
| BUSINESS MEETING Total | | | 380.00 |
| CONFERENCES AND SEMINARS | | | |
| | <u>9/27/2005</u> | | |
| | | CSDA ANNUAL CONFERENCE (9/27-9/29/05) | 592.00 |
| | <u>10/14/2005</u> | | |
| | | 15th ANNUAL ECONOMIC SUMMIT | 150.00 |
| | <u>11/29/2005</u> | | |
| | | ACWA FALL CONFERENCE (11/29 - 12/02/05) | 375.00 |
| | | ASSOCIATION OF CA WATER AGENCIES | 210.00 |
| CONFERENCES AND SEMINARS Total | | | 1,327.00 |
| DIRECTORS FEES | | | |
| | <u>7/12/2005</u> | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | <u>7/19/2005</u> | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | <u>7/21/2005</u> | | |
| | | WATER AGENCY ASSOCIATION | 100.00 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

DIRECTORS NAME **LARRY BREITFELDER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|-----------------------|----------------------|---|---------------|
| DIRECTORS FEES | 7/25/2005 | | |
| | | ACWA SEAWATER DESALINATION PROGRAM | 100.00 |
| | 8/3/2005 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 8/8/2005 | | |
| | | CWA CONSERVATION COMMITTEE | 100.00 |
| | 8/11/2005 | | |
| | | SPECIAL BOARD MEETING | 100.00 |
| | 8/23/2005 | | |
| | | SPECIAL BOARD MEETING | 100.00 |
| | 9/7/2005 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 9/12/2005 | | |
| | | SPECIAL BOARD MEETING | 100.00 |
| | 9/20/2005 | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 9/27/2005 | | |
| | | CSDA CONFERENCE | 100.00 |
| | 9/19/2005 | | |
| | | OTAY WATER DISTRICT TOUR OF INFRASTRUCTURE | 100.00 |
| | 9/26/2005 | | |
| | | CSDA CONFERENCE | 100.00 |
| | 9/28/2005 | | |
| | | CSDA CONFERENCE | 100.00 |
| | 10/9/2005 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 10/17/2005 | | |
| | | SPECIAL BOARD MEETING | 100.00 |
| | 10/18/2005 | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 10/24/2005 | | |
| | | OTAY WATER DISTRICT GROUND BREAKING | 100.00 |
| | 11/7/2005 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 12/1/2005 | | |
| | | ASSOCIATION OF CA WATER AGENCIES | 100.00 |
| | 12/7/2005 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 11/4/2005 | | |
| | | FIRST FRIDAY BREAKFAST | 100.00 |
| | 11/15/2005 | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 11/17/2005 | | |
| | | CSDA CONFERENCE | 100.00 |
| | 12/12/2005 | | |
| | | CWA CONSERVATION COMMITTEE | 100.00 |
| | 12/20/2005 | | |
| | | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 1/4/2006 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 1/17/2006 | | |
| | | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 1/19/2006 | | |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

DIRECTORS NAME | **LARRY BREITFELDER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------------|-------------------|--|-----------------|
| DIRECTORS FEES | 1/19/2006 | OTAY DEVELOPERS LUNCHEON MEETING | 100.00 |
| | 1/23/2006 | | |
| | 2/28/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 2/1/2006 | CSDA QUARTERLY MEETING | 100.00 |
| | 4/5/2006 | REGULAR BOARD MEETING | 100.00 |
| | 4/18/2006 | REGULAR BOARD MEETING | 100.00 |
| | 5/3/2006 | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 5/5/2006 | REGULAR BOARD MEETING | 100.00 |
| | 5/16/2006 | JOINT AGENCY MEETING | 100.00 |
| | 5/18/2006 | COUNCIL OF WATER UTILITIES MONTHLY MEETING | 100.00 |
| | 5/22/2006 | CSDA QUARTERLY MEETING | 100.00 |
| | 5/23/2006 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | 6/7/2006 | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 6/20/2006 | REGULAR BOARD MEETING | 100.00 |
| | | POWAY COUNCIL OF WATER UTILITIES | 100.00 |
| DIRECTORS FEES Total | | | 4,300.00 |
| MILEAGE - BUSINESS | 7/19/2005 | | |
| | | MEETING - 7/19/2005 | 34.02 |
| | 8/8/2005 | | |
| | | MEETING - 8/8/2005 | 16.49 |
| | 9/30/2005 | | |
| | | MEETING - 9/20, 9/26, 9/27 & 9/28/05 | 154.23 |
| | 10/18/2005 | | |
| | | MEETING - 10/18 & 10/24/05 | 45.59 |
| | 11/30/2005 | | |
| | | MEETING - 11/15, 11/17/05 & 11/30 | 64.27 |
| | 12/31/2005 | | |
| | | MEETING - 12/1, 12/12/05 & 12/20/05 | 71.78 |
| | 1/30/2006 | | |
| | | MEETING - 1/17 & 1/23/06 | 55.18 |
| | 2/28/2006 | | |
| | | MEETING - 2/16 & 2/21/06 | 50.73 |
| | 6/20/2006 | | |
| | | MEETING - 6/20/2006 | 37.38 |
| MILEAGE - BUSINESS Total | | | 529.67 |
| MILEAGE - COMMUTING | 7/30/2005 | | |
| | | MEETING - 7/12, 7/21 & 7/25/05 | 36.45 |
| | 8/31/2005 | | |
| | | MEETING - 8/3, 8/11 & 8/23/05 | 43.65 |
| | 9/30/2005 | | |
| | | MEETING - 9/7, 9/12 & 9/19/05 | 43.65 |
| | 10/31/2005 | | |
| | | MEETING - 10/11 & 10/17 | 29.10 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

DIRECTORS NAME | **LARRY BREITFELDER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------|---------------|--|-------------|
| MILEAGE - COMMUTIN | 11/7/2005 | | |
| | | MEETING - 11/7/05 | 14.55 |
| | 12/7/2005 | | |
| | | MEETING - 12/7/05 | 14.55 |
| | 1/30/2006 | | |
| | | MEETING - 1/4 & 1/19/06 | 26.70 |
| | 4/30/2006 | | |
| | | MEETING - 4/5 & 4/18/06 | 13.35 |
| | 5/31/2006 | | |
| | | MEETING - 5/3, 5/5, 5/16, 5/18, & 5/22/06 | 40.05 |
| | 6/7/2006 | | |
| | | MEETING - 6/7/2006 | 13.35 |
| MILEAGE - COMMUTING Total | | | 275.40 |
| TRAVEL | | | |
| | 9/30/2005 | | |
| | | CSDA CONFERENCE (9/25, 9/26 & 9/27/05) | 63.30 |
| | | HOTEL - CSDA CONFERENCE (9/25, 9/26 & 9/27/05) | 529.84 |
| TRAVEL Total | | | 593.14 |
| Grand Total | | | \$ 7,405.21 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT F
SECTION F**

DIRECTORS NAME **GARY CROUCHER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------------------|-------------------|---|---------------|
| BUSINESS MEETING | <u>8/18/2005</u> | CSDA QUARTERLY MEETING | \$ 32.00 |
| BUSINESS MEETING Total | | | 32.00 |
| CONFERENCES AND SEMINARS | <u>11/29/2005</u> | ACWA FALL CONFERENCE (12/1 - 12/02/05) | 205.00 |
| | <u>6/3/2006</u> | SPECIAL DISTRICT AND LOCAL GOVERNMENT INSTITUTE | 525.00 |
| CONFERENCES AND SEMINARS Total | | | 730.00 |
| DIRECTORS FEES | <u>7/12/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>7/21/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>7/27/2005</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>8/3/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>8/11/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>8/18/2005</u> | CSDA QUARTERLY MEETING | 100.00 |
| | <u>8/23/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>9/20/2005</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>9/27/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>10/17/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>10/10/2005</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>10/11/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>10/25/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>11/7/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>12/1/2005</u> | ASSOCIATION OF CA WATER AGENCIES | 100.00 |
| | <u>12/7/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>12/20/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>11/14/2005</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>11/28/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>1/4/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>1/24/2006</u> | REGULAR BOARD MEETING | 100.00 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

DIRECTORS NAME **GARY CROUCHER**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|----------------------------------|-------------------|---|--------------------|
| DIRECTORS FEES | <u>1/24/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>2/1/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>2/2/2006</u> | ANNUAL EMPLOYEE APPRECIATION EVENT | 100.00 |
| | <u>3/13/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>3/27/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>4/5/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>4/18/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>5/3/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>5/5/2006</u> | SEMI ANNUAL INTERAGENCY | 100.00 |
| | <u>5/31/2006</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>5/23/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>5/30/2006</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>6/7/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>6/21/2006</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>6/23/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>4/24/2006</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| DIRECTORS FEES Total | | | 3,600.00 |
| MILEAGE - BUSINESS | <u>8/18/2005</u> | MEETING - 8/18/2005 | 14.55 |
| | <u>12/31/2005</u> | MEETING - 12/1/05 | 18.43 |
| MILEAGE - BUSINESS Total | | | 32.98 |
| MILEAGE - COMMUTING | <u>7/31/2005</u> | MEETING - 7/12, 7/21 & 7/25/05 | 4.86 |
| | <u>8/31/2005</u> | MEETING - 8/3, 8/11 & 8/23/05 | 4.86 |
| | <u>9/30/2005</u> | MEETING - 9/20 & 9/27/05 | 3.88 |
| | <u>10/31/2005</u> | MEETING - 10/10, 10/11, 10/17 & 10/25 | 7.76 |
| | <u>12/31/2005</u> | MEETING - 12/7 & 12/20/05 | 3.88 |
| MILEAGE - COMMUTING Total | | | 25.24 |
| Grand Total | | | \$ 4,420.22 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT G
SECTION G**

| | |
|-----------------------|-------------------|
| DIRECTORS NAME | JOSE LOPEZ |
|-----------------------|-------------------|

| ACCOUNT NAME | INCURRED DAT | DESCRIPTION | AMOUNT |
|---------------------------------------|-------------------|---|---------------|
| CONFERENCES AND SEMINARS | | | |
| | <u>10/14/2005</u> | 15th ANNUAL ECONOMIC SUMMIT | \$ 150.00 |
| | <u>11/29/2005</u> | ACWA FALL CONFERENCE (11/29 - 12/02/05) | 375.00 |
| | <u>3/22/2006</u> | REGISTRATION FEE - WORLD WATER FORUM (3/16-19/06) | 298.25 |
| CONFERENCES AND SEMINARS Total | | | 823.25 |
| DIRECTORS FEES | | | |
| | <u>11/2/2005</u> | NOVEMBER AGENDA BRIEFING | 100.00 |
| | <u>11/7/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>11/23/2005</u> | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| | <u>11/30/2005</u> | DECEMBER AGENDA BRIEFING | 100.00 |
| | <u>12/1/2005</u> | FALL CONFERENCE | 100.00 |
| | <u>12/7/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>12/16/2005</u> | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| | <u>1/4/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>1/19/2006</u> | OTAY DEVELOPERS LUNCHEON MEETING | 100.00 |
| | <u>1/20/2006</u> | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| | <u>1/23/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>1/24/2006</u> | CHULA VISTA TASK FORCE (INTERAGENCIES MEETING) | 100.00 |
| | <u>2/3/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>2/15/2006</u> | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| | <u>2/22/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>3/13/2006</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>3/27/2006</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>3/17/2006</u> | WORLD WATER CONFERENCE | 100.00 |
| | <u>3/18/2006</u> | WORLD WATER CONFERENCE | 100.00 |
| | <u>3/24/2006</u> | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| | <u>5/3/2006</u> | REGULAR BOARD MEETING | 100.00 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT G
SECTION G**

| | |
|-----------------------|-------------------|
| DIRECTORS NAME | JOSE LOPEZ |
|-----------------------|-------------------|

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|----------------------------------|------------------|---|--------------------|
| DIRECTORS FEES | 5/5/2006 | | |
| | | JOINT AGENCY MEETING | 100.00 |
| | 5/23/2006 | | |
| | | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 5/30/2006 | | |
| | | SPECIAL BOARD MEETING | 100.00 |
| | 6/7/2006 | | |
| | | REGULAR BOARD MEETING | 100.00 |
| | 6/20/2006 | | |
| | | SDC - SUPERVISORS 50TH PROCLAMATION | 100.00 |
| | 6/23/2006 | | |
| | | OPERATIONS MEETING | 100.00 |
| | 6/19/2006 | | |
| | | FINANCE & ADMINISTRATIVE COMMITTEE MEETING | 100.00 |
| DIRECTORS FEES Total | | | 2,800.00 |
| MILEAGE - BUSINESS | | | |
| | 6/30/2006 | | |
| | | MEETING -6/7, 6/23, & 6/19/06 | 26.70 |
| MILEAGE - BUSINESS Total | | | 26.70 |
| MILEAGE - COMMUTING | | | |
| | 1/31/2006 | | |
| | | MEETING - 1/4,1/19,1/20,1/23 & 1/24/06 | 35.60 |
| | 2/28/2006 | | |
| | | MEETING - 2/3, 2/15, & 2/22/06 | 26.70 |
| | 3/31/2006 | | |
| | | MEETING - 3/13, 3/24 & 3/27/06 | 26.70 |
| | 5/31/2006 | | |
| | | MEETING - 5/3, 5/5 & 5/30/06 | 26.70 |
| MILEAGE - COMMUTING Total | | | 115.70 |
| TRAVEL | | | |
| | 3/14/2006 | | |
| | | HOTEL-WORLD WATER FORUM IN MEXICO CITY (3/16-19/06) | 813.69 |
| | 3/22/2006 | | |
| | | AIRFARE - MEXICO CITY, MEXICO | 622.11 |
| | 3/19/2006 | | |
| | | FEE TO CHANGE RETURN FLIGHT | 125.01 |
| TRAVEL Total | | | 1,560.81 |
| Grand Total | | | \$ 5,326.46 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

**ATTACHMENT H
SECTION H**

DIRECTORS NAME **MARK ROBAK**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|---------------------------------------|-------------------|---|---------------|
| CONFERENCES AND SEMINARS | | | |
| | <u>9/15/2005</u> | REGISTRATION FEE - ACWA DESALINATION PRESENTATION | \$ 50.00 |
| | <u>10/14/2005</u> | 15th ANNUAL ECONOMIC SUMMIT | 150.00 |
| | <u>11/29/2005</u> | ACWA FALL CONFERENCE (11/29 - 12/02/05) | 395.00 |
| | <u>3/22/2006</u> | REGISTRATION FEE - WORLD WATER FORUM (3/16-19/06) | 298.76 |
| | | FOREIGN TRANSACTION FEE | 8.96 |
| CONFERENCES AND SEMINARS Total | | | 902.72 |
| DIRECTORS FEES | | | |
| | <u>7/7/2005</u> | METRO COMMISSION | 100.00 |
| | <u>7/12/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>7/13/2005</u> | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | <u>7/20/2005</u> | BOARD REPRESENTATIVE ON RECYCLING ISSUES | 100.00 |
| | <u>7/21/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>7/26/2005</u> | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | <u>8/3/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>8/4/2005</u> | METRO COMMISSION | 100.00 |
| | <u>8/22/2005</u> | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | <u>8/23/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>9/1/2005</u> | METRO COMMISSION | 100.00 |
| | <u>9/7/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>9/12/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>9/15/2005</u> | ACWA SEAWATER DESALINATION PROGRAM | 100.00 |
| | <u>9/20/2005</u> | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | <u>9/27/2005</u> | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | <u>7/14/2005</u> | AMERICAN ASSEMBLY II WORKSHOP (METRO COMMISSION) | 100.00 |
| | <u>10/17/2005</u> | SPECIAL BOARD MEETING | 100.00 |
| | <u>10/14/2005</u> | SOUTH COUNTY ECONOMIC SUMMIT - CONVENTION CENTER | 100.00 |
| | <u>10/10/2005</u> | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | <u>10/11/2005</u> | REGULAR BOARD MEETING | 100.00 |
| | <u>10/25/2005</u> | | |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

ATTACHMENT H
SECTION H

| | |
|-----------------------|-------------------|
| DIRECTORS NAME | MARK ROBAK |
|-----------------------|-------------------|

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|-----------------------|-------------------|--|---------------|
| DIRECTORS FEES | 10/25/2005 | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 11/7/2005 | REGULAR BOARD MEETING | 100.00 |
| | 11/30/2005 | ACWA CONFERENCE | 100.00 |
| | 12/1/2005 | METRO COMMISSION | 100.00 |
| | 12/7/2005 | REGULAR BOARD MEETING | 100.00 |
| | 12/20/2005 | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 11/14/2005 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | 11/28/2005 | ENGINEERING AND OPERATIONS COMMITTEE MEETING | 100.00 |
| | 10/12/2005 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 10/20/2005 | EL DORADO IRRIGATION DISTRICT | 100.00 |
| | 11/1/2005 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 11/3/2005 | METRO COMMISSION | 100.00 |
| | 12/9/2005 | TOUR OF OWD FACILITIES | 100.00 |
| | 12/13/2005 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 12/14/2005 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 1/4/2006 | REGULAR BOARD MEETING | 100.00 |
| | 1/19/2006 | OTAY DEVELOPERS LUNCHEON | 100.00 |
| | 1/9/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 1/20/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 2/15/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 1/5/2006 | METRO COMMISSION | 100.00 |
| | 1/11/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 2/1/2006 | REGULAR BOARD MEETING | 100.00 |
| | 3/16/2006 | WORLD WATER FORUM - MEXICO CITY | 100.00 |
| | 3/13/2006 | REGULAR BOARD MEETING | 100.00 |
| | 3/27/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 3/17/2006 | WORLD WATER FORUM - MEXICO CITY | 100.00 |
| | 3/24/2006 | | |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

ATTACHMENT H
SECTION H

DIRECTORS NAME **MARK ROBAK**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|-----------------------------|---------------|---|-----------------|
| DIRECTORS FEES | 3/24/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 4/5/2006 | REGULAR BOARD MEETING | 100.00 |
| | 5/3/2006 | REGULAR BOARD MEETING | 100.00 |
| | 5/5/2006 | JOINT AGENCY MEETING | 100.00 |
| | 5/16/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 5/31/2006 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | 5/30/2006 | SPECIAL BOARD MEETING | 100.00 |
| | 5/4/2006 | METRO COMMISSION | 100.00 |
| | 5/24/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 5/26/2006 | AD HOC AULD GOLF COURSE COMMITTEE | 100.00 |
| | 6/7/2006 | REGULAR BOARD MEETING | 100.00 |
| | 6/20/2006 | AD HOC AULD GOLF COURSE COMMITTEE | 100.00 |
| | 6/21/2006 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | 6/23/2006 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| | 6/1/2006 | METRO COMMISSION | 100.00 |
| | 6/5/2006 | COMMUNICATIONS COMMITTEE | 100.00 |
| | 6/14/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 6/19/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 2/8/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 2/9/2006 | METRO COMMISSION | 100.00 |
| | 2/17/2006 | COMMUNICATIONS COMMITTEE | 100.00 |
| | 3/30/2006 | COMMUNICATIONS COMMITTEE | 100.00 |
| | 4/7/2006 | AD HOC AULD GOLF COURSE COMMITTEE | 100.00 |
| | 4/12/2006 | WATER CONSERVATION GARDEN JPA MEETING | 100.00 |
| | 4/13/2006 | METRO COMMISSION | 100.00 |
| | 4/20/2006 | FINANCE & ADMINISTRATION COMMITTEE | 100.00 |
| | 4/24/2006 | WATER RESOURCE AND SECURITY COMMITTEE MEETING | 100.00 |
| DIRECTORS FEES Total | | | 7,500.00 |
| MILEAGE - BUSINESS | 7/7/2005 | MEETING - 7/7, 7/12, 7/13, 7/21, 7/26/05 | 34.43 |
| | 8/31/2005 | MEETING - 8/3, 8/4, 8/22, & 8/23/05 | 20.86 |

OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

ATTACHMENT H
SECTION H

DIRECTORS NAME **MARK ROBAK**

| ACCOUNT NAME | INCURRED DATE | DESCRIPTION | AMOUNT |
|----------------------------------|---------------|--|---------------------|
| MILEAGE - BUSINESS | 9/30/2005 | | |
| | 10/31/2005 | MEETING - 9/1, 9/7, 9/12, 9/20 & 9/27 | 22.31 |
| | 11/30/2005 | MEETING - 10/10, 10/11, 10/12, 10/14, 10/17, 10/20, 10/24 & 10/2 PARKING - 10/19 & 10/20/05 | 74.69 18.00 |
| | 12/31/2005 | MEETING - 11/1, 11/3, 11/7, 11/14, 11/28, & 11/30 | 41.23 |
| | 2/28/2006 | MEETING - 12/1, 12/7, 12/9, 12/13, 12/14 & 12/20/05 | 33.95 |
| | 1/31/2006 | MEETING - 2/1, 2/3, 2/8, 2/9, 2/14, 2/15, 2/17, 2/21, 2/23 & 2/27/ | 66.75 |
| | 3/31/2006 | MEETING - 1/4, 1/5, 1/9, 1/11, 1/19, 1/20 & 1/28/06 | 49.84 |
| | 4/30/2006 | MEETING - 3/13, 3/16, 3/17, 3/24, 3/27 & 3/30/06 PARKING - 3/14 & 3/19/06 | 56.96 48.00 |
| | 5/30/2006 | MEETING - 4/5, 4/7, 4/12, 4/13, 4/20 & 4/24/06 | 51.62 |
| | 6/30/2006 | MEETING - 5/3, 5/4, 5/5, 5/16, 5/18, 5/20, 5/24, 5/26, 5/30 & 5/31 | 64.53 |
| | | MEETING - 6/1, 6/5, 6/7, 6/14, 6/19, 6/20, 6/21, 6/23/06 | 63.19 |
| MILEAGE - BUSINESS Total | | | 646.34 |
| MILEAGE - COMMUTING | 7/31/2005 | | |
| | 8/31/2005 | MEETING - 7/12 & 7/26/05 | 3.24 |
| | 9/30/2005 | MEETING - 8/3 & 8/23/05 | 3.24 |
| | 10/31/2005 | MEETING - 9/7, 9/12, 9/15, 9/20 & 9/27/05 | 11.64 |
| | 11/30/2005 | MEETING - 10/11, 10/17 & 10/25 | 5.82 |
| | 12/31/2005 | MEETING - 11/7 & 11/14 | 3.88 |
| | 2/28/2006 | MEETING - 12/7/05 | 1.94 |
| | 1/31/2006 | MEETING - 2/1/06 | 1.78 |
| | 4/30/2006 | MEETING - 1/4/06 | 1.78 |
| | 5/31/2006 | MEETING - 4/5 & 4/20/06 | 3.56 |
| | 6/30/2006 | MEETING - 5/3, 5/24 & 5/30/06 | 5.34 |
| | | MEETING - 6/7 & 6/19/06 | 3.56 |
| MILEAGE - COMMUTING Total | | | 45.78 |
| TRAVEL | 3/14/2006 | | |
| | 3/22/2006 | HOTEL-WORLD WATER FORUM IN MEXICO CITY (3/16-19/06) | 813.69 |
| | | AIRFARE - MEXICO CITY, MEXICO | 607.90 |
| TRAVEL Total | | | 1,421.59 |
| Grand Total | | | \$ 10,516.43 |



EXHIBIT

OTAY WATER DISTRICT
 BOARD OF DIRECTORS
 PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:
 From 4-1 to 4-30-06

Employee Number: 7013

| April Date | Meeting Name | Purpose / Issues Discussed | Mileage | |
|------------|-------------------------------|----------------------------|----------------------------|--------------------|
| | | | Home to OWD OWD to Home | Other Locations |
| 5 | Public Dam | Hg. Crest | | |
| 5 | OWD BoD Mtg. | | 30 | |
| 7 | First Friday | | | |
| 7 | Sweetwater Auth Event | | | |
| 7 | Mtg w/ Conchales Mesa | | | |
| 11 | Mtg w/ CV Mayor Ched of Scott | | | |
| 17 | Mtg w/ FM | | | |
| 18 | Council of Water Utils | | | 84 |
| 18 | FAC | | | |
| 19 | Mtg w/ Dir. Bailla | | | |
| 19 | Mtg w/ Mayor Padilla | | | |
| 24 | Speech by PUC Chair | | | |
| 25 | CV Chamber BDC | | | |

TOTAL MEETING PER DIEM: \$ 200.00
 (\$145 per meeting)

TOTAL MILEAGE CLAIMED: 114 miles

26 CV Chamber re: Public Policy Comm.
 28 Contracting opp Center

Larry Breitfelder
 (Director's Signature)

Approval Date: [Signature] 5/22/06

OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ _____

INSTRUCTIONS ON REVERSE

Per diem
 2.00 x
 100.00 =
 200.00*
 Mileage
 30.00 x
 0.445 =
 13.35*



OTAY WATER DISTRICT
 BOARD OF DIRECTORS
 PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:
 From May 1 06 to May 31 06

Employee Number: 7013

| Date | Meeting Name | Purpose / Issues Discussed | Mileage | |
|------|--------------------------------------|----------------------------|----------------------------|-----------------|
| | | | Home to OWD OWD to Home | Other Locations |
| 3 | OWD BoD | | 30 | |
| 5 | First Friday | | | |
| 5 | Jt BoD Mtg | | 30 | |
| 13 | Community Forum | | | |
| 16 | Council of Water Utilities | | | 84 |
| 16 | Mtg. w/ OWD Emp. Assoc. | | | |
| 18 | Pump Station opening / Chamber Mixer | | | |
| 18 | CSDA | | | 30 |
| 20 | Conserv. Gender Mus. Award Pres. | | | |
| 22 | Conservation Action Comm. | | | 40 |
| 23 | OWD Eng. Comm. | | | |
| 24 | Mtg. w/ CV Mayor | | | |
| 24 | OWD Fin. Comm. | | | |

02 per Pres. Comm.

TOTAL MEETING PER DIEM: \$ 600.00
 (\$145 per meeting)
 TOTAL MILEAGE CLAIMED: 244 miles

Larry Breitfelder
 (Director's Signature)

Per diem
 6.00
 100.00
 600.00

Approval Date: [Signature] 6/6/06

OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ _____

INSTRUCTIONS ON REVERSE

Mileage
 90.00
 0.445
 40.00

06 JUN 11 11:44 AM '06
 06 JUN 7 PM '06

06 JUL 24 AM 8:20



EXHIBIT

OTAY WATER DISTRICT
BOARD OF DIRECTORS
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:

1596 Mendocino Dr #57
Chula Vista, CA 91911
Employee Number:

From 6-1 to 6-30-06

7013 0606

| Date | Meeting Name | Purpose / Issues Discussed | Mileage | |
|------|-------------------------------|----------------------------|----------------------------|-------------------|
| | | | Home to OWD OWD to Home | Other Location |
| 6-2 | First Friday | | | |
| 5 | Mozy w/ D.r. Beavilla | | | |
| 7 | OWD BoD | | 30 | |
| 8 | F.A.C.P. | | | |
| 17 | OWD open House | | | |
| 19 | Fin. Adm. Comm. | | | |
| 20 | Poway: Council of Water Units | | | 84 |
| 20 | Common Cause | | | |
| 22 | Council Candidate Ramirez | | | |
| 23 | OWD Eng. Comm. | | | |

TOTAL MEETING PER DIEM: \$ 200.00
(\$145 per meeting)

AB000-10000-2102-521107
11-1111-5211

0.84x
44.5=
37.38x

TOTAL MILEAGE CLAIMED: 114 miles

* Clearly applicable under policy #8

Larry Breitfelder
(Director's Signature)

Approval Date: [Signature] 7/20/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ _____

06 JUL 24 AM 8:19

INSTRUCTIONS ON REVERSE

Accruals



OTAY WATER DISTRICT
 BOARD OF DIRECTORS
 PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Jose Lopez

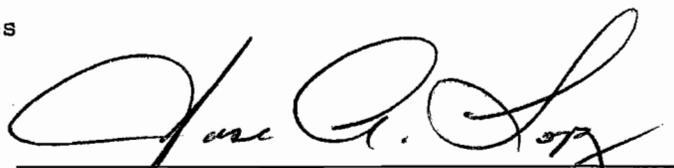
Period Covered:
 From May 1 to May

Employee Number: 7010

| Date | Meeting Name | Purpose / Issues Discussed | Mileage | |
|------|--------------|----------------------------|----------------------------|-----------------|
| | | | Home to OWD OWD to Home | Other Locations |
| 5/3 | OWD | Board meeting | 20 | |
| 5/18 | OWD | CVCC / Brown | 0 | |
| 5/23 | OWD | Otay Eng & Ops Com. | 0 | |
| 5/5 | OWD | Joint Agency Mtg. | 20 | |
| 5/30 | OWD | Budget Special Mtg. | 20 | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

TOTAL MEETING PER DIEM: \$ 400.-
 (\$145 per meeting)

TOTAL MILEAGE CLAIMED: 60 miles


 (Director's Signature)

GM Approval Date: M. J. [Signature] 6/20/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ _____



AB000-134000-2101-528101 \$400.00

AB000-134000-2101-521102 26.70

EXHIBIT B

OTAY WATER DISTRICT
BOARD OF DIRECTORS
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Jose Lopez

Period Covered:
From 06-01 to 06-30-2006

Employee Number: 7010

| Date | Meeting Name | Purpose / Issues Discussed | Mileage | |
|------|--------------------|-----------------------------------|----------------------------|--------------------|
| | | | Home to OWD OWD to Home | Other Locations |
| 6-7 | OWD | Board Mtg | 20 | |
| 6-23 | OWD | Engng ² Operations Mtg | 20 | |
| 6-19 | OWD | FINANCE Com Mtg | 20 | |
| 6-20 | SOC of Supervisors | Proclamation 50th | | 0 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Approved by Pres. → Bonilla

TOTAL MEETING PER DIEM: \$ 400.-
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 60 miles

(Director's Signature)

GM Approval Date: 8/16/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ _____

✓ mdr
8.16.06

INSTRUCTIONS ON REVERSE

06 AUG 16 AM 11:56



#04542

OTAY WATER DISTRICT BOARD OF DIRECTORS PER-DIEM AND MILEAGE CLAIM FORM



7014 0406

Pay To: Mark Robak

3217 Fair Oaks Lane

Period Covered:

Employee Number: 7014

Spring Valley, CA 91978

From: 4-1-06

To: 4-30-06

| ITEM | DATE | MEETING | PURPOSE / ISSUES DISCUSSED | MILEAGE HOME to OWD OWD to HOME | MILEAGE OTHER LOCATIONS |
|------|------|--------------------------------------|--|---------------------------------|-------------------------|
| 1 | 4-4 | Water Conservation Garden | Executive Committee - NO CHARGE | 0 | 0 |
| 2 | 4-5 | Padre Dam MWD Open House | Opening of their new administrative office - NO CHARGE | 0 | 0 |
| 3 | 4-5 | Monthly Otay Board Meeting | General District Business | 4 | 6 |
| 4 | 4-7 | Ad Hoc Auld Golf Course Committee | Meeting with buyers of golf course to discuss leasehold improvements | 0 | 28 |
| 5 | 4-12 | Water Conservation Garden | Monthly Meeting / General Business (See Exhibit A - Agenda) | 0 | 9 |
| 6 | 4-13 | Metro Commission | Annual workshop and monthly meeting - (See Exhibit B - Agenda) | 0 | 58 |
| 7 | 4-20 | Finance & Administration Committee | Monthly meeting involving finance & administration issues | 4 | 6 |
| 8 | 4-24 | Water Resources & Security Committee | Meeting involving water resources & security issues | 0 | 9 |
| 9 | 4-29 | Cuyamaca College Foundation Dinner | Annual fundraising event for the College's foundation - NO CHARGE | 0 | 0 |

0 * *
0 * 06 +
0 * 28 +
0 * 09 +
0 * 58 +
0 * 06 +
0 * 09 +
1 * 16 * +
1 * 16 x
44 * 5 =
51 * 62 * +

AB000-1B5000-2102-521108

116

Total Meeting Per Diem: \$600 (\$100 per meeting)

11-1111-5211

Total Mileage Claimed: 124 miles

Mark Robak

(Director's Signature)

GM Approval:

[Signature]

Date:

5/2/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$

06 MAY 3 PM 3:25



**OTAY WATER DISTRICT
BOARD OF DIRECTORS
PER-DIEM AND MILEAGE CLAIM FORM**

Pay To: Mark Robak

Period Covered:

Employee Number: 7014

From: 5-1-06 To: 5-31-06

| ITEM | DATE | MEETING | PURPOSE / ISSUES DISCUSSED | MILEAGE HOME to OWD OWD to HOME | MILEAGE OTHER LOCATIONS |
|------|------|---|--|---------------------------------|-------------------------|
| 1 | 5-1 | Water Conservation Garden Foundation | Monthly Meeting / General Business - NO CHARGE | 0 | 0 |
| ✓ 2 | 5-3 | Monthly Otay Board Meeting | General District Business | 4 | 6 |
| ✓ 3 | 5-4 | Metro Commission | Monthly Meeting / General Business (See Exhibit A - Agenda) | 0 | 22 |
| ✓ 4 | 5-5 | Joint Water Agencies Meeting | Annual meeting hosted by Otay | 0 | 12 |
| ✓ 5 | 5-16 | Water Conservation Garden | Monthly Meeting / General Business (See Exhibit B - Agenda) | 0 | 9 |
| ✓ 6 | 5-18 | Otay 980-2 Pump Station Dedication | Opening of new facility and celebration of 50 th anniversary of District with Chamber, <i>No charge</i> | 0 | 35 |
| 7 | 5-19 | Lunch with Director Croucher | Discuss partnership between Garden and San Miguel Fire Dept. on new Fire Wise Garden - NO CHARGE | 0 | 0 |
| 8 | 5-20 | Water Conservation Garden Spring Garden Festival | Semi-Annual major fundraising event - NO CHARGE | 0 | 9 |
| ✓ 10 | 5-24 | Finance & Administration Committee | Monthly meeting involving finance & administration issues | 4 | 6 |
| ✓ 11 | 5-26 | Ad Hoc Auld Golf Course Committee | Meeting with buyers of golf course to discuss leasehold improvements | 0 | 28 |
| ✓ 12 | 5-30 | Special Otay Board Meeting | Workshop for annual District budget | 4 | 6 |
| 13 | 5-31 | Meeting with Supervisor Jacob, GM & Dir. Croucher | Discuss expansion of recycled water system in Northern area - NO CHARGE | 0 | 0 |
| ✓ 14 | 5-31 | Water Resources & Security Committee | Meeting involving water resources & security issues | 0 | 12 |
| | | | | 12 | 145 |

Total Meeting Per Diem: \$1,000 ~~\$900~~ *800/mile* 0 • A
(\$100 per meeting)

Total Mileage Claimed: 157 mile: 8 • x

GM Approval: *[Signature]*

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT

100 • =
800 • 00*
12 • x
0 • 445 =
5 • 34*

Mark Robak
(Director's Signature)

Date: 6/16/06

'06 JUN 20 AM 11:10



OTAY WATER DISTRICT
BOARD OF DIRECTORS
PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Mark Robak

Period Covered:

Employee Number: 70140606

From: 6-1-06 To: 6-30-06

3217 Fair Oaks Lane, Spring Valley, CA 91978

| ITEM | DATE | MEETING | PURPOSE / ISSUES DISCUSSED | MILEAGE HOME to OWD OWD to HOME | MILEAGE OTHER LOCATIONS |
|------------------------------------|------|---|--|------------------------------------|-------------------------|
| ✓ 1 | 6-1 | Metro Commission | Monthly Meeting /General Business (See Exhibit A - Agenda) | 0 | 22 |
| ✓ 2 | 6-5 | Communications Committee | Monthly meeting involving communication issues | 0 | 13 |
| 3 | 6-6 | Fire Wise Garden Groundbreaking | Dedication of new garden at the Water Conservation Garden – NO CHARGE | 0 | 0 |
| ✓ 4 | 6-7 | Monthly Otay Board Meeting | General District Business | 4 | 7 |
| 5 | 6-8 | Water Conservation Garden Docent's Dinner | Dinner at the Garden to honor docent volunteers – NO CHARGE | 0 | 0 |
| ✓ 6 | 6-14 | Water Conservation Garden | Monthly Meeting / General Business (See Exhibit B - Agenda) | 0 | 35 |
| 7 | 6-17 | Otay Open House | 50 th Anniversary Open House at Otay Administrative Office – NO CHARGE | 0 | 0 |
| ✓ 8 | 6-19 | Finance & Administration Committee | Monthly meeting involving finance & administration issues | 4 | 7 |
| ✓ 9 | 6-20 | Ad Hoc Auld Golf Course Committee | Lunch meeting to discuss proposal from golf course lessee | 0 | 30 |
| ✓ 10 | 6-21 | Water Resources & Security Committee | Meeting involving water resources & security issues | 0 | 13 |
| ok per as per m.g./B/06 ✓ 11 | 6-23 | Water Conservation Garden | Meeting with Sweetwater Authority to discuss possible JPA membership | 0 | 15 |
| 12 | 6-30 | Augie Caires Retirement Party at Santee Lakes | Retirement party for Padre Dam GM – NO CHARGE | 0 | 0 |
| | | | | 8 | 142 |

Total Meeting Per Diem: \$800
(\$100 per meeting)

Total Mileage Claimed: 150 miles

Mark Robak

(Director's Signature)

GM Approval: *[Signature]*

Date: 7/12/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____



AGENDA ITEM 7b

STAFF REPORT

| | | | |
|-----------------------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | James D. Cudlip, 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: | Annual Review of Investment Policy (Board of Directors Policy No. 27) and Adoption of Resolution No. 4088 Amending the Policy and Re-Delegating Authority for All Investment Related Activities to the Chief Financial Officer | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board review the Investment Policy (Board of Directors Policy No. 27) and adopt Resolution No. 4088 amending the policy and re-delegating authority for all investment related activities to the Chief Financial Officer in accordance with California Government Code Section 53607.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

Government Code Section 53646 requires that the District's Investment Policy be presented to the Board for review on an annual basis. In addition, Government Code Section 53607 requires that for the delegation of authority to remain in effect on an annual basis, the governing board must re-delegate authority over investment activities.

ANALYSIS:

The proposed Investment Policy (Attachment C) revises and expands upon the existing Policy (Attachment D) which was approved by the Board on September 7, 2005.

The primary goals of the Investment Policy are to assure compliance with the California Government Code, Sections 53600 et seq, and to protect the investments of the District. The State Code provides a range of conservative investment options

for local agencies, including Federal Treasuries, Federal Agencies, the State Pool, the County Pool, high-grade corporate debt, and others.

As a part of the review of the existing Investment Policy, we compared our policy to a recommended format that is considered "best practice" by several national accounting and finance organizations. While our current policy always met the minimum requirements mandated by California Government Code, the model policy for best practices expands upon the investment guidance to address areas such as Delegation of Authority, Ethics and Conflicts of Interest, Authorized Financial Dealers and Institutions, Internal Control, and Performance Standards, as well as additional clarification in sections already in place.

To assure the Board that the currently proposed policy meets best practice standards, it was submitted to the Association of Public Treasurers of the United States & Canada (APT US&C) for review and certification. We recently received notification that this policy was approved in all of the 18 areas addressed and a copy of APT US&C's congratulatory letter on obtaining the Investment Policy Certificate of Excellence Award is attached (Attachment E).

The policy is consistent with the current law and the overall objectives of the policy are being met.

FISCAL IMPACT: _____

Section 14.0 of the revised Investment Policy directs the CFO to establish an annual process of independent review by an external auditor, to provide internal control by assuring compliance with policies and procedures. By including this as a part of the District's annual financial audit and review of internal controls, the fiscal impact is estimated to be no more than \$500.

STRATEGIC GOAL:

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

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A) Committee Staff Report
- B) Resolution No. 4088
- C) Proposed Investment Policy No. 27
- D) Existing Investment Policy No. 27 Strike-thru
- E) APT US&C Investment Policy Certification Letter
- F) Portfolio Management: Portfolio Summary, June 30, 2006
- G) Copy of Investment Policy Presentation



ATTACHMENT A

| | |
|-------------------------|--|
| SUBJECT/PROJECT: | Annual Review of Investment Policy (Board of Directors Policy No. 27) and Adoption of Resolution No. 4088 Amending the Policy and Re-Delegating Authority for All Investment Related Activities to the Chief Financial Officer |
|-------------------------|--|

COMMITTEE ACTION:

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

- The Investment Policy is presented to the board for review annually in compliance with Government Code Section 53646;
- Staff is proposing a revised Investment Policy in a format that is considered "best practice" in the industry;
- The proposed Investment Policy was submitted to the Association of Public Treasurer's of the United States and Canada (APT US&C) where it received a Certificate of Excellence Award. Comments received from the APT US&C that will help the District in the bond market are as follows:
 - The Investment Policy was nicely written.
 - The policy received one of the highest scores they have ever given.
- The District's current policy has always met the minimum requirements mandated by the California Government Code. The model policy for best practices expands upon the investment guidance and now addresses areas such as Ethics and Conflicts of Interest, Authorized Financial Dealers and Institutions, Investment Pools/Mutual Funds, Collateralization, Maximum Maturities, Internal Control, and Performance Standards, as well as additional clarification in sections already in place;
- The committee reviewed in detail the authorized investment vehicles within the policy:
 - U.S. Treasury Bills
 - Local Agency Investment Fund (LAIF)
 - Government Agency Bonds
 - CDs
 - Commercial Paper
 - Medium Term Notes

- Money Market Mutual Funds
- San Diego County Pool
- The following investment vehicles were deleted from the policy:
 - C. Time Deposits, non-negotiable and collateralized
 - F. Collateralized Repurchase Agreements
 - These types of investments require a lot of time to administer and are more suited to larger agencies that have full-time personnel dedicated to investment activities like the City of Los Angeles.
- The committee reviewed the *Investment Portfolio* report which will be provided to update the board on the status of the District's investments. The committee requested that staff incorporate graphical charts within the report representing the percentage of the District's investment in the various investment vehicles;
- The committee discussed the board's personal responsibility with regard to assuring compliance requirements are being met when the District issues debt. It was noted that the board has a fiduciary responsibility to review the documentation. It was also noted that there is a check list of items which staff utilizes that should be reviewed prior to going to the bond market.
- Staff expects to issue debt sometime before the end of Fiscal Year 2007;

Upon completion of the discussion, the committee supported staff's recommendation and forwarding this to the Board of Directors as an action item.

RESOLUTION NO. 4088

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT AMENDING INVESTMENT
POLICY NO. 27 OF THE DISTRICT'S CODE OF
ORDINANCES

WHEREAS, the Otay Water District Board of Directors have been presented with an amended Investment Policy No. 27 of the District's Code of Ordinances for the management of the District's investments; and

WHEREAS, the Investment Policy has been reviewed and considered by the Board, and it is in the interest of the District to adopt the revised Investment Policy; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Otay Water District that the Investment Policy for the District, as attached, is hereby adopted as the District's Investment Policy.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Otay Water District at a regular board meeting held this 6th day of September 2006, by the following vote:

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary

| OTAY WATER DISTRICT BOARD OF DIRECTORS POLICY | | | |
|--|---------------|--------------|--------------|
| Subject | Policy Number | Date Adopted | Date Revised |
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

1.0: POLICY

It is the policy of the Otay Water District to invest public funds in a manner which will provide maximum security with the best interest return, while meeting the daily cash flow demands of the entity and conforming to all state statues governing the investment of public funds.

2.0: SCOPE

This investment policy applies to all financial assets of the Otay Water District. The District pools all cash for investment purposes. These funds are accounted for in the District's audited Comprehensive Annual Financial Report (CAFR) and include:

- 2.1) General Fund
- 2.2) Capital Project Funds
 - 2.2.1) Designated Expansion Fund
 - 2.2.2) Restricted Expansion Fund
 - 2.2.3) Designated Betterment Fund
 - 2.2.4) Restricted Betterment Fund
 - 2.2.5) Designated Replacement Fund
- 2.3) Other Post Employment Fund (OPEB)
- 2.4) Debt Reserve Fund

Exceptions to the pooling of funds do exist for tax-exempt debt proceeds and deferred compensation funds. Funds received from the sale of general obligation bonds, certificates of participation or other tax-exempt financing vehicles are segregated from pooled investments and the investment of such funds are guided by the legal documents that govern the terms of such debt issuances.

3.0: PRUDENCE

Investments should be made with judgment and care, under current prevailing circumstances, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

The standard of prudence to be used by investment officials shall be the ``Prudent Person'' and/or "Prudent Investor" standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0: OBJECTIVE

As specified in the California Government Code 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

- 4.1) Safety: Safety of principal is the foremost objective of the investment program. Investments of the Otay Water District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments by investing funds among a variety of securities offering independent returns and financial institutions.

- 4.2) Liquidity: The Otay Water District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

- 4.3) Return on Investment: The Otay Water District's investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

5.0 DELEGATION OF AUTHORITY

Authority to manage the Otay Water District's investment program is derived from the California Government Code, Sections 53600 through 53692. Management responsibility for the investment program is hereby delegated to the Chief Financial Officer (CFO), who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and their procedures in the absence of the CFO.

The CFO shall establish written investment policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the CFO.

6.0: ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

7.0: AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Chief Financial Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers who are authorized to provide investment services in the State of California. These may include ``primary'' dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

(Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the District with the following, as appropriate:

- Audited Financial Statements.
- Proof of National Association of Security Dealers (NASD) certification.
- Proof of state registration.
- Completed broker/dealer questionnaire.
- Certification of having read the District's Investment Policy.
- Evidence of adequate insurance coverage.

As annual review of the financial condition and registrations of qualified bidders will be conducted by the CFO. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the District invests.

8.0: AUTHORIZED AND SUITABLE INVESTMENTS

From the governing body perspective, special care must be taken to ensure that the list of instruments includes only those allowed by law and those that local investment managers are trained and competent to handle. The District is governed by the California Government Code, Sections 53600 through 53692, to invest in the following types of securities, as further limited herein:

- 8.01) United States Treasury Bills, Bonds, Notes or those instruments for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio which can be invested in this category, although a five-year maturity limitation is applicable.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

8.02) Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, may be used up to the maximum permitted by State Law (currently \$40 million). The District may also invest bond proceeds in LAIF with the same but independent maximum limitation.

8.03) Bonds, debentures, notes and other evidence of indebtedness issued by any of the following government agency issuers:

- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")
- Federal National Mortgage Association (FNMA or "Fannie Mae")
- Government National Mortgage Association (GNMA or "Ginnie Mae")
- Student Loan Marketing Association (SLMA or "Sallie Mae")
- Federal Farm Credit Bank (FFCB)

There is no percentage limitation of the portfolio which can be invested in this category, although a five-year maturity limitation is applicable.

8.04) Interest-bearing demand deposit accounts and Certificates of Deposit (CD) will be made only in Federal Deposit Insurance Corporation (FDIC) insured accounts. For deposits in excess of the insured maximum of \$100,000, approved collateral shall be required in accordance with California Government Code, Section 53652. Investments in CD's are limited to 15 percent of the District's portfolio.

8.05) Commercial paper, which is short-term, unsecured promissory notes of corporate and public entities. Purchases of eligible commercial paper may not exceed 10 percent of the outstanding paper of an issuing corporation, and maximum investment maturity will be restricted to 270 days. Investment is further limited as described in California Government Code, Section 53601(g). Purchases of commercial paper may not exceed 15 percent of the District's portfolio.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

8.06) Medium-term notes defined as all corporate debt securities with a maximum remaining maturity of five years or less, and that meet the further requirements of California Government Code, Section 53601(j). Investments in medium-term notes are limited to 15 percent of the District's portfolio.

8.07) Money market mutual funds that invest only in Treasury securities and repurchase agreements collateralized with Treasury securities, and that meet the further requirements of California Government Code, Section 53601(k). Investments in money market mutual funds are limited to 15 percent of the District's portfolio.

8.08) The San Diego County Treasurer's Pooled Money Fund, which is a County managed investment pool, may be used by the Otay Water District to invest excess funds. There is no percentage limitation of the portfolio which can be invested in this category.

8.09) Under the provisions of California Government Code 53601.6, the Otay Water District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools, or any investment that may result in a zero interest accrual if held to maturity. Also, the borrowing of funds for investment purposes, known as leveraging, is prohibited.

9.0: INVESTMENT POOLS/MUTUAL FUNDS

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, and what size deposits and withdrawals are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., utilized by the pool/fund?
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

10.0 COLLATERALIZATION

Collateralization will be required on certificates of deposit. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

11.0: SAFEKEEPING AND CUSTODY

All security transactions entered into by the Otay Water District shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the District and evidenced by safekeeping receipts.

12.0: DIVERSIFICATION

The Otay Water District will diversify its investments by security type and institution, with limitations on the total amounts invested in each security type as detailed in Paragraph 8.0, above, so as to reduce overall portfolio risks while attaining benchmark average rate of return. With the exception of U.S. Treasury securities, government agencies, and authorized pools, no more than 50% of the District's

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

total investment portfolio will be invested with a single financial institution.

13.0: MAXIMUM MATURITIES

To the extent possible, the Otay Water District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase. However, for time deposits with banks or savings and loan associations, investment maturities will not exceed two years. Investments in commercial paper will be restricted to 270 days.

14.0: INTERNAL CONTROL

The Chief Financial Officer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

15.0: PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The Otay Water District's investment strategy is passive. Given this strategy, the basis used by the CFO to determine whether market yields are being achieved shall be the State of California Local Agency Investment Fund (LAIF) as a comparable benchmark.

16.0: REPORTING

The Chief Financial Officer shall provide the Board of Directors monthly investment reports which provide a clear picture of the status of the current investment portfolio. The management report should include comments on the fixed income markets and economic conditions, discussions regarding restrictions on percentage of investment by categories, possible changes in the portfolio structure going forward

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

and thoughts on investment strategies. Schedules in the quarterly report should include the following:

- A listing of individual securities held at the end of the reporting period by authorized investment category.
- Average life and final maturity of all investments listed.
- Coupon, discount or earnings rate.
- Par value, amortized book value, and market value.
- Percentage of the portfolio represented by each investment category.

17.0: INVESTMENT POLICY ADOPTION

The Otay Water District's investment policy shall be adopted by resolution of the District's Board of Directors. The policy shall be reviewed annually by the Board and any modifications made thereto must be approved by the Board.

18.0: GLOSSARY

See Appendix A.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

APPENDIX A: GLOSSARY

ACTIVE INVESTING: Active investors will purchase investments and continuously monitor their activity, often looking at the price movements of their stocks many times a day, in order to exploit profitable conditions. Typically, active investors are seeking short term profits.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BROKER/DEALER: Any individual or firm in the business of buying and selling securities for itself and others. Broker/dealers must register with the SEC. When acting as a broker, a broker/dealer executes orders on behalf of his/her client. When acting as a dealer, a broker/dealer executes trades for his/her firm's own account. Securities bought for the firm's own account may be sold to clients or other firms, or become a part of the firm's holdings.

CERTIFICATE OF DEPOSIT (CD): A short or medium term, interest bearing, FDIC insured debt instrument offered by banks and savings and loans. Money removed before maturity is subject to a penalty. CDs are a low risk, low return investment, and are also known as "time deposits", because the account holder has agreed to keep the money in the account for a specified amount of time, anywhere from a few months to several years.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

COMMERCIAL PAPER: An unsecured short-term promissory note, issued by corporations, with maturities ranging from 2 to 270 days.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the Otay Water District. It includes detailed financial information prepared in conformity with generally accepted accounting principles (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed statistical section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a set date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures deposits in member banks and thrifts, currently up to \$100,000 per deposit.

FEDERAL FARM CREDIT BANK (FFCB): The Federal Farm Credit Bank system supports agricultural loans and issues securities and bonds in financial markets backed by these loans. It has consolidated the financing programs of several related farm credit agencies and corporations.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANK (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): A stockholder owned, publicly traded company chartered by the United States federal government in 1970 to purchase mortgages and related securities, and then issue securities and bonds in financial markets backed by those mortgages in secondary markets. Freddie Mac, like its competitor Fannie Mae, is regulated by the United States Department of Housing and Urban Development (HUD).

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): A government owned agency which buys mortgages from lending institutions, securitizes them, and then sells them to investors. Because the payments to investors are guaranteed by the full faith and credit of the U.S. Government, they return slightly less interest than other mortgage-backed securities.

INTEREST-ONLY STRIPS: A mortgage backed instrument where the investor receives only the interest, no principal, from a pool of mortgages. Issues are highly interest rate sensitive, and cash flows vary between interest periods. Also, the maturity date may occur earlier than that stated if all loans within the pool are pre-paid. High prepayments on underlying mortgages can return less to the holder than the dollar amount invested.

INVERSE FLOATER: A bond or note that does not earn a fixed rate of interest. Rather, the interest rate is tied to a specific interest rate index identified in the bond/note structure. The interest rate earned by the bond/note will move in the opposite direction of the index. An inverse floater increases the market rate risk and modified duration of the investment.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

LEVERAGE: Investing with borrowed money with the expectation that the interest earned on the investment will exceed the interest paid on the borrowed money.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase/reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MUTUAL FUNDS: An open-ended fund operated by an investment company which raises money from shareholders and invests in a group of assets, in accordance with a stated set of objectives. Mutual funds raise money by selling shares of the fund to the public. Mutual funds then take the money they receive from the sale of their shares (along with any money made from previous investments) and use it to purchase various investment vehicles, such as stocks, bonds, and money market instruments.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

MONEY MARKET MUTUAL FUNDS: An open-end mutual fund which invests only in money markets. These funds invest in short term (one day to one year) debt obligations such as Treasury bills, certificates of deposit, and commercial paper.

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD): A self-regulatory organization of the securities industry responsible for the operation and regulation of the NASDAQ stock market and over-the-counter markets. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

PASSIVE INVESTING: An investment strategy involving limited ongoing buying and selling actions. Passive investors will purchase investments with the intention of long term appreciation and limited maintenance, and typically don't actively attempt to profit from short term price fluctuations. Also known as a buy-and-hold strategy.

PRIMARY DEALER: A designation given by the Federal Reserve System to commercial banks or broker/dealers who meet specific criteria, including capital requirements and participation in Treasury auctions. These dealers submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission registered securities broker/dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state--the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

PUBLIC SECURITIES ASSOCIATION (PSA): A trade organization of dealers, brokers, and bankers who underwrite and trade securities offerings.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RANGE NOTE: An investment whose coupon payment varies and is dependent on whether the current benchmark falls within a pre-determined range.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REGIONAL DEALER: A securities broker/dealer, registered with the Securities & Exchange Commission (SEC), who meets all of the licensing requirements for buying and selling securities.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security ``buyer'' in effect lends the ``seller'' money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding securities issues following their initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.), and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons,

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|--------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/6/06 |

derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

STUDENT LOAN MARKETING ASSOCIATION (SLMA or Sallie Mae): A federally established, publicly traded corporation which buys student loans from colleges and other lenders, pools them, and sells them to investors.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

PURPOSE

~~This policy is intended to provide a guideline for the prudent investment of cash receipts, tax revenue, and restricted moneys and to outline a procedure for maximizing the efficiency of the cash management system. Ultimate investment goals include the enhancement of economic status and the protection of pooled cash investments.~~

1.0: POLICY

It is the policy of the Otay Water District to invest public funds in a manner which will provide maximum security with the best interest return, while meeting the daily cash flow demands of the entity and conforming to all state statues governing the investment of public funds.

2.0: SCOPE

This investment policy applies to all financial assets of the Otay Water District. The District pools all cash for investment purposes. ~~This policy is applicable, but not limited to all funds listed below:~~ These funds are accounted for in the District's audited Comprehensive Annual Financial Report (CAFR) and include:

- 2.1) General Fund
- 2.2) Capital Project Funds
 - 2.2.1) Designated Expansion Fund
 - 2.2.2) Restricted Expansion Fund
 - 2.2.3) Designated Betterment Fund
 - 2.2.4) Restricted Betterment Fund
 - 2.2.5) Designated Replacement Fund
- 2.3) Other Post Employment Fund (OPEB)
- 2.4) Debt Reserve Fund
- ~~Customer Deposits~~
- ~~Replacement Reserve~~
- ~~Water Conservation Fund~~
- ~~Tax Revenue~~
- ~~Interest Income~~
- ~~Betterment Funds~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~Capital Improvement Funds~~

Exceptions to the pooling of funds do exist for ~~regarding~~ tax-exempt debt proceeds and deferred compensation funds. Funds received from the sale of general obligation bonds, certificates of participation or other tax-exempt financing vehicles are segregated from pooled investments and the investment of such funds are guided by the legal documents that govern the terms of such debt issuances.

3.0: PRUDENCE

~~Under all circumstances, the "prudent investor rule" shall apply.~~ Investments ~~shall~~ should be made with judgment and care, under current prevailing circumstances, ~~then prevailing,~~ which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the ``Prudent Person'' and/or "pPrudent ÷Investor" standard (California Government Code §53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0: OBJECTIVE

~~The cash management system of the District is designed to accurately monitor and forecast expenditures and revenues, thus insuring the investment of moneys to the fullest extent possible.~~

As specified in the California Government Code §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

4.1-) Safety: Safety of principal is the foremost objective of the investment program. Investments of the Otay Water District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, ~~diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.~~ the District will diversify its investments by investing funds among a variety of securities offering independent returns and financial institutions.

4.2-) Liquidity: The Otay Water District's investment portfolio will remain sufficiently liquid to enable the ~~Otay Water~~ District to meet all operating requirements which might be reasonably anticipated.

4.3-) Return on Investments: The Otay Water District's investment portfolio shall be designed with the objective of attaining a ~~market~~ benchmark rate of return throughout budgetary and economic cycles, ~~taking into account~~ commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

~~Under authority granted by the Board of Directors, the Department Head of Finance is responsible for investing cash in excess of the District's operating needs.~~

~~The authority governing investments for municipal governments is set forth in the Government Code, Sections 53601 through 53659.~~ Authority to manage the Otay Water District's investment program is derived from the California Government Code, Sections 53600 through 53692. Management responsibility for the investment program is hereby delegated to the Chief Financial Officer (CFO), who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and their procedures in the absence of the CFO.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

The CFO shall establish written investment policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the CFO.

6.0: ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

7.0: AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Chief Financial Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers who are authorized to provide investment services in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the District with the following, as appropriate:

- Audited Financial Statements.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

- Proof of National Association of Security Dealers (NASD) certification.
- Proof of state registration.
- Completed broker/dealer questionnaire.
- Certification of having read the District's Investment Policy.
- Evidence of adequate insurance coverage.

As annual review of the financial condition and registrations of qualified bidders will be conducted by the CFO. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the District invests.

8.0: AUTHORIZED AND SUITABLE INVESTMENTS

From the governing body perspective, special care must be taken to ensure that the list of instruments includes only those allowed by law and those that local investment managers are trained and competent to handle. The District is governed by the California Government Code, Sections 53600 ~~et seq~~ through 53692, to invest in the following types of securities, ~~Within the context of the limitations, the following investments are authorized,~~ as further limited herein:

~~A-8.01) United States Treasury Bills, Bonds, Notes or those instruments for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio which can be invested in this category, although a five-year maturity limitation is applicable. No more than 30 percent of the portfolio shall exceed two years to maturity.~~

~~B-8.02) Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, may be used up to the maximum permitted by State Law (currently \$340 million). The District may also invest bond proceeds in the Local Agency Investment Fund. LAIF with the same but independent maximum limitation. Liquidity for bond proceeds, per fund regulations,~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~is thirty calendar day increments from the date of the initial deposit.~~

~~C. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through commercial banks or savings and loan associations that have a Moody's Investor Service rating or Standard & Poor's Corporation rating of at least "A". A written depository contract is required with all institutions that hold District deposits. Since time deposits are not liquid, the maximum maturity of one year may be purchased. The institution must secure deposits by pledging government securities equal to at least 110% of deposits or first trust deed mortgage notes in excess of 115% of deposits. All banks providing the District with collateralized time deposits are required to provide the District with a regular statement of the pooled collateral held, the market value of the collateral, an accountability of the deposits secured by the pool and a statement that the 110% or 115% collateral rule is met.~~

~~D.8.03) Bonds, debentures, notes and other evidence of indebtedness issued by any of the following government agency issuers:~~

- ~~• Farm Credit Consolidated System,~~
- ~~• Federal Home Loan Bank (FHLB),~~
- ~~• Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"),~~
- ~~• Federal National Mortgage Association (FNMA or "Fannie Mae"),~~
- ~~• Government National Mortgage Association (GNMA or "Ginnie Mae"),~~
- ~~• Student Loan Marketing Association (SLMA or "Sallie Mae")~~
- ~~• Federal Farm Credit Bank (FFCB), Tennessee Valley Authority and Federal Land Bank. Investments in federal agency securities are limited to 70 percent of the District's~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~portfolio and no more than 70% in callable securities. The maturity of these securities shall not exceed five years.~~

There is no percentage limitation of the portfolio which can be invested in this category, although a five-year maturity limitation is applicable.

8.04) Interest-bearing demand deposit accounts and Certificates of Deposit (CD) will be made only in Federal Deposit Insurance Corporation (FDIC) insured accounts. For deposits in excess of the insured maximum of \$100,000, approved collateral shall be required in accordance with California Government Code, Section 53652. Investments in CD's are limited to 15 percent of the District's portfolio.

~~F. Collateralized Repurchase Agreements with banks and primary dealers on the Federal Reserve reporting dealer list which are rated "A" or better by Standard & Poor's Corporation and Moody's Investors Service. The repurchase agreement provider must enter into a master repurchase agreement with the District of standard industry form, currently the Public Securities Association master repurchase agreement. The collateral provided by the repurchase agreement provider must be delivered directly to a third party bank which holds an account in the name of the District and the District will maintain a first perfected security interest in the collateral. The District shall have a contractual right to liquidate the collateral securities upon the bankruptcy, insolvency or other default of the repurchase agreement provider. Collateral will be marked to market at least weekly and the market value of collateral will be maintained at or above 102 percent of the value of the repurchase agreement if Treasury securities are posted as collateral or 104 percent of the value of the repurchase agreement if agency securities permitted by this policy are posted as collateral. The term of any repurchase agreement entered will not exceed 1 year and investments in repurchase agreements are limited to 15 percent of the District's portfolio.~~

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~H-8.05) Commercial paper, which is short-term, unsecured promissory notes of corporate and public entities. Investment is limited to commercial paper of "prime" quality of the highest ranking as provided by Moody's Investors Service or Standard and Poor's Rating Services. Eligible paper is issued only by corporations that are organized and operating within the United States and having total assets in excess of \$500 million. The corporation must also have an "A" rating or higher for the issuer's debt, other than commercial paper, as provided by Moody's Investors Service, or Standard and Poor's Rating Services. Purchases of eligible commercial paper may not exceed 10 percent of the outstanding paper of an issuing corporation, and maximum investment maturity will be restricted to 180270 days. Investment is further limited as described in California (reference: Government Code, Section 53601(g)). Purchases of commercial paper may not exceed 15 percent of the District's portfolio.~~

~~G-8.06) Medium-term notes defined as all corporate debt securities with a maximum remaining maturity of five years or less, and that meet the further requirements of California Government Code, Section 53601(j). issued by corporations that are "A" rated or higher, as rated by Moody's Investors Service and Standard & Poor's Rating Services. Maximum investment maturity is restricted to two years for "A" and "AA" rated notes and five years for "AAA" rated notes. Investments in medium-term notes are limited to 15 percent of the District's portfolio at the time of purchase.~~

~~E-8.07) Money market mutual funds that invest only in Treasury securities and repurchase agreements collateralized with Treasury securities, and that have the highest ratings by Moody's Investors Service and Standard & Poor's Corporation meet the further requirements of California Government Code, Section 53601(k). Investments in money market mutual funds are limited to 15 percent of the District's portfolio.~~

~~J-8.08) The San Diego County Treasurer's Pooled Money Fund, which is a County managed investment pool, may be used by the Otay Water District to invest excess funds. There is no~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|-----------------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

percentage limitation of the portfolio which can be invested in this category.

~~I-8.09)~~ Under the provisions of California Government Code ~~§53601.6 and §53631.5~~, the Otay Water District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools, or any investment that may result in a zero interest accrual if held to maturity. Also, the borrowing of funds for investment purposes, known as leveraging, is prohibited.

9.0: INVESTMENT POOLS/MUTUAL FUNDS

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, and what size deposits and withdrawals are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., utilized by the pool/fund?
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

10.0 COLLATERALIZATION

Collateralization will be required on certificates of deposit. In order to anticipate market changes and provide a level of security for

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

all funds, the collateralization level will be 102% of market value of principal and accrued interest. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

11.0: SAFEKEEPING AND CUSTODIAL ARRANGEMENTS~~CUSTODY~~

~~To protect against potential losses in the event of bankruptcy or insolvency of a security dealer or bank, all book entry securities owned by the District, including repurchase agreement collateral, will be kept in safekeeping by a third party custodial agreement.~~

All security transactions entered into by the Otay Water District shall be conducted on a delivery-versus-payment ("DVP") basis. Securities will be held by a third party custodian designated by the District and evidenced by safekeeping receipts.

12.0: DIVERSIFICATION

The Otay Water District will diversify its investments by security type and institution, with limitations on the total amounts invested in each security type as detailed in Paragraph 8.0, above, so as to reduce overall portfolio risks while attaining benchmark average rate of return. With the exception of U.S. Treasury securities, government agencies, and authorized pools, no more than 50% of the District's total investment portfolio will be invested with a single financial institution. ~~It is the policy of the Otay Water District to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:~~

- ~~(a) Portfolio maturities shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~———— (b) Maturities selected shall provide for stability of income and liquidity.~~

13.0: MAXIMUM MATURITIES

To the extent possible, the Otay Water District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase. However, for time deposits with banks or savings and loan associations, investment maturities will not exceed two years. Investments in commercial paper will be restricted to 270 days.

14.0: INTERNAL CONTROL

The Chief Financial Officer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

15.0: PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The Otay Water District's investment strategy is passive. Given this strategy, the basis used by the CFO to determine whether market yields are being achieved shall be the State of California Local Agency Investment Fund (LAIF) as a comparable benchmark.

16.0: REPORTING

~~The Department Head Finance will submit a monthly investment report to the Board of Directors. This report will include all cash of the District, except for deferred compensation funds. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, and par values. The report shall contain the average weighted yield and percent distribution to each type of investment. The report must also include a certification~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

~~that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the Otay Water District will meet its expenditure obligations for the next six months as required by California Government Code §53646(b)(2) and (3), respectively. The Department Head Finance shall maintain a complete and timely record of all investment transactions.~~

~~In accordance with California Government Code §53646(b)(1), the Department Head Finance shall submit to each member of the Board of Directors a quarterly investment report that includes the current market values of each component of the portfolio as well as the source of the portfolio valuation.~~

The Chief Financial Officer shall provide the Board of Directors monthly investment reports which provide a clear picture of the status of the current investment portfolio. The management report should include comments on the fixed income markets and economic conditions, discussions regarding restrictions on percentage of investment by categories, possible changes in the portfolio structure going forward and thoughts on investment strategies. Schedules in the quarterly report should include the following:

- A listing of individual securities held at the end of the reporting period by authorized investment category.
- Average life and final maturity of all investments listed.
- Coupon, discount or earnings rate.
- Par value, amortized book value, and market value.
- Percentage of the portfolio represented by each investment category.

17.0: POLICY REVIEW INVESTMENT POLICY ADOPTION

The Otay Water District's investment policy shall be adopted by resolution of the District's Board of Directors. ~~The investment policy shall be reviewed and submitted annually to by the Board of Directors in order to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends and any modifications made thereto must be approved by the Board.~~

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|-----------------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

18.0: GLOSSARY

See Appendix A.

APPENDIX A: GLOSSARY

ACTIVE INVESTING: Active investors will purchase investments and continuously monitor their activity, often looking at the price movements of their stocks many times a day, in order to exploit profitable conditions. Typically, active investors are seeking short term profits.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BROKER/DEALER: Any individual or firm in the business of buying and selling securities for itself and others. Broker/dealers must register with the SEC. When acting as a broker, a broker/dealer executes orders on behalf of his/her client. When acting as a dealer, a broker/dealer executes trades for his/her firm's own account. Securities bought for the firm's own account may be sold to clients or other firms, or become a part of the firm's holdings.

CERTIFICATE OF DEPOSIT (CD): A short or medium term, interest bearing, FDIC insured debt instrument offered by banks and savings and loans. Money removed before maturity is subject to a penalty. CDs are a low risk, low return investment, and are also known as "time deposits", because the account holder has agreed to keep the money in the account for a specified amount of time, anywhere from a few months to several years.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: An unsecured short-term promissory note, issued by corporations, with maturities ranging from 2 to 270 days.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the Otay Water District. It includes detailed financial information prepared in conformity with generally accepted accounting principles (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed statistical section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a set date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures deposits in member banks and thrifts, currently up to \$100,000 per deposit.

FEDERAL FARM CREDIT BANK (FFCB): The Federal Farm Credit Bank system supports agricultural loans and issues securities and bonds in financial markets backed by these loans. It has consolidated the financing programs of several related farm credit agencies and corporations.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANK (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): A stockholder owned, publicly traded company chartered by the United States federal government in 1970 to purchase mortgages and related securities, and then issue securities and bonds in financial markets backed by those mortgages in secondary markets. Freddie Mac, like its

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

competitor Fannie Mae, is regulated by the United States Department of Housing and Urban Development (HUD).

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): A government owned agency which buys mortgages from lending institutions, securitizes them, and then sells them to investors. Because the payments to investors are guaranteed by the full faith and credit of the U.S. Government, they return slightly less interest than other mortgage-backed securities.

INTEREST-ONLY STRIPS: A mortgage backed instrument where the investor receives only the interest, no principal, from a pool of mortgages. Issues are highly interest rate sensitive, and cash flows vary between interest periods. Also, the maturity date may occur earlier than that stated if all loans within the pool are pre-paid. High prepayments on underlying mortgages can return less to the holder than the dollar amount invested.

INVERSE FLOATER: A bond or note that does not earn a fixed rate of interest. Rather, the interest rate is tied to a specific interest rate index identified in the bond/note structure. The interest rate earned by the bond/note will move in the opposite direction of the

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

index. An inverse floater increases the market rate risk and modified duration of the investment.

LEVERAGE: Investing with borrowed money with the expectation that the interest earned on the investment will exceed the interest paid on the borrowed money.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase/reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MUTUAL FUNDS: An open-ended fund operated by an investment company which raises money from shareholders and invests in a group of assets, in accordance with a stated set of objectives. Mutual funds raise money by selling shares of the fund to the public. Mutual funds then take the money they receive from the sale of their shares (along with any money made from previous investments) and use it to purchase

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|-----------------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

various investment vehicles, such as stocks, bonds, and money market instruments.

MONEY MARKET MUTUAL FUNDS: An open-end mutual fund which invests only in money markets. These funds invest in short term (one day to one year) debt obligations such as Treasury bills, certificates of deposit, and commercial paper.

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD): A self-regulatory organization of the securities industry responsible for the operation and regulation of the NASDAQ stock market and over-the-counter markets. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

PASSIVE INVESTING: An investment strategy involving limited ongoing buying and selling actions. Passive investors will purchase investments with the intention of long term appreciation and limited maintenance, and typically don't actively attempt to profit from short term price fluctuations. Also known as a buy-and-hold strategy.

PRIMARY DEALER: A designation given by the Federal Reserve System to commercial banks or broker/dealers who meet specific criteria, including capital requirements and participation in Treasury auctions. These dealers submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission registered securities broker/dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state--the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

PUBLIC SECURITIES ASSOCIATION (PSA): A trade organization of dealers, brokers, and bankers who underwrite and trade securities offerings.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RANGE NOTE: An investment whose coupon payment varies and is dependent on whether the current benchmark falls within a pre-determined range.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REGIONAL DEALER: A securities broker/dealer, registered with the Securities & Exchange Commission (SEC), who meets all of the licensing requirements for buying and selling securities.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security ``buyer'' in effect lends the ``seller'' money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding securities issues following their initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.), and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

STUDENT LOAN MARKETING ASSOCIATION (SLMA or Sallie Mae): A federally established, publicly traded corporation which buys student loans from colleges and other lenders, pools them, and sells them to investors.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price,

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

| Subject | Policy Number | Date Adopted | Date Revised |
|----------------------------|---------------|--------------|-----------------------------|
| DISTRICT INVESTMENT POLICY | 27 | 9/15/93 | 9/4/02 9/6/06 |

with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



**Association of Public Treasurer's of
UNITED STATES & CANADA
Investment Policy Certification**

August 10, 2006

Otay Water District, CA
James Cudlip, Treasurer
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978-2004

Dear Mr. Cudlip:

Re: Investment Policy Certification Approval

Congratulations on your successful completion of the Investment Policy Certification process through the Association of Public Treasurer's-United States & Canada. A team comprised of three (3) reviewers from the Investment Policy Certification Committee reviewed your Investment Policy and have now approved your municipalities policy for the APT-US&C Investment Policy Certificate of Excellence Award.

You are invited to attend the APT-US&C Annual Conference which will be held in San Diego, CA in 2007 to receive your plaque. Your plaque will be presented by the President of APT-US&C and the Investment Policy Certification Chairman. You will receive further information about the annual conference in the upcoming months

Once again, congratulations on a job well done and creating an excellent policy and attaining this award.

Sincerely,

A handwritten signature in black ink that reads "Dennis L. Habedank". The signature is written in a cursive, flowing style.

Dennis L. Habedank
Investment Policy Certification Chairman
dhabedank@garfield-twp.com

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
JULY 31, 2006**

INVESTMENT OVERVIEW & MARKET STATUS:

In accordance with California State Code and District Investment Policy, our investment objectives, in priority order, have been 1) safety, 2) liquidity, and 3) return on investment. To accomplish this, our strategy has been (and continues to be) to invest primarily in Federal Agency obligations (FHLB, FHLMC, FNMA), followed by United States Treasury notes, the California State investment pool (LAIF), and the San Diego County investment pool. Although other types of investments are authorized (commercial paper, corporate debt securities, etc.), we have not chosen these due to the increased time required for adequate research and the increased level of risk.

For the last two years interest rates have been steadily rising due to the Federal Reserve Board's repetitive increases in the federal funds rate, from 1.0% in Jun-04 to 5.25% in Jun-06. During the extended period when rates were low, Otay's investment strategy was to lock in the highest interest possible for periods of 18 to 24 months, with yields ranging from 1.7% to 3.0%. As interest rates have increased beyond 3% our investment strategy has changed to shorten the investment periods from 9 to 18 months, with yields ranging from 3.5% to 5.5%.

The Federal Reserve Board did not raise the federal funds rate beyond 5.25% at their last meeting (Aug-06) and interest rates have now stabilized, at least temporarily. Investment analysts currently believe the Feds will increase rates at least once more this year, to 5.5% by year-end. Based on this assessment we plan to maintain our current strategy of investing in short-term Federal Agency securities, in an attempt to avoid having prevailing interest rates overtake those of our current investment holdings for any extended period of time.

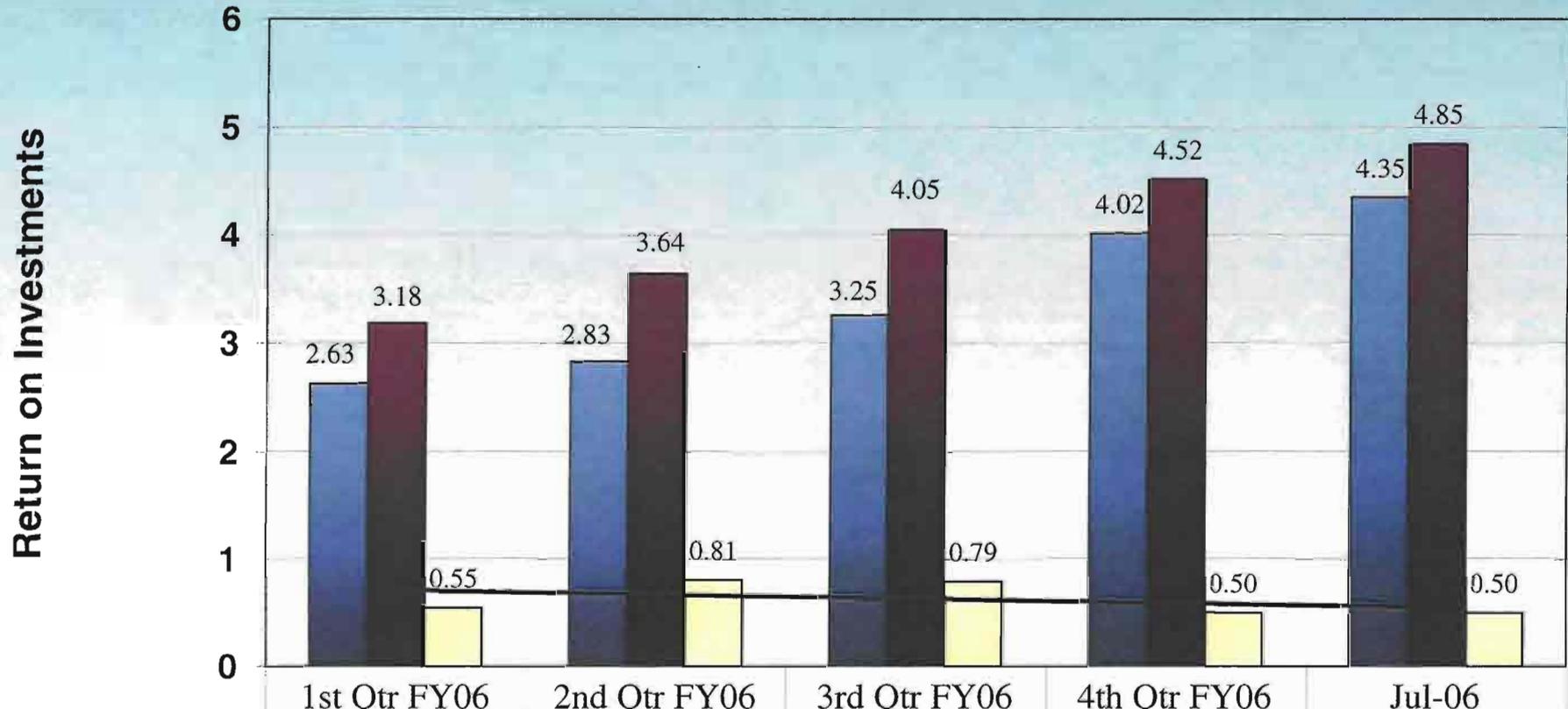
PORTFOLIO COMPLIANCE: July 31, 2006

| | <u>Investment</u> | <u>State Limit</u> | <u>Otay Limit</u> | <u>Otay Actual</u> |
|-------|--------------------------------------|--------------------|-------------------|--------------------|
| 8.01: | Treasury Securities | 100% | 100% | 12.75% |
| 8.02: | Local Agency Investment Fund (LAIF) | \$40 Million | \$40 Million | \$7.3 Million |
| 8.03: | Federal Agency Issues | 100% | 100% | 76.59% |
| 8.04: | Certificates of Deposit | 30% | 15% | 0.11% |
| 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% | 0.14% |
| 12.0: | Maximum Single Financial Institution | 100% | 50% | 2.1% |

Performance Measure F-12

Return on Investment

Target: Meet or Exceed 100% of LAIF

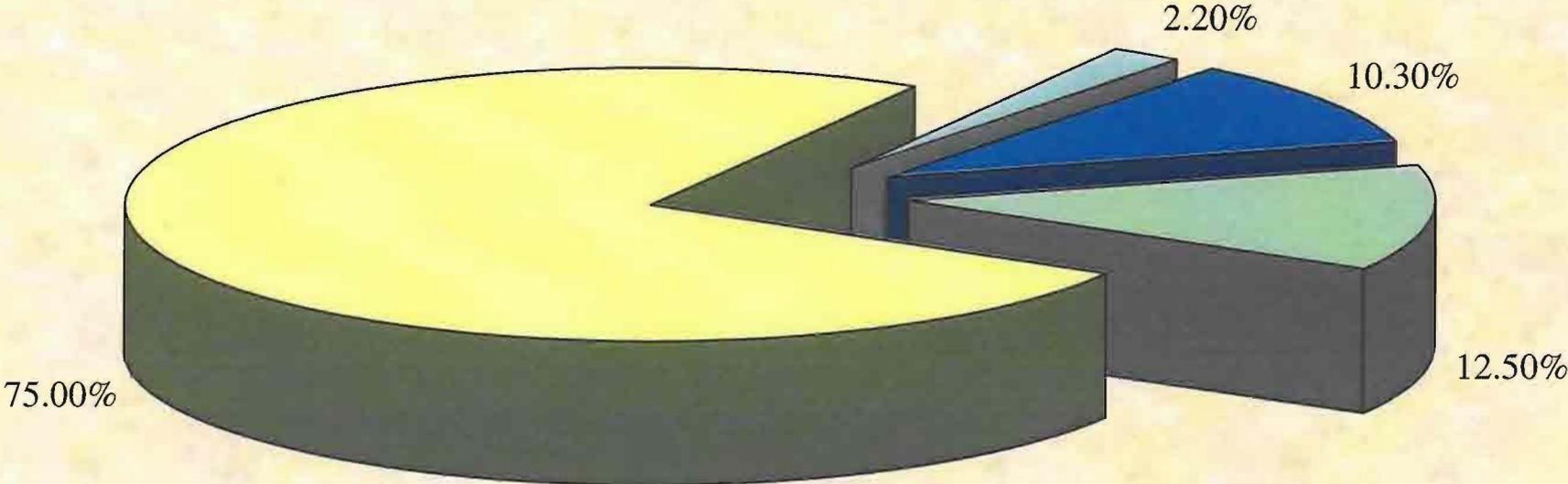


| | | | | | |
|--------------|------|------|------|------|------|
| ■ Otay | 2.63 | 2.83 | 3.25 | 4.02 | 4.35 |
| ■ LAIF | 3.18 | 3.64 | 4.05 | 4.52 | 4.85 |
| ■ Difference | 0.55 | 0.81 | 0.79 | 0.50 | 0.50 |

Month

■ Otay ■ LAIF ■ Difference — Linear (Difference)

Otay Water District Investment Portfolio



■ Banks (Passbook/Checking/CD) ■ Pools (LAIF & County) ■ Treasuries ■ Agencies

OTAY
Portfolio Management
Portfolio Summary
July 31, 2006

| Investments | Par Value | Market Value | Book Value | % of Portfolio | Term | Days to Maturity | YTM 360 Equiv. | YTM 365 Equiv. |
|---|----------------------|----------------------|----------------------|-----------------------|-------------|-------------------------|-----------------------|-----------------------|
| Federal Agency Issues- Callable | 54,000,000.00 | 53,751,036.99 | 53,941,786.94 | 76.59 | 541 | 270 | 4.471 | 4.533 |
| Treasury Securities - Coupon | 9,000,000.00 | 8,950,312.50 | 8,977,863.67 | 12.75 | 351 | 166 | 4.460 | 4.522 |
| Certificates of Deposit - Bank | 79,108.00 | 79,108.00 | 79,108.00 | 0.11 | 730 | 539 | 3.880 | 3.934 |
| Local Agency Investment Fund (LAIF) | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | 10.40 | 1 | 1 | 4.783 | 4.849 |
| San Diego County Pool | 99,091.73 | 98,617.16 | 99,091.73 | 0.14 | 1 | 1 | 4.212 | 4.271 |
| | 70,505,643.17 | 70,193,224.80 | 70,425,293.78 | 100.00% | 460 | 229 | 4.501 | 4.563 |
| Investments | | | | | | | | |
| Cash | | | | | | | | |
| Passbook/Checking (not included in yield calculations) | 1,495,289.19 | 1,495,289.19 | 1,495,289.19 | | 1 | 1 | 0.257 | 0.260 |
| Total Cash and Investments | 72,000,932.36 | 71,688,513.99 | 71,920,582.97 | | 460 | 229 | 4.501 | 4.563 |

| Total Earnings | July 31 Month Ending | Fiscal Year To Date |
|---------------------------------|-----------------------------|----------------------------|
| Current Year | 277,970.32 | 277,970.32 |
| Average Daily Balance | 75,210,445.54 | 75,210,445.54 |
| Effective Rate of Return | 4.35% | 4.35% |

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.



 Joseph Beachem, Chief Financial Officer

8-16-06

OTAY
Portfolio Management
Portfolio Details - Investments
July 31, 2006

| 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 | | | | | | | | | | | | |
| 3133X6LN4 | 1980 | Federal Home Loan Bank | | 05/10/2004 | 3,000,000.00 | 2,998,125.00 | 3,000,000.00 | 2.650 | | 2.614 | 9 | 08/10/2006 |
| 3133X8KE1 | 1988 | Federal Home Loan Bank | | 09/29/2004 | 3,000,000.00 | 2,970,000.00 | 3,000,000.00 | 3.025 | | 2.982 | 150 | 12/29/2006 |
| 3133X8KC5 | 1989 | Federal Home Loan Bank | | 09/29/2004 | 3,000,000.00 | 2,987,812.50 | 3,000,000.00 | 3.000 | | 2.959 | 58 | 09/28/2006 |
| 3133XARM1 | 1990 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,993,437.50 | 3,000,000.00 | 3.470 | | 3.422 | 38 | 09/08/2006 |
| 3133XASF5 | 1991 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,979,375.00 | 3,000,000.00 | 3.500 | | 3.450 | 129 | 12/08/2006 |
| 3133XARK5 | 1992 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,978,437.50 | 3,000,000.00 | 3.510 | | 3.460 | 129 | 12/08/2006 |
| 3133XEMS5 | 1998 | Federal Home Loan Bank | | 02/28/2006 | 3,000,000.00 | 2,984,062.50 | 3,000,000.00 | 5.000 | | 4.943 | 484 | 11/28/2007 |
| 3133XEP45 | 1999 | Federal Home Loan Bank | | 03/02/2006 | 3,000,000.00 | 2,989,687.50 | 3,000,000.00 | 5.000 | | 4.932 | 213 | 03/02/2007 |
| 3133XETX7 | 2001 | Federal Home Loan Bank | | 03/14/2006 | 3,000,000.00 | 2,988,750.00 | 3,000,000.00 | 5.125 | | 5.055 | 409 | 09/14/2007 |
| 3133XF2C9 | 2002 | Federal Home Loan Bank | | 04/25/2006 | 3,000,000.00 | 2,994,375.00 | 3,000,000.00 | 5.250 | | 5.175 | 428 | 10/03/2007 |
| 3133XFBX3 | 2003 | Federal Home Loan Bank | | 05/04/2006 | 3,000,000.00 | 2,994,375.00 | 3,000,000.00 | 5.250 | | 5.178 | 276 | 05/04/2007 |
| 3133XFS72 | 2007 | Federal Home Loan Bank | | 06/28/2006 | 3,000,000.00 | 2,995,312.50 | 3,000,000.00 | 5.350 | | 5.277 | 514 | 12/28/2007 |
| 3133XGCU6 | 2008 | Federal Home Loan Bank | | 07/28/2006 | 3,000,000.00 | 2,999,062.50 | 3,000,000.00 | 5.450 | | 5.375 | 181 | 01/29/2007 |
| 3128X4K67 | 2000 | Federal Home Loan Mortgage | | 03/07/2006 | 3,000,000.00 | 2,983,478.85 | 3,000,000.00 | 5.250 | | 5.178 | 584 | 03/07/2008 |
| 3128X4DY4 | 2004 | Federal Home Loan Mortgage | | 05/18/2006 | 3,000,000.00 | 2,961,302.95 | 2,967,081.47 | 4.000 | | 5.129 | 346 | 07/13/2007 |
| 3128X4CE9 | 2005 | Federal Home Loan Mortgage | | 05/18/2006 | 3,000,000.00 | 2,970,716.86 | 2,974,705.47 | 3.625 | | 5.161 | 198 | 02/15/2007 |
| 3128X5CC0 | 2006 | Federal Home Loan Mortgage | | 06/01/2006 | 3,000,000.00 | 2,995,850.83 | 3,000,000.00 | 5.340 | | 5.263 | 330 | 06/27/2007 |
| 31359MG31 | 1997 | Federal National Mortgage Assoc | | 02/24/2006 | 3,000,000.00 | 2,986,875.00 | 3,000,000.00 | 5.000 | | 4.932 | 388 | 08/24/2007 |
| Subtotal and Average | | | 53,938,606.71 | | 54,000,000.00 | 53,751,036.99 | 53,941,786.94 | | | 4.471 | 270 | |
| Treasury Securities - Coupon | | | | | | | | | | | | |
| 912828DJ6 | 1993 | US TREASURY | | 01/26/2006 | 3,000,000.00 | 2,970,000.00 | 2,980,710.81 | 3.125 | | 4.376 | 183 | 01/31/2007 |
| 912828DQ0 | 1994 | US TREASURY | | 01/26/2006 | 3,000,000.00 | 2,972,812.50 | 2,985,985.58 | 3.750 | | 4.431 | 242 | 03/31/2007 |
| 912827Z62 | 1995 | US TREASURY | | 02/02/2006 | 3,000,000.00 | 3,007,500.00 | 3,011,167.28 | 6.500 | | 4.571 | 75 | 10/15/2006 |
| Subtotal and Average | | | 8,977,647.38 | | 9,000,000.00 | 8,950,312.50 | 8,977,863.67 | | | 4.460 | 166 | |
| 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 | 539 | 01/22/2008 |
| Subtotal and Average | | | 79,108.00 | | 79,108.00 | 79,108.00 | 79,108.00 | | | 3.880 | 539 | |
| Local Agency Investment Fund (LAIF) | | | | | | | | | | | | |
| LAIF | 9001 | STATE OF CALIFORNIA | | 07/01/2004 | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | 4.849 | | 4.783 | 1 | |
| Subtotal and Average | | | 11,031,346.66 | | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | | | 4.783 | 1 | |

Portfolio OTAY

AP

PM (PRF_PM2) SymRept 6.41.200

Report Ver. 5.00

OTAY
Portfolio Management
Portfolio Details - Investments
July 31, 2006

| CUSIP | Investment # | Issuer | Average Balance | Purchase Date | Par Value | Market Value | Book Value | Stated Rate | Moody's | YTM 360 | Days to Maturity | Maturity Date |
|------------------------------|--------------|---------------------|----------------------|---------------|----------------------|----------------------|----------------------|-------------|---------|--------------|------------------|---------------|
| San Diego County Pool | | | | | | | | | | | | |
| SD COUNTY POOL | 9007 | STATE OF CALIFORNIA | | 07/01/2004 | 99,091.73 | 98,617.16 | 99,091.73 | 4.271 | | 4.212 | 1 | |
| Subtotal and Average | | | 99,091.73 | | 99,091.73 | 98,617.16 | 99,091.73 | | | 4.212 | 1 | |
| Total and Average | | | 75,210,445.54 | | 70,505,643.17 | 70,193,224.80 | 70,425,293.78 | | | 4.501 | 229 | |

OTAY
Portfolio Management
Portfolio Details - Cash
July 31, 2006

| 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 BANK | 9002 | STATE OF CALIFORNIA | | 07/01/2004 | 179,955.69 | 179,955.69 | 179,955.69 | 1.400 | | 1.381 | 1 |
| PETTY CASH | 9003 | STATE OF CALIFORNIA | | 07/01/2004 | 2,800.00 | 2,800.00 | 2,800.00 | | | 0.000 | 1 |
| CALIF BANK & TR | 9004 | STATE OF CALIFORNIA | | 07/01/2004 | 1,229,954.29 | 1,229,954.29 | 1,229,954.29 | | | 0.000 | 1 |
| PAYROLL | 9005 | STATE OF CALIFORNIA | | 07/01/2004 | 51,823.75 | 51,823.75 | 51,823.75 | | | 0.000 | 1 |
| UNION IOC | 9008 | STATE OF CALIFORNIA | | 05/01/2006 | 30,755.46 | 30,755.46 | 30,755.46 | 4.460 | | 4.399 | 1 |
| | | Average Balance | 0.00 | | | | | | | | 1 |
| Total Cash and Investments | | | 75,210,445.54 | | 72,000,932.36 | 71,688,513.99 | 71,920,582.97 | | | 4.501 | 229 |

**OTAY
Activity Report
Sorted By Issuer
July 1, 2006 - July 31, 2006**

| 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 BANK | 9002 | STATE OF CALIFORNIA | | | 1.400 | | 3,125,812.41 | 3,000,875.00 | |
| CALIF BANK & TR | 9004 | STATE OF CALIFORNIA | | | | | 333,870.72 | 0.00 | |
| PAYROLL | 9005 | STATE OF CALIFORNIA | | | | | 2,924.82 | 0.00 | |
| UNION IOC | 9008 | STATE OF CALIFORNIA | | | 4.460 | | 117.49 | 55.00 | |
| Subtotal and Balance | | | | 1,033,493.75 | | | 3,462,725.44 | 3,000,930.00 | 1,495,289.19 |
| Local Agency Investment Fund (LAIF) | | | | | | | | | |
| LAIF | 9001 | STATE OF CALIFORNIA | | | 4.849 | | 1,359,923.09 | 6,600,000.00 | |
| Subtotal and Balance | | | | 12,567,520.35 | | | 1,359,923.09 | 6,600,000.00 | 7,327,443.44 |
| San Diego County Pool | | | | | | | | | |
| Subtotal and Balance | | | | 99,091.73 | | | | | 99,091.73 |
| Issuer Subtotal | | | 12.391% | 13,700,105.83 | | | 4,822,648.53 | 9,600,930.00 | 8,921,824.36 |
| Issuer: California Bank & Trust | | | | | | | | | |
| Certificates of Deposit - Bank | | | | | | | | | |
| Subtotal and Balance | | | | 79,108.00 | | | | | 79,108.00 |
| Issuer Subtotal | | | 0.110% | 79,108.00 | | | 0.00 | 0.00 | 79,108.00 |
| Issuer: Federal Home Loan Bank | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | |
| 3133X5ZG6 | 1977 | Federal Home Loan Bank | | | 2.510 | 07/28/2006 | 0.00 | 3,000,000.00 | |
| 3133XGCU6 | 2008 | Federal Home Loan Bank | | | 5.450 | 07/28/2006 | 3,000,000.00 | 0.00 | |
| Subtotal and Balance | | | | 39,000,000.00 | | | 3,000,000.00 | 3,000,000.00 | 39,000,000.00 |
| Issuer Subtotal | | | 54.166% | 39,000,000.00 | | | 3,000,000.00 | 3,000,000.00 | 39,000,000.00 |

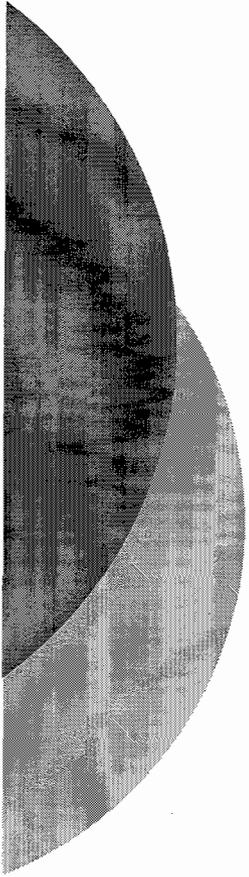
OTAY
Activity Report
July 1, 2006 - July 31, 2006

| CUSIP | Investment # | Issuer | Percent of Portfolio | Par Value Beginning Balance | Current Rate | Transaction Date | Purchases or Deposits | Par Value Redemptions or Withdrawals | Ending Balance |
|--|--------------|--------|----------------------|--------------------------------|--------------|------------------|-----------------------|---|----------------|
| Issuer: Federal Home Loan Mortgage | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | |
| | | | | 12,000,000.00 | | | | | 12,000,000.00 |
| | | | | 12,000,000.00 | | | 0.00 | 0.00 | 12,000,000.00 |
| | | | 16.666% | 12,000,000.00 | | | | | |
| Issuer: Federal National Mortgage Assoc | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | |
| | | | | 3,000,000.00 | | | | | 3,000,000.00 |
| | | | | 3,000,000.00 | | | 0.00 | 0.00 | 3,000,000.00 |
| | | | 4.167% | 3,000,000.00 | | | | | |
| Issuer: US TREASURY | | | | | | | | | |
| Treasury Securities - Coupon | | | | | | | | | |
| | | | | 9,000,000.00 | | | | | 9,000,000.00 |
| | | | | 9,000,000.00 | | | 0.00 | 0.00 | 9,000,000.00 |
| | | | 12.500% | 9,000,000.00 | | | | | |
| | | | Total | 76,779,213.83 | | | 7,822,648.53 | 12,600,930.00 | 72,000,932.36 |

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 07/31/2006

| Security ID | Investment # | Fund | Issuer | Investment Class | Book Value | Par Value | Market Value | Current Rate | YTM 365 | Current Yield | Maturity/ Call Date | Effective Duration |
|---------------------|--------------|------|---------------------------------|------------------|----------------------|----------------------|----------------------|--------------|---------|---------------|---------------------|--------------------|
| 3133XETX7 | 2001 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,988,750.00 | 5.125 | 5.125 | 5.480 | 09/14/2007 | 1.053 |
| 3133XFS72 | 2007 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,995,312.50 | 5.350 | 5.350 | 5.671c | 12/28/2006 | 0.408 |
| 3133XASF5 | 1991 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,979,375.00 | 3.500 | 3.498 | 5.509 | 12/08/2006 | 0.339 |
| 3133X6LN4 | 1980 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,998,125.00 | 2.650 | 2.650 | 2.777 | 08/10/2006 | 0.024 |
| 3133XARK5 | 1992 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,978,437.50 | 3.510 | 3.508 | 4.983c | 09/08/2006 | 0.000 |
| 3133XEP45 | 1999 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,989,687.50 | 5.000 | 5.000 | 5.613 | 03/02/2007 | 0.557 |
| 3133XEMS5 | 1998 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,984,062.50 | 5.000 | 5.012 | 6.095c | 08/28/2006 | 0.073 |
| 3128X4DY4 | 2004 | 99 | Federal Home Loan Mortgage | Fair | 2,967,081.47 | 3,000,000.00 | 2,961,302.95 | 4.000 | 5.200 | 6.666c | 01/13/2007 | 0.452 |
| 3133XGCU6 | 2008 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,999,062.50 | 5.450 | 5.450 | 5.516 | 01/29/2007 | 0.481 |
| 3133X8KC5 | 1989 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,987,812.50 | 3.000 | 3.000 | 3.828c | 08/28/2006 | 0.000 |
| 3128X4CE9 | 2005 | 99 | Federal Home Loan Mortgage | Fair | 2,974,705.47 | 3,000,000.00 | 2,970,716.86 | 3.625 | 5.232 | 5.491 | 02/15/2007 | 0.515 |
| 3128X5CC0 | 2006 | 99 | Federal Home Loan Mortgage | Fair | 3,000,000.00 | 3,000,000.00 | 2,995,850.83 | 5.340 | 5.336 | 5.624c | 12/01/2006 | 0.334 |
| 3133X8KE1 | 1988 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,970,000.00 | 3.025 | 3.024 | 5.076c | 09/29/2006 | 0.000 |
| 3128X4K67 | 2000 | 99 | Federal Home Loan Mortgage | Fair | 3,000,000.00 | 3,000,000.00 | 2,983,478.85 | 5.250 | 5.250 | 5.618 | 03/07/2008 | 1.482 |
| 31359MG31 | 1997 | 99 | Federal National Mortgage Assoc | Fair | 3,000,000.00 | 3,000,000.00 | 2,986,875.00 | 5.000 | 5.000 | 5.901c | 08/24/2006 | 0.063 |
| 3133XFBX3 | 2003 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,994,375.00 | 5.250 | 5.250 | 5.636c | 08/04/2006 | 0.000 |
| 3133XARM1 | 1990 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,993,437.50 | 3.470 | 3.470 | 3.916 | 09/08/2006 | 0.104 |
| 3133XF2C9 | 2002 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,994,375.00 | 5.250 | 5.247 | 5.636c | 10/03/2006 | 0.172 |
| 912827Z62 | 1995 | 99 | US TREASURY | Fair | 3,011,167.28 | 3,000,000.00 | 3,007,500.00 | 6.500 | 4.634 | 5.985 | 10/15/2006 | 0.205 |
| 912828DJ6 | 1993 | 99 | US TREASURY | Fair | 2,980,710.81 | 3,000,000.00 | 2,970,000.00 | 3.125 | 4.437 | 5.177 | 01/31/2007 | 0.501 |
| 912828DQ0 | 1994 | 99 | US TREASURY | Fair | 2,985,985.58 | 3,000,000.00 | 2,972,812.50 | 3.750 | 4.492 | 5.158 | 03/31/2007 | 0.638 |
| 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 | 1.427 † |
| Report Total | | | | | 62,998,758.61 | 63,079,108.00 | 62,780,457.49 | | | 5.300 | | 0.353 † |

† = Duration can not be calculated on these investments due to incomplete Market price data.



DISTRICT INVESTMENT POLICY

Policy # 27

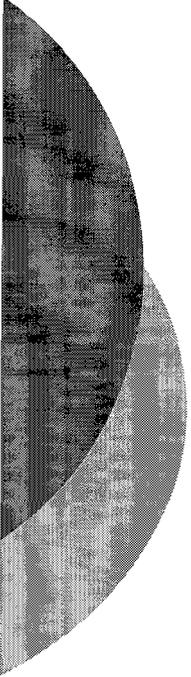
September 6, 2006



POLICY REVIEW

- Goal: To Improve Financial Policies, Procedures, and Reports

- Requirement: Annual Review



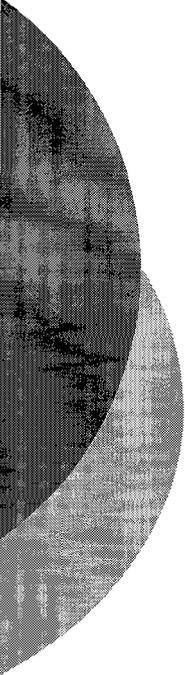
INVESTMENT POLICY GUIDELINES

A. California Government Code:

- Sections 53600 through 53692

B. Professional Finance Organizations:

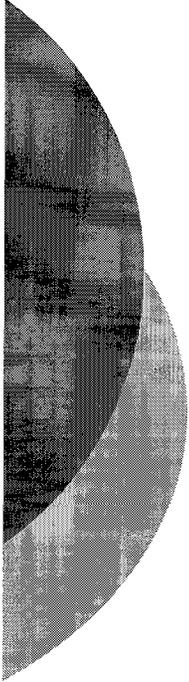
- Government Finance Officers Association (GFOA)
- Association of Public Treasurers of the United States & Canada (APT US&C)
- California Municipal Treasurers Association (CMTA)
- California Society of Municipal Finance Officers (CSMFO)



INVESTMENT CODE CHANGES

- **New Sections**

- 6.0: Ethics and Conflicts of Interest
- 7.0: Authorized Financial Dealers & Institutions
- 9.0: Investment Pools/Mutual Funds
- 10.0: Collateralization
- 13.0: Maximum Maturities
- 14.0: Internal Control
- 15.0: Performance Standards
- 18.0: Glossary



INVESTMENT CODE CHANGES

▪ **Authorized Investments**

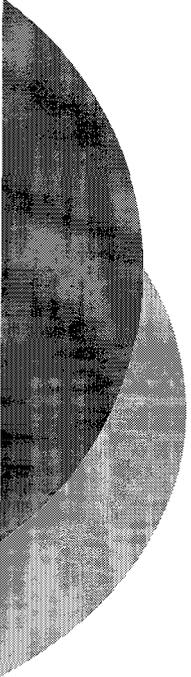
- 8.01: U.S. Treasury Bills
- 8.02: LAIF
- 8.03: Government Agency Bonds
- 8.04: CDs
- 8.05: Commercial Paper
- 8.06: Medium Term Notes
- 8.07: Money Market Mutual Funds
- 8.08: San Diego County Pool
- 8.09: Restrictions



INVESTMENT CODE CHANGES

- **Deleted Investments**

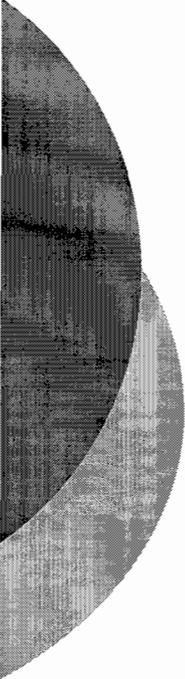
- C. Time Deposits, non negotiable and collateralized
- F. Collateralized Repurchase Agreements



INVESTMENT POLICY CERTIFICATION

APT US&C Certificate of Excellence

- “Nicely Written”
- “One of the highest scores we’ve ever given”



REQUESTED BOARD ACTION

The Finance and Administration Committee review the Investment Policy (Board of Directors Policy No. 27) and recommend adoption of Resolution 4088 amending the policy and re-delegating authority for all investment related activities to the Chief Financial Officer in accordance with California Government Code Section 53607.



AGENDA ITEM 8a

STAFF REPORT

| | | | |
|-----------------------------|--|---------------|--------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Pat Vaughan <i>Pat Vaughan</i> | PROJECT: | P2210 DIV. NO. ALL |
| APPROVED BY: (Chief): | Rod Posada <i>Rod Posada</i> | | |
| APPROVED BY: (Asst. GM): | Manny Magaña <i>M Magaña</i> | | |
| SUBJECT: | Informational Item - FY 2006 Year-End CIP Report | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board accept the FY 2006 Year-End CIP Report for review and receive a summary via PowerPoint presentation.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To update the Board about the status of all CIP project expenditure highlights, significant issues, progress, and milestones on major projects.

ANALYSIS:

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water, each year Otay WD staff prepares a five-year rolling CIP that identifies the Otay WD infrastructure needs. The CIP is comprised of five categories consisting of backbone capital facilities, maintenance projects, developer's reimbursement projects, non-operating expenses, and capital purchases.

The quarterly update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget. Staff continues to strive to achieve the targeted goal of at least 70 to 80% of the total fiscal year budget amount. Overall expenditures in this Fiscal Year totaled 36.3 Million, which is 92%, with CIP backbone facilities at 107%.

FISCAL IMPACT: _____

None.

STRATEGIC GOAL:

The CIP supports the mission of providing the best quality of water and wastewater service to the customers of the Otay Water District in a professional, effective, efficient, and sensitive manner, in all aspects of operation, so that public health, environment, and quality of life are enhanced.

LEGAL IMPACT:

None.


General Manager

MA



ATTACHMENT A

| | |
|-------------------------|---|
| SUBJECT/PROJECT: | Informational Item - FY 2006 Year-End CIP Report (Project P2210) |
|-------------------------|---|

COMMITTEE ACTION:

The Engineering & Water Operations Committee reviewed this item in detail on August 23, 2006. The Committee made suggestions for improvements to the presentation and recommended presentation to the full board.

CAPITAL IMPROVEMENT PROGRAM



**Fiscal Year 2006
Year End Report**

(through June 30, 2006)



Background

- To keep up with growth and to meet our customers' expectations, District staff prepared a six-year rolling CIP. The CIP report contains information about budget, allocations of funds, project costs, locations, descriptions, justifications and schedules.
- The approved CIP budget for FY06 consisted of **101** projects that totaled **\$39.3** million. These projects are broken down into four categories:
 1. Capital facilities: **\$ 28.9 million**
 2. Maintenance: **\$ 1.8 million**
 3. Capital purchase: **\$ 2.7 million**
 4. Developer reimbursement: **\$ 5.9 million**



(continued)

- Overall expenditures in this fiscal year totaled approximately **\$36.3** million, which is **92%** of our forecast expenditure.
- The FY06 overall expenditures met our targeted goal of 75% or greater.

FY06 Year End Report

(through June 30, 2006)

(\$000)

| CIP Cat | Description | FY06 Budget | FY06 Expenditures | % FY06 Budget Spent | Total Project Budget * | Total Project Expenditures * | % Project Budget Spent |
|------------|--|----------------|----------------------|---------------------------|------------------------------|------------------------------------|---------------------------------|
| 1 | Capital Facility Projects | 28,937 | 31,051 | 107% | 135,397 | 60,906 | 45% |
| 2 | Maintenance Projects | 1,766 | 1,150 | 65% | 11,998 | 4,200 | 35% |
| 3 | Capital Purchase Projects | 2,680 | 1,471 | 55% | 16,292 | 11,736 | 72% |
| 4 | Developer Reimbursement Projects | 5,897 | 2,605 | 44% | 24,105 | 8,609 | 36% |
| | Total: | 39,280 | 36,277 | 92% | 187,792 | 85,451 | 46% |

* Six year rolling CIP

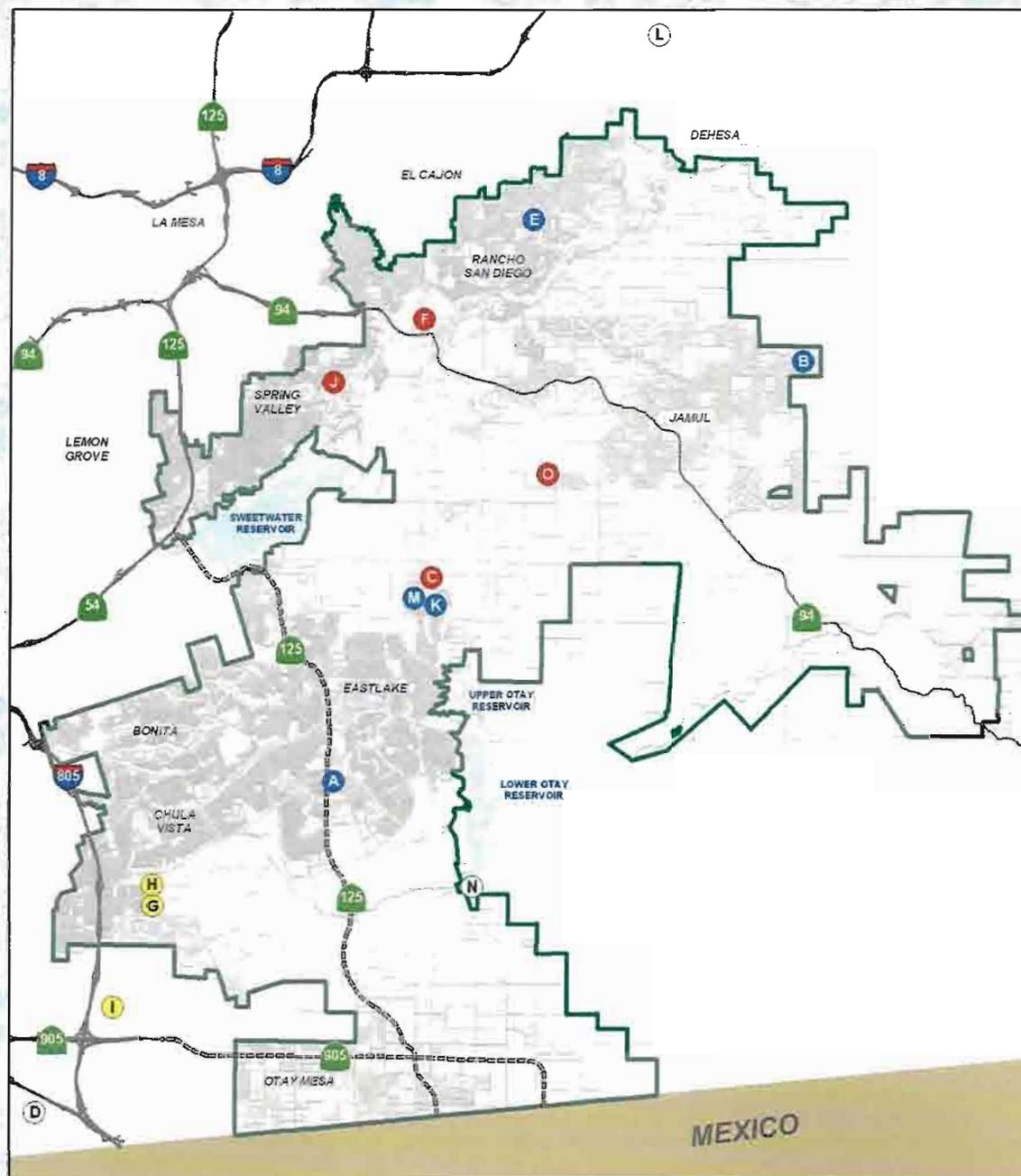


MAJOR CIP PROJECTS

- A** P2008 980-2 Pump Station
- B** P2028 Res - 1485-2 Reservoir 1.3 MG
- C** P2037 Res - 980-3 Reservoir 15.5 MG
- D** P2129 Ground Water Exploration Program
- E** P2168 Res - 803-4 Reservoir 6.0 MG
- F** P2185 Res - 640-1 & 2 Reservoirs 20.0 MG
- G** R2001 RecRes - 450-1 Reservoir 12.0 MG
- H** R2004 RecPS - 680-1 Pump Station (11,500 GPM)
- I** R2022 RecPL - 30-Inch, 450 Zone, Dairy Mart Road to 450-1 Reservoir
- J** P2191 Res - 850-4 Reservoir 2.2 MG
- K** P2205 PS - Rolling Hills Hydro Pump Station (950 GPM)
- L** P2009 PL - 36" CWA / Helix to OWD Regulatory Site
- M** P2399 PL - 30-Inch, Hunte Pkwy to 980 Reservoirs
- N** P2425 City of S. D. Otay Water Treatment Plant 26 MGD Capacity
- O** P2143 Res - 1296-3 Reservoir 2.0 MG

PROJECT STATUS

-  PLANNING
-  DESIGN
-  CONSTRUCTION
-  COMPLETED IN USE
-  District Boundary



Flagship CIP Projects Completed



980-2 Pump Station
This project is complete and was accepted into the District's system in June 2006.



30-Inch Pipeline, 980 Pressure Zone
This is an important project due to increasing demand in Eastern Chula Vista, 980 Zone. Project was designed in-house and accepted by the District in May 2006.

803-4, 6 MG Reservoir
This project is complete and was accepted into the District's system in June 2006.



1485-2, 1.6 MG Reservoir
This project is complete and was accepted into the District's system in May 2006.



Flagship CIP Projects in Construction and Ahead of Schedule



30" Recycled Water Pipeline Project

Project was awarded to Ortiz for construction in May 2005. This pipeline will deliver recycled water from South Bay to the 450 / 680 Reservoir and Pump Station. Project is expected to be completed in the Fall of 2006.



450-1 Reservoir / 680-1 Pump Station
Reservoir and the Pump Station are under construction. Project is expected to be complete in the Spring of 2007.

Progress on Major Projects

▪ 980-2 Pump Station:

Key Component: 25,000 GPM (36 MGD) pump station delivering water to the 980 potable water pressure zone.

Schedule: Board approved award of construction contract in September 2004. Construction began in October 2004. Completed June 2006.

Cost: Budget was 100% spent.

Significant Issues: APWA Honor Award will be given on September 14, 2006.

Warranty items being worked on at no cost to the District.

- One pump has been pulled for warranty repair.
- ATS in process of installation.

▪ 30-Inch Pipeline, 980 Pressure Zone:

Key Component: 7,900 linear feet of 30-inch CML&C steel pipeline, from Hunte Parkway to the 980 Reservoirs and 5,000 feet of access road.

Schedule: Notice to proceed dated April 20, 2005. Completed May 2006.

Cost: Budget was 100% spent.

APWA Honor Award



August 22, 2006

Ms. Barbara Bartholomae
Boyle Engineering Corporation
7807 Convooy Court, Suite 200
San Diego, CA 92111

Reference: APWA AWARD

Dear Ms. Bartholomae:

It is my pleasure to inform you that the 980-2 Pump Station Project was selected for an Honor Award.

The awards program is on Thursday, September 14, 2006 at the Association's monthly meeting at the Four Points Hotel, 8110 Aczo Drive, San Diego. Registration will begin at 11:30 a.m. with lunch and awards program starting at 12:00 p.m. We request that you designate a representative from your organization to attend the meeting, receive the award, and have a complimentary lunch with our members. You may invite others to attend the awards presentation however; they will be responsible for the cost of their lunch. Lunch reservations can be made by emailing Mari Mclean at mclean@mms-inc.net by close of business on Monday, September 11, 2006.

A picture of your project will be included in the award plaque. Please send a high quality horizontally orientated 4" x 6" hardcopy picture to my attention at:

Tom Frank, PE
APWA Awards Chair
C/O:
Infrastructure Engineering Corporation
717 Pier View Way
Oceanside, CA 92024

A slide presentation highlighting all winning projects is included in the afternoon's program. Please email me two or three electronic copy project photos no later than August 30, 2006. My e-mail address is tfrank@icorporation.

Congratulations on your award. If you have any questions or need additional information, please contact me at (760) 529-0795 ext. 203.

Sincerely,


Tom Frank, P.E.
APWA Chapter Awards Committee Chairman

cc: File

2006 OFFICERS

PRESIDENT

Bosco Ribli (619) 627-3201
City of San Diego

PRESIDENT-ELECT

Howard Arnold (858) 673-3565
Terra Tech, Inc.

VICE PRESIDENT

Pat Boskamp (619) 236-6274
City of San Diego

SECRETARY

Ed Walters (619) 532-7365
City of Coronado

TREASURER

Samir House (619) 243-2391
URS Corporation

DIRECTORS

Tom Acker (619) 499-5483
City of Chula Vista

Tom Frank (760) 529-0795
Infrastructure Engineering

Tim Gabrielson (619) 281-0797
Bick Engineering Company

Tony Heinrichs (619) 586-6260
Port of San Diego

Jessalata Smith (858) 698-4671
City of Poway

Chandra Waller (858) 694-2125
County of San Diego

Angela Moore (760) 836-4038
City of Escondido

PAST PRESIDENT

Charles R. Spinks (619) 734-9411
Kinley-Horn & Associates

HOUSE OF DELEGATES AND CALIFORNIA PUBLIC WORKS COUNCIL REPRESENTATIVE

Angie Chang (858) 576-9200
Pymus

Julio Fuentes (619) 533-3092
City of San Diego

Altamira

REGION VII DIRECTOR

Ana Barnes
(619) 640-4444

(continued)

▪ 803-4 Reservoir:

Key Component: Remove an existing 1 MG reservoir and construct a new 6 MG above-ground steel reservoir.

Schedule: Board approved the construction contract in October 2004. Completed June 2006.

Cost: This project came in \$390,000 under budget.

▪ 1485-2 Reservoir:

Key Component: Construction of a new 1.6 MG steel reservoir.
Rehabilitation of the existing 0.3 MG steel reservoir.

Schedule: Board approved the construction contract in May 2004. Construction began in June 2004. The new 1485-2 Reservoir was completed in November 2005, and the rehabilitation of the existing 1485-1 Reservoir was completed in May 2006.

Cost: This project came in \$80,000 under budget.

(continued)

▪ 30" Recycled Water Pipeline Project:

Key Component: Approximately 6 miles of 30" pipeline for recycled water from City of San Diego's South Bay Water Reclamation Plant (SBWRP) to Otay's 450-1 Reservoir and 680-1 Pump Station.

Schedule: Full notice to proceed given on September 28, 2005. Contract completion date is November 21, 2006.

Cost: The overall project budget is 69% spent - \$15.53 million out of a total budget of \$22.6 million.

Significant Issues: Project is progressing well. Construction contract is on schedule and 75% complete as of June 30, 2006.

▪ 450-1 Recycled Reservoir / 680-1 Recycled Pump Station:

Key Component: 12,000 GPM (17.3 MGD) pump station delivering recycled water from 450-1 Reservoir to the 680 and 944 recycled water pressure zones.

Schedule: Construction started in late November 2005. Contract completion date is March 14, 2007.

Cost: The overall project budget is 51% spent - \$9.36 million out of a total budget of \$18.2 million.

Significant Issues: Construction contract is on schedule and 57% complete as of June 30, 2006.



(continued)

▪ 980-3 15 MG Reservoir:

- Key Component:** Otay Engineering staff is designing a 15 million gallon pre-stressed, circular, concrete reservoir adjacent to our two existing reservoirs in the use area.
- Schedule:** 90% design completed. Construction to begin in FY10.
- Cost:** The overall project budget is 7% spent.
- Significant Issues:** Project has been rescheduled in order to complete other higher priority projects. Additionally, other system improvements have allowed this project completion date to be extended. Remaining design work will be completed toward the end of FY09 with construction starting in early FY10.

(continued)

▪ East County Regional Treated Water Improvement Program (ECRTWIP):

Key Component: Acquire an additional 4 MGD of local treatment capacity for a total of 12 MGD on peak capacity and 16 MGD off peak capacity from Helix Water District through the San Diego County Water Authority (CWA).

Schedule: Otay's portion is the construction of a 36" pipeline.
ECRTWIP Agreement fully executed on April 27, 2006.

FCF #14 to be completed by December 2007 (CWA).

The 36" pipeline is expected to be completed by January 2010 (OWD).

Cost: FY06 budget was expended.

Significant Issues: Four Water Districts involved (Otay, Padre, Lakeside and Helix) with CWA.

Each Agency to pay for infrastructure.

CWA to contribute \$4.2 million toward construction the new 36" pipeline by Otay from FCF #14 to regulatory site.

OWD in process of hiring design consultant for the pipeline.

Total budget: \$12.68 million

OWD's share: \$8.28 million

- Mention NSW project

(continued)

▪ *City of San Diego's WTP, Capacity:*

Key Component: Acquire at least 30 MGD of local treatment capacity from City of San Diego (City).

Schedule: Staff continues discussions with City and SDCWA staffs.

Cost: Only staff time has been budgeted; project cost is dependent upon negotiations outcome.

- The City will supply "Surplus Water" from Otay WTP to Otay per the current 1999 agreement.
- Re-established negotiations with the City with the new staff appointed recently by the Mayor.
- The City has an opportunity of a \$10,000,000 grant for a pump station at the Alvarado WTP to pump into CWA Pipeline No. 4.
- Draft Principles of Understanding (POU) with the City have been prepared related to the Alvarado WTP pump station.
- Deal Points of 1999 Agreement:
 - Water treatment capacity of 10 million gallons per day (MGD) available immediately to Otay from the existing Lower Otay Reservoir Treatment Plant capacity, as available.
 - Otay will be able to take more than 10 MGD from the treatment plant as long as combined demands of Otay Water District and the City do not exceed the treatment plant capacity.
 - Otay will pay CWA directly for raw water at the prevailing melded rate.
 - Otay will pay the City for the treatment cost.
 - The term of the agreement is for 50 years.

Consultant Contract Status

(through June 30, 2006)

| CIP NO. | PROJECT TITLE | OPENED DATE | ORIGINAL CONTRACT AMOUNT | TOTAL CHANGE ORDERS | REVISED CONTRACT AMOUNT | APPROVED PAYMENT TO DATE | % CHANGE ORDERS | % CONTRACT COMPLETE | EST. COMP. DATE |
|------------------------|--|-------------|--------------------------|---------------------|-------------------------|--------------------------|-----------------|---------------------|-----------------|
| PLANNING | | | | | | | | | |
| R2001/ R2004 | 450-1 Rec Reservoir / 680-1 Pump Station | 11/1/2003 | 1,030,000 | 106,000 | 1,136,000 | 1,068,079 | 10% | 94% | 06/30/07 |
| P1000 | OWD SCADA Documentation | 1/26/2005 | 420,000 | 0 | 420,000 | 354,816 | 0% | 84% | 11/30/06 |
| P1210 | Integrated Resources Plan | 2/26/2006 | 225,000 | 0 | 0 | 96,919 | 0% | 0% | 03/30/07 |
| P2008 | 980-2 Pump Station | 3/1/2003 | 682,400 | 18,318 | 700,718 | 700,718 | 3% | 100% | 05/31/06 |
| P2185 | 640-1 and 2 Reservoirs | 11/1/2005 | 722,000 | 120,000 | 842,000 | 738,960 | 17% | 88% | 09/01/08 |
| PLANNING TOTALS | | | \$3,079,400 | \$244,318 | \$3,098,718 | \$2,959,492 | 8% | 96% | |
| DESIGN | | | | | | | | | |
| P1043 | Cathodic Protection | 1/16/2002 | 133,460 | 44,110 | 177,570 | 168,386 | 33% | 95% | 07/30/06 |
| P1043 | Cathodic Protection | 12/20/2005 | 162,418 | 2,500 | 164,918 | 47,013 | 2% | 29% | 06/30/07 |
| P2028 | 1485-2 Reservoir | 5/10/1999 | 132,700 | 158,215 | 290,915 | 246,890 | 119% | 85% | 09/29/06 |
| P2028 | 1485-2 Reservoir - Landscape | 8/29/2003 | 5,000 | 6,800 | 11,800 | 9,110 | 136% | 77% | 09/29/06 |
| P2037 | 980-3 Reservoir | 10/31/2005 | 49,700 | 0 | 49,700 | 33,713 | 0% | 68% | 04/01/07 |
| P2037 | 980-3 Reservoir - Construction Review | 2/16/2006 | 5,000 | 0 | 5,000 | 2,292 | 0% | 46% | |
| P2037 | 980-3 Reservoir - Electrical Services | 3/13/2006 | 13,220 | 0 | 13,220 | 6,325 | 0% | 48% | |
| P2038 | 12-Inch Pipeline Replacement | 9/23/2005 | 9,200 | 0 | 9,200 | 9,158 | 0% | 100% | 12/31/05 |
| P2168 | 803-4 Reservoir - Landscape | 4/14/2003 | 8,300 | 9,990 | 18,290 | 15,155 | 120% | 83% | 09/29/06 |

(continued)

| CIP NO. | PROJECT TITLE | OPENED DATE | ORIGINAL CONTRACT AMOUNT | TOTAL CHANGE ORDERS | REVISED CONTRACT AMOUNT | APPROVED PAYMENT TO DATE | % CHANGE ORDERS | % CONTRACT COMPLETE | EST. COMP. DATE |
|-------------------------------|---|-------------|--------------------------|---------------------|-------------------------|--------------------------|-----------------|---------------------|-----------------|
| DESIGN (cont.) | | | | | | | | | |
| P2168 | 803-4 Reservoir - Electrical | 4/29/2004 | 16,660 | 0 | 16,660 | 12,120 | 0% | 73% | 09/29/06 |
| P2191 | 850-4 Reservoir | 12/7/2005 | 15,695 | 0 | 15,695 | 4,185 | 0% | 27% | 03/24/06 |
| P1291 | 850-4 Reservoir | 6/9/2006 | 8,500 | 0 | 8,500 | 0 | 0% | 0% | 09/04/06 |
| P2416 | Staff Extension, SR-125 Projects | 12/1/2004 | 45,000 | 25,000 | 70,000 | 69,976 | 56% | 100% | 12/31/05 |
| P2416 | Staff Extension, SR-125 Projects | 2/23/2006 | 5,000 | 0 | 5,000 | 0 | 0% | 0% | 12/31/06 |
| P2440 | SR-905 Utility Relocations | 7/9/2004 | 200,000 | 26,900 | 226,900 | 215,815 | 13% | 95% | 09/29/06 |
| P2022 | 30" Recycled Water Pipeline | 9/22/2003 | 1,585,000 | 245,136 | 1,830,136 | 1,769,316 | 15% | 97% | 06/06/06 |
| P2053 | RWCWRF - R.O. Building Remodel | 1/4/2006 | 12,250 | 0 | 12,250 | 6,413 | 0% | 52% | 03/30/06 |
| DESIGN TOTALS | | | \$2,407,103 | \$518,651 | \$2,925,754 | \$2,615,867 | 22% | 89% | |
| PUBLIC SERVICES | | | | | | | | | |
| P2258 | Recycled Water Irrigation Plancheck & Inspection (Ph. 1) | 3/36/03 | 250,000 | 30,000 | 280,000 | 259,474 | 12% | 93% | 12/31/06 |
| P2258 | Value Eng. For R/W in Otay Mesa | 5/10/2004 | 49,147 | 23,900 | 73,047 | 57,124 | 49% | 78% | 10/31/05 |
| P2258 | Recycled Water Irrigation Plancheck & Inspection (Ph. 2) | 12/20/2004 | 230,000 | 40,000 | 270,000 | 185,645 | 17% | 69% | 12/31/06 |
| P2258 | Recycled Water Irrigation Plancheck and Inspection, Ph. 1 | 10/11/2005 | 250,000 | 0 | 250,000 | 59,412 | 0% | 24% | 06/30/07 |
| PUBLIC SERVICES TOTALS | | | \$779,147 | 93,900 | \$873,047 | \$561,655 | 12% | 64% | |

(continued)

| CIP NO. | PROJECT TITLE | OPENED DATE | ORIGINAL CONTRACT AMOUNT | TOTAL CHANGE ORDERS | REVISED CONTRACT AMOUNT | PAYMENT TO DATE | % CHANGE ORDERS | % CONTRACT COMPLETE | EST. COMP. DATE |
|----------------------------------|--|-------------|--------------------------|---------------------|-------------------------|--------------------|-----------------|---------------------|-----------------|
| | CONSTRUCTION / INSPECTION | | | | | | | | |
| P2008 | 980-2 Pump Station | 12/14/2004 | 444,675 | 0 | 444,675 | 443,649 | 0% | 100% | 02/01/06 |
| Various | Inspection Services | 10/29/2003 | 85,300 | 14,000 | 99,300 | 56,155 | 16% | 57% | Ongoing |
| Various | On-Call CM and Inspection | 8/1/2005 | 200,000 | 0 | 200,000 | 28,351 | 0% | 14% | 08/01/06 |
| R2022 | 30" Recycled Pipeline CM Services | 6/28/2005 | 1,244,201 | 0 | 1,244,201 | 541,477 | 0% | 44% | 01/16/07 |
| R2001/ R2004 | 450-1 Rec Reservoir / 680-1 Pump Station | 12/15/2005 | 825,000 | 0 | 825,000 | 164,101 | 0% | 20% | 04/01/07 |
| CONSTRUCTION/INSP. TOTALS | | | \$2,799,176 | \$14,000 | \$2,813,176 | \$1,233,733 | 1% | 44% | |
| | ENVIRONMENTAL | | | | | | | | |
| P2037 | 980-3 Reservoir | 9/30/2004 | 54,000 | 7,319 | 61,319 | 56,908 | 14% | 93% | 03/31/06 |
| | Bur. Of Reclamation Title XVI Funding Prog. Environ. Asmt. | 11/12/2004 | 49,800 | 0 | 49,800 | 34,952 | 0% | 70% | 11/01/05 |
| P1253 | HMA & Interconnect Pipeline Maint/Monitor | 3/9/2005 | 228,572 | 0 | 228,572 | 228,549 | 0% | 100% | Complete |
| | On-Call Environmental Services | | 100,000 | 0 | 100,000 | 37,106 | 0% | 37% | 06/30/06 |
| P1253 | HMA & Associated Mitigation Projects | 4/20/2006 | 566,444 | 0 | 566,444 | 5,022 | 0% | 1% | 03/01/08 |
| P2143 | 1296-3 Reservoir | 5/8/2006 | 125,000 | 0 | 125,000 | 6,672 | 0% | 5% | 09/30/07 |
| ENVIRONMENTAL TOTALS | | | \$1,123,816 | \$7,319 | \$1,131,135 | \$369,209 | 1% | 33% | |
| GRAND TOTAL | | | 10,188,642 | 878,188 | 10,841,830 | 7,739,956 | 9% | 71% | |

Construction Contract Status

(through June 30, 2006)

| CIP NO. | PROJECT TITLE | CONSTRUCTION CONTRACTOR | ORIGINAL CONTRACT AMOUNT | TOTAL CHANGE ORDERS | REVISED CONTRACT AMOUNT | TOTAL EARNED TO DATE | % OF CHANGE ORDERS * | % CONTRACT COMPLETE | EST. COMP. DATE |
|-----------------|--|-------------------------|--------------------------|---------------------|-------------------------|----------------------|----------------------|---------------------|-----------------|
| P2008 | 980-2 Pump Station | Spiess Construction | 6,053,800 | 23,964 | 6,077,764 | 6,077,764 | 0.4% | 100% | June 2006 |
| P2168 | 803-4 Reservoir | CB&I | 3,265,562 | (64,945) | 3,200,617 | 3,200,617 | -2.0% | 100% | June 2006 |
| P2028 | 1485-2 Reservoir | CB&I | 1,772,066 | (47,818) | 1,724,248 | 1,724,248 | -2.7% | 100% | May 2006 |
| P2399 | 980 Pipeline | TC Construction | 2,266,000 | 14,077 | 2,280,077 | 2,280,077 | 0.6% | 100% | May 2006 |
| R2022 | 30" Recycled Water | Ortiz Corp. | 14,747,600 | (2,412) | 14,745,188 | 11,897,943 | -0.02% | 75% | Nov 2006 |
| P2359 | Meter Shop Remodel | Blair Rasmussen | 60,747 | 0 | 60,747 | 0 | 0.0% | 0% | Dec 2006 |
| R2001/ R2004 | 450-1 Recycled Reservoir / 680-1 Recycled Pump Station | TC Construction | 14,740,000 | (571,305) | 14,168,695 | 8,014,706 | -3.9% | 57% | March 2007 |
| TOTAL: | | | \$42,905,775 | (648,439) | \$42,257,336 | \$33,195,355 | -1.5% | 79% | |

*** Change orders for projects this fiscal year continue to be below the industry average of 5-12%, which is an outstanding accomplishment.**

Fiscal Year 2006 YEAR END REPORT

(Expenditures through June 30, 2006)
(\$000)

| Former CIP No. | Current CIP No. | Description | Project Manager | FY06 Budget | Total Project Budget | Total Project Expenses | Total Percent Project Budget Spent | Remaining Total Project Balance | Comments |
|----------------------------------|-----------------|--|-----------------|-------------|----------------------|------------------------|------------------------------------|---------------------------------|--|
| CAPITAL FACILITY PROJECTS | | | | | | | | | |
| 008 | P2008 | PS - 980-2 Pump Station (25,000 GPM) | Vaughan | 4,555 | 8,055 | 8,035 | 100% | 20 | Total budget was increased by the Board in May 2006 by \$555,000. |
| 009 | P2009 | PL - 36-Inch, SDCWA Otay FCF No. 14 to Regulatory Site | Juybari | 2 | 12,600 | 141 | 1% | 12,459 | Staff prepared RFP and advertised for design consultant. |
| 028 | P2028 | Res - 1485-2 Reservoir 1.6 MG | Vaughan | 1,250 | 3,250 | 3,001 | 92% | 249 | Complete. |
| 037 | P2037 | Res - 980-3 Reservoir 15.0 MG | Alex | 325 | 7,700 | 536 | 7% | 7,164 | Project rescheduled for FY10. |
| 038 | P2038 | PL - 12-Inch, 978 Zone, Jamacha and Hidden Mesa Road Upsize and Replace. | Riendeau | 20 | 1,000 | 45 | 5% | 955 | Potholing complete and PDR draft complete. |
| 040 | P2040 | Res - 1655-1 Reservoir 0.5 MG | Alex | 9 | 1,500 | 473 | 32% | 1,027 | Project is developer dependent. |
| 129 | P2129 | Groundwater Exploration Program | Peasley | 150 | 2,530 | 551 | 22% | 1,979 | Otay River Demineralization Feasibility Concept Proposition 50 Grant Award. |
| 143 | P2143 | Res - 1296-3 Reservoir 2.0 MG | Padilla | 65 | 2,525 | 104 | 4% | 2,421 | Completed preliminary design. |
| 168 | P2168 | Res - 803-4 Reservoir 6.0 MG | Vaughan | 2,265 | 4,465 | 3,590 | 80% | 875 | Complete. |
| 172 | P2172 | PS - 1485-1 Pump Station Replacement | Alex | 85 | 1,880 | 123 | 7% | 1,757 | Project is on schedule and budget. |
| 185 | P2185 | Res - 640-1 Reservoir 20.0 MG | Klaahsen | 511 | 16,103 | 1,697 | 11% | 14,406 | Consultant finished design three months ahead of schedule. |
| 190 | P2190 | PL - 10-Inch, 1485 Zone, Jamul Highlands Road to Presilla Drive | Riendeau | 5 | 120 | 3 | 3% | 117 | Developer driven - currently on hold. |
| 295 | P2295 | 624-1 Reservoir Disinfection Facility, Inlet/Outlet/Bypass and 613-1 Reservoir Demo. | Vaughan | 350 | 4,150 | 3,911 | 94% | 239 | Project complete and accepted. Claim from contractor. |
| 299 | P2299 | Dis - 1200-1 Pump Station Disinfection Facility | Vaclavek | 49 | 189 | 149 | 79% | 40 | Project is complete and the CIP will be closed. |
| R001 | R2001 | RecRes - 450-1 Reservoir 12.0 MG | Vaughan | 3,467 | 9,967 | 5,127 | 51% | 4,840 | Total budget was increased by the Board in Sept & Dec 2005 by \$900,000 & \$567,000, respectively. |
| R003 | R2003 | RecRes - 680-1 Reservoir 3.4 MG | Vaughan | 400 | 4,500 | 4,071 | 90% | 429 | Complete. Reimbursement agreement being negotiated with Eastlake. |
| R004 | R2004 | RecPS - 680-1 Pump Station (11,500 GPM) | Vaughan | 3,233 | 8,233 | 4,233 | 51% | 4,000 | FY06 budget & total budget was increased by the Board in Sept & Dec 2005 by \$900,000 & \$333,000, respectively. |
| R019 | R2019 | RecPL - 20-Inch, 944 Zone, SDCWA R/W - 944-1 Pump Station/EastLake | Vaughan | 210 | 1,610 | 1,453 | 90% | 157 | Project complete. Reimbursement paid. |
| R022 | R2022 | RecPL - 30-Inch, 450 Zone, Otay Valley - Dairy Mart/450-1 Reservoir | Vaughan | 8,600 | 22,600 | 15,526 | 69% | 7,074 | Project ahead of schedule. |

(continued)

| Former CIP No. | Current CIP No. | Description | Project Manager | FY 06 Budget | Total Project Budget | Total Project Expenses | Total Percent Project Budget Spent | Remaining Total Project Balance | Comments |
|--|-----------------|--|--------------------|---------------|----------------------|------------------------|------------------------------------|---------------------------------|--|
| CAPITAL FACILITY PROJECTS (con't) | | | | | | | | | |
| R053 | R2053 | RWCWRF - R.O. Building Remodel and Office Furniture | Ripperger | 61 | 231 | 72 | 31% | 159 | Project will be accelerated 1st Quarter of FY07. |
| R058 | R2058 | RecPL - 16-Inch, 860 Zone, Airway Road - Otay Mesa/Alta | Vaughan | 150 | 2,000 | 319 | 16% | 1,681 | Multiple projects are contained within this CIP. Two of many are complete, accepted and reimbursed. This is a developer reimbursement. |
| R086 | R2086 | RWCWRF Force Main AirVac Replacements and Road Improvements | Padilla | 50 | 600 | 98 | 16% | 502 | Completed PDR, field inspection of existing valves and 30% design. |
| S001 | S2001 | PL - 8-Inch, Russel Square Sewer Lift Station to City of El Cajon System | Alex | 10 | 385 | 37 | 10% | 348 | Project cancelled. PDR complete. |
| S002 | S2002 | PL - 8-Inch, Hidden Mountain Sewer Lift Station to City of El Cajon System | Alex | 10 | 460 | 33 | 7% | 427 | Project cancelled. PDR complete. |
| S015 | S2015 | Calavo Lift Station Replacement | Alex | 25 | 350 | 42 | 12% | 308 | Project on schedule and budget. |
| W033 | P2033 | PL - 16-Inch, 1296 Zone, Hillside Drive - Campo/Presilla | Padilla | 10 | 693 | 4 | 1% | 689 | Project deferred to future years. |
| W191 | P2191 | Res - 850-4 Reservoir 2.2 MG | Padilla | 75 | 3,045 | 474 | 16% | 2,571 | Additional environmental review and easement and mitigation license agreement acquisition. |
| W258 | P2258 | PS - Lower Otay Pump Station Phase 1 (9,000 GPM) | Padilla / Klaahsen | 25 | 7,485 | 1,947 | 26% | 5,538 | Board authorized expenditures for a portable pump in the amount of \$500,000 in December 2004. Much of the work was performed in FY06. |
| W291 | P2291 | PL - 20-Inch, 711 Zone, Proctor Valley Road - Lane/Loop | Vaughan | 50 | 1,710 | 1,730 | 101% | -20 | Complete. |
| W292 | P2292 | PL - 16-Inch, 711 Zone, East H Street - Loop/EastLake Drive | Vaughan | 200 | 270 | 138 | 51% | 132 | Complete. |
| W318 | P2318 | PL - 20-Inch, 657 Zone, Summit Cross-Tie and 36-Inch Main Connections | Padilla | 5 | 600 | 56 | 9% | 544 | Commenced planning, environmental. Completed potholing. |
| W356 | P2356 | PL - 12-Inch, 803 Zone, Jamul Drive Permastran Pipeline Replacement | Riendeau | 17 | 600 | 55 | 9% | 545 | PDR draft complete. |
| W370 | P2370 | Res - Dorchester Reservoir and Pump Station Demolition | Padilla | 10 | 100 | 13 | 13% | 87 | Staff change. |
| W387 | P2387 | PL - 12-Inch, 832 Zone, Steele Canyon Road - Via Caliente/Campo | Riendeau | 10 | 250 | 37 | 15% | 213 | PDR draft complete. |
| W394 | P2394 | Helix WD Levy WTP and System Capacity Acquisition (8 MGD) | Peasley | 25 | 80 | 49 | 61% | 31 | ECRTWIP Agreement approved. Project complete. |
| W399 | P2399 | PL - 30-Inch, 980 Zone, 980 Reservoirs to Hunte Parkway | Vaughan | 2,340 | 2,740 | 2,736 | 100% | 4 | Complete. |
| W422 | P2422 | Agency Interconnections | Klaahsen | 50 | 258 | 160 | 62% | 98 | Contractor ahead of schedule on construction. |
| W425 | P2425 | Otay WTP Capacity Purchase Agreement Negotiations | Peasley | 25 | 100 | 40 | 40% | 60 | S.D. 17 P.S. roving water treatment supply POU drafted. Data Center upgrades are in progress. Project will be complete in FY07. |
| W441 | P2449 | Information Technology Business Continuity | Stevens | 95 | 320 | 46 | 14% | 274 | Staffing constraints slowed upgrades. |
| W445 | P2445 | Information Technology Facilities Technology Upgrade | Stevens | 103 | 103 | 29 | 28% | 74 | Phase 1 in Progress. Phase 2 schedules for FY07. |
| W447 | P2447 | Information Technology Meter Routing | Stevens | 40 | 40 | 22 | 55% | 18 | |
| Total Capital Facilities Projects | | | | Total: | 28,937 | 135,397 | 60,906 | 45% | 74,491 |

(continued)

| Former CIP No. | Current CIP No. | Description | Project Manager | FY 06 Budget | Total Project Budget | Total Project Expenses | Total Percent Project Budget Spent | Remaining Total Project Balance | Comments |
|----------------------------------|-----------------|---|-----------------|--------------|----------------------|------------------------|------------------------------------|---------------------------------|--|
| MAINTENANCE PROJECTS | | | | | | | | | |
| S012 | S2012 | SVSD Outfall and RSD Replacement and OM Reimbursement | Peasley | 374 | 3,867 | 150 | 4% | 3,717 | County of S.D. invoice approved. |
| S013 | S2013 | RWCWRF Improvements | Ripperger | 100 | 365 | 139 | 38% | 226 | Equipment not needed due to different operating procedures. |
| W267 | P2267 | 36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations | Henderson | 30 | 83 | 56 | 67% | 27 | This project is on schedule to begin work in November during a shutdown. |
| W359 | P2359 | Operations EOC and Meter Shop Remodels and EOC Maps | Ripperger | 50 | 180 | 95 | 53% | 85 | Contractor was selected. Work to begin in 1st Qtr. of FY07. |
| W366 | P2366 | APCD Engine Replacements and Retrofits | Scholl | 150 | 2,188 | 1,352 | 62% | 836 | Engine #1 retrofits nearly complete. |
| W382 | P2382 | Safety and Security Improvements | Burpeau | 392 | 1,317 | 935 | 71% | 382 | Installs have been complete. |
| W384 | P2384 | Administration and Operations Buildings Enhancements | Stalker | 65 | 598 | 597 | 99.8% | 1 | The Admin/OPS enhancements are complete. Please close out this CIP number. |
| W416 | P2416 | SR-125 Utility Relocations | Riendeau | 300 | 700 | 457 | 65% | 243 | Bills not issued. Those received were incorrect or had inadequate information. |
| W440 | P2440 | I-905 Utility Relocations | Riendeau | 305 | 2,700 | 419 | 16% | 2,281 | Construction bids requested. |
| | | Total Maintenance Projects | Total: | 1,766 | 11,998 | 4,200 | 35% | 7,798 | |
| CAPITAL PURCHASE PROJECTS | | | | | | | | | |
| W282 | P2282 | Vehicle Capital Purchases | Porras | 173 | 2,172 | 1,140 | 52% | 1,032 | All FY06 vehicles purchased. |
| W285 | P2285 | Office Equipment and Furniture Capital Purchases | Dobrawa | 142 | 698 | 392 | 56% | 306 | All FY06 office and furniture capital purchases complete. |
| W286 | P2286 | Field Equipment Capital Purchases | Dobrawa | 65 | 1,176 | 524 | 45% | 652 | All FY06 field equipment capital purchases complete. |
| W353 | P2353 | Information Technology System Enhancements and Replacements | Stevens | 136 | 3,412 | 2,538 | 74% | 874 | Data Center upgrades in process. |
| W361 | P2361 | Information Technology GIS Enhancements | Stevens | 154 | 1,630 | 1,172 | 72% | 458 | System upgrades in progress. |
| W363 | P2363 | Information Technology Utility Billing, Data Management, and Financial System | Stevens | 822 | 6,016 | 5,532 | 92% | 484 | System upgrades in progress. |
| W442 | P2442 | Information Technology Telecommunications | Stevens | 340 | 340 | 275 | 81% | 65 | PBX replacement complete. IVR implementation in progress. |
| W443 | P2443 | Information Technology Mobile Services | Stevens | 338 | 338 | 133 | 39% | 205 | Hardware and software received. FY06 receipts processed in FY07. |
| W444 | P2444 | Information Technology Records Management | Stevens | 110 | 110 | 16 | 15% | 94 | System requirements met without additional software expenditures. |
| W446 | P2446 | Information Technology UPS Data Center | Stevens | \$150 | 150 | 14 | 9% | 136 | Alternative lower cost solution implemented. |
| W448 | P2448 | Information Technology Terrorism Infrastructure Alert System | Stevens | \$250 | 250 | 0 | 0% | 250 | Project not funded by Prop 50 Grant - Cancelled. |
| | | Total Capital Purchase Projects | Total: | 2,680 | 16,292 | 11,736 | 72% | 4,556 | |

(continued)

| Former CIP No. | Current CIP No. | Description | Project Manager | FY 06 Budget | Total Project Budget | Total Project Expenses | Total Percent Project Budget Spent | Remaining Total Project Balance | Comments |
|---|-----------------|---|-----------------|--------------|----------------------|------------------------|------------------------------------|---------------------------------|--|
| DEVELOPER REIMBURSEMENT PROJECTS | | | | | | | | | |
| 026 | P2026 | PL - 20-Inch, 850 Zone, Jamacha Boulevard - Regulatory Site/Trace Road | Vaughan | 50 | 1,100 | 1,023 | 93% | 77 | This project is accepted and will be reimbursed FY07. |
| R008 | R2008 | RecPL - 20-Inch, 680 Zone, Olympic Parkway - La Media/680-1 Reservoir | Vaughan | 8 | 2,861 | 2,272 | 79% | 589 | The projects within this CIP have been accepted and reimbursed. |
| R016 | R2016 | RecPL - 16-Inch, 944 Zone, EastLake Parkway - Trinidad/Olympic | Vaughan | 495 | 495 | 247 | 50% | 248 | The projects within this CIP have been accepted and reimbursed. |
| R025 | R2025 | RecPL - 12-Inch, 680 Zone, La Media Road Olympic/Birch | Vaughan | 100 | 580 | 78 | 13% | 502 | Complete, accepted, and reimbursed. |
| R029 | R2029 | RecPL - 12-Inch, 944 Zone, Otay Lakes Road - Hunte/EastLake Vistas | Vaughan | 150 | 150 | 110 | 73% | 40 | Complete, accepted, and reimbursed. |
| R030 | R2030 | RecPL - 8-Inch, 944 Zone, EastLake Vistas Otay Lakes/Olympic | Vaughan | 10 | 250 | 237 | 95% | 13 | Complete, accepted, and reimbursed. |
| R031 | R2031 | RecPL - 12-Inch, 944 Zone, EastLake Parkway - Olympic/Birch | Vaughan | 10 | 195 | 0 | 0% | 195 | Two separate projects within this CIP. One project is complete and accepted, the second project is 75% complete. |
| R032 | R2032 | RecPL - 12-Inch, 944 Zone, La Media Road Olympic/Birch | Vaughan | 50 | 325 | 74 | 23% | 251 | Complete, accepted, and reimbursed. |
| R033 | R2033 | RecPL - 12-Inch, 944 Zone, Birch Road - La Media/EastLake | Vaughan | 30 | 630 | 0 | 0% | 630 | Three separate projects within this CIP. The first two are 80% complete; the third is 50% complete. |
| R040 | R2040 | RecPL - 12-Inch, 680 Zone, Hunte Parkway - Olympic/EastLake | Vaughan | 200 | 900 | 0 | 0% | 900 | Three separate projects within this CIP. One is complete, the second is 75% complete, and the third is 50% complete. |
| R041 | R2041 | RecPL - 8-Inch, 944 Zone, EastLake Parkway - Birch/Rock Mountain | Vaughan | 2 | 240 | 0 | 0% | 240 | This project is 75% complete. |
| R042 | R2042 | RecPL - 8-Inch, 944 Zone, Rock Mountain Road - SR 125/EastLake | Vaughan | 1 | 120 | 0 | 0% | 120 | This project has not yet started. |
| R043 | R2043 | RecPL - 8-Inch, 944 Zone, Rock Mountain Road - La Media/SR 125 | Vaughan | 1 | 200 | 0 | 0% | 200 | This project is 75% complete. |
| R047 | R2047 | RecPL - 12-Inch, 680 Zone, La Media Road Birch/Rock Mountain | Vaughan | 1 | 370 | 0 | 0% | 370 | This project has not yet started. |
| R082 | R2082 | RecPL - 24-Inch, 680 Zone, Olympic Parkway - Village 2/Heritage | Vaughan | 1 | 1,485 | 0 | 0% | 1,485 | This project has not yet started. |
| R083 | R2083 | RecPL - 20-Inch, 680 Zone, Heritage Road - Village 2/Olympic | Vaughan | 1 | 289 | 0 | 0% | 289 | This project has not yet started. |
| R084 | R2084 | RecPL - 20-Inch, 680 Zone, Village 2 - Heritage/La Media | Vaughan | 1 | 825 | 1 | 0.1% | 824 | This project has not yet started. |
| R085 | R2085 | RecPL - 20-Inch, 680 Zone, Village 2 - High School/Olympic | Vaughan | 1 | 359 | 0 | 0% | 359 | This project has not yet started. |
| W062 | P2062 | PL - 24-Inch, 980 Zone, Otay Lakes Road - Salt Creek/Wueste | Vaughan | 10 | 610 | 278 | 46% | 332 | Complete, accepted, and reimbursed. |
| W070 | P2070 | PL - 16-Inch, 980 Zone, Pacific Bay Homes Road - Proctor Valley/1296 Hydro PS | Vaughan | 1 | 414 | 0 | 0% | 414 | This project is operationally complete. Waiting for reimbursement request from the developer. |

(continued)

| Former CIP No. | Current CIP No. | Description | Project Manager | FY 06 Budget | Total Project Budget | Total Project Expenses | Total Percent Project Budget Spent | Remaining Total Project Balance | Comments |
|---|-----------------|--|-----------------|-----------------|----------------------|------------------------|------------------------------------|---------------------------------|--|
| | | DEVELOPER REIMBURSEMENT PROJECTS con't | | | | | | | |
| W079 | P2079 | PL - 16-Inch, 711 Zone, La Media Road - Olympic/Birch | Vaughan | 140 | 400 | 155 | 39% | 245 | Complete, accepted, and reimbursed. |
| W080 | P2080 | PL - 24-Inch, 980 Zone, Otay Lakes Road - Hunte/Salt Creek | Vaughan | 20 | 350 | 131 | 37% | 219 | Complete, accepted, and reimbursed. |
| W081 | P2081 | PL - 36-Inch, 980 Zone, Proctor Valley Road - PB Road/PB Bndy | Vaughan | 452 | 452 | 299 | 66% | 153 | Complete, accepted, and reimbursed. |
| W101 | P2435 | PL - 16-Inch, 711 Zone, Birch Road - La Media/SR 125 | Vaughan | 12 | 452 | 0 | 0% | 452 | Three separate projects within this CIP. 75% complete. |
| W104 | P2104 | PL - 12-Inch, 711 Zone, La Media Road - Birch/Rock Mountain | Vaughan | 10 | 750 | 0 | 0% | 750 | This project has not yet started. |
| W107 | P2107 | PL - 12-Inch, 711 Zone, Rock Mountain Road - La Media/SR 125 | Vaughan | 10 | 650 | 0 | 0% | 650 | This project has not yet started. |
| W121 | P2121 | PL - 16-Inch, 711 Zone, Hunte Parkway - Olympic/EastLake | Vaughan | 10 | 998 | 0 | 0% | 998 | Three separate projects within this CIP. One is complete, the second is 75% complete, and the third is 50% complete. |
| W131 | P2131 | PL - 24-Inch, 711 Zone, EastLake Parkway - Trinidad/Olympic | Vaughan | 530 | 550 | 301 | 55% | 249 | Complete, accepted, and reimbursed. |
| W133 | P2133 | PL - 16-Inch, 711 Zone, EastLake Parkway - Olympic/Birch | Vaughan | 300 | 600 | 0 | 0% | 600 | Two separate projects within this CIP. One project is complete and accepted, the second project is 75% complete. |
| W134 | P2134 | PL - 16-Inch, 711 Zone, Birch Road - SR 125/EastLake | Vaughan | 50 | 350 | 0 | 0% | 350 | This project is 75% complete. |
| W158 | P2158 | PL - 20-Inch, 980 Zone, EastLake Parkway South of 624-3 Res/Olympic | Vaughan | 50 | 850 | 816 | 96% | 34 | Complete, accepted, and reimbursed. |
| W164 | P2164 | PL - 20-Inch, 980 Zone, EastLake Parkway - Olympic/Birch | Vaughan | 425 | 425 | 0 | 0% | 425 | Two separate projects within this CIP. One project is complete and accepted, the second project is 75% complete. |
| W205 | P2205 | PS - Rolling Hills Hydro Pump Station (1,400 GPM) | Vaughan | 1,540 | 1,600 | 1,617 | 101% | -17 | Complete, accepted, and reimbursed. |
| W300 | P2300 | PL - 12-Inch, 711 Zone, Otay Lakes and EastLake Vistas Roads - Hunte/Olympic | Vaughan | 300 | 900 | 376 | 42% | 524 | Complete, accepted, and reimbursed. |
| W325 | P2325 | PL - 10" to 12" Oversize, 1296 Zone, PB Road - Rolling Hills Hydro PS/PB Bndy | Vaughan | 30 | 30 | 0 | 0% | 30 | This project is operationally complete. Waiting for reimbursement request from the developer. |
| W367 | P2367 | PL - 16-Inch, 980 Zone, Olympic Parkway - East Palomar/EastLake | Vaughan | 365 | 1,100 | 235 | 21% | 865 | Complete, accepted, and reimbursed. |
| W381 | P2381 | PL - 12" to 16" Oversize, 980 Zone, EastLake Woods - Otay Lakes/Proctor Valley | Vaughan | 50 | 350 | 217 | 62% | 133 | Complete, accepted, and reimbursed. |
| W396 | P2396 | PL - 36-Inch, 980 Zone, EastLake Parkway - Trinidad/South of 624-3 Reservoir | Vaughan | 300 | 300 | 0 | 0% | 300 | Complete, accepted, and reimbursed. |
| W402 | P2402 | PL - 12-Inch, 624 Zone, La Media Road - Village 7/Otay Valley | Vaughan | 100 | 400 | 0 | 0% | 400 | This project has not yet started. |
| W414 | P2414 | PL - 12" to 16" Oversize, 803 Zone, Dehesa Road - Dehesa Meadow/OWD Bndy | Vaughan | 80 | 200 | 142 | 71% | 58 | This project is complete and accepted. Possible claim from contractor. |
| Total Developer Reimbursement Projects | | | Total: | 5,897 | 24,105 | 8,609 | 36% | 15,496 | |
| GRAND TOTAL | | | | \$39,280 | \$187,792 | \$85,451 | 46% | \$102,341 | |



AGENDA ITEM 8b

STAFF REPORT

| | | | |
|-----------------------------|---|---------------|----------------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Patrick Vaughan, <i>Patrick Vaughan</i> Senior Civil Engineer | W.O./G.F. NO: | aa000 DIV. NO. 1 1d1000 |
| APPROVED BY: (Chief): | Rod Posada, <i>Rod Posada</i> Chief, Development Services | | |
| APPROVED BY: (Asst. GM): | Manny Magaña, <i>Manny Magaña</i> Assistant General Manager, Engineering and Operations | | |
| SUBJECT: | Request to Approve Agreement with Cricket Communications, Inc., a Delaware Corporation, for the installation of a Communications Facility at the 485-1 Reservoir Site | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to execute an agreement with Cricket Communications, Inc., a Delaware Corporation (Cricket) for the installation of a communications facility (Attachment 1), at the 485-1 Reservoir Site.

See attached Exhibit A for project location.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute an agreement with Cricket that allows the installation of a communications facility at the 485-1 Reservoir Site. The agreement will grant Cricket 45 square feet of leased area and trench easements of right-of-way for access, power, and a communications facility.

ANALYSIS:

Cricket will be the fourth cellular provider locating its facilities on the 485-1 Reservoir Site. Currently Nextel and T-Mobile are the two cellular providers at this location. The proposed wireless communication facility consists of the construction of an unmanned communications equipment, cabinets, three 14-foot antenna support poles, and the installation of underground coaxial cable. The equipment and antenna's will be located within an area totaling 45 square feet of leased space.

The District will receive copies of construction drawings, all permits, and approvals by local regulatory agencies prior to granting permission to start construction. Staff agrees with the design concept for the proposed facility construction.

FISCAL IMPACT:

The District will receive \$2,266 per month in rent effective upon execution of the lease agreement for a period of five years, subject to an annual inflation adjustment of 3 percent. The tenant will have the option to extend the term for three additional five-year periods. Two additional five-year extensions may be granted at the District's discretion.

An initial \$2,000 payment toward the District's non-refundable administrative fee of \$6,500 has been paid to reimburse the District for staff time to supervise and assist the tenant during the licensing and permitting phases; this fee is separate from rent. The remaining balance of \$4,500 will be due and payable upon execution of this agreement by both parties to reimburse the District for costs to assist the tenant with planning, design, and construction phases of the project, including legal expenses.

LEGAL IMPACT:

The District's Lease Agreement has been reviewed by our legal counsel. District Counsel has been an integral part in the negotiations and construction of this agreement.

STRATEGIC GOAL:

This item is in line with the District's Strategic Focus Areas: Community and Governance, and Financial Health.



General Manager

Attachments



ATTACHMENT A

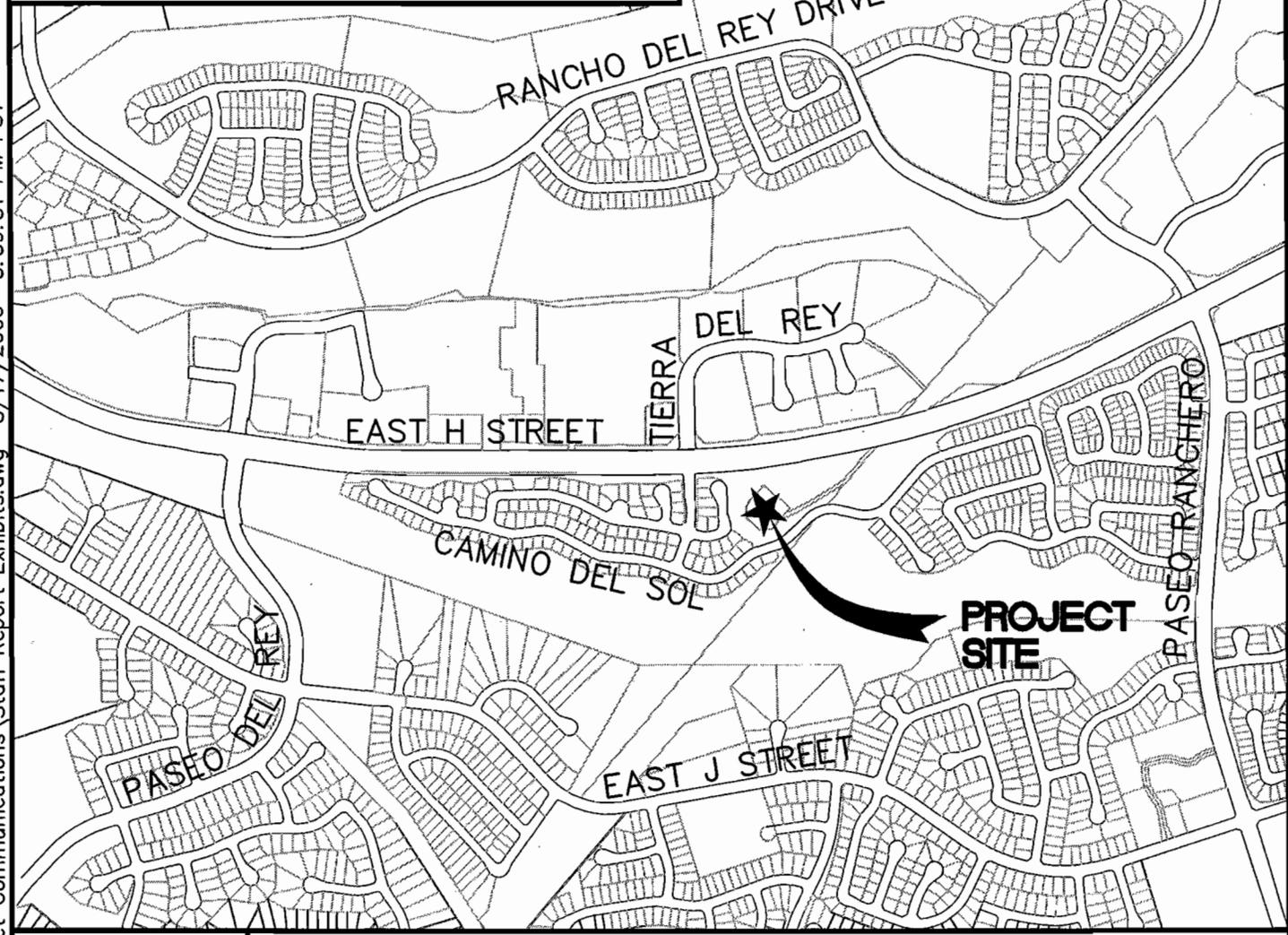
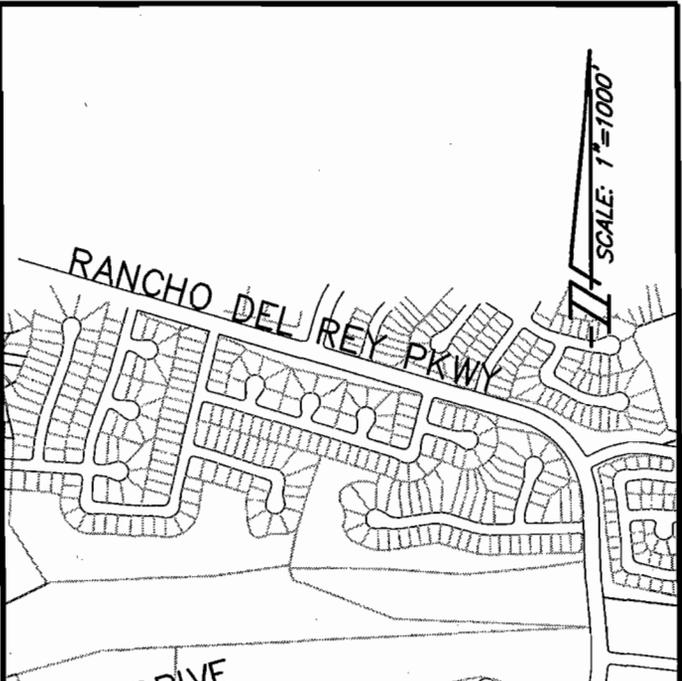
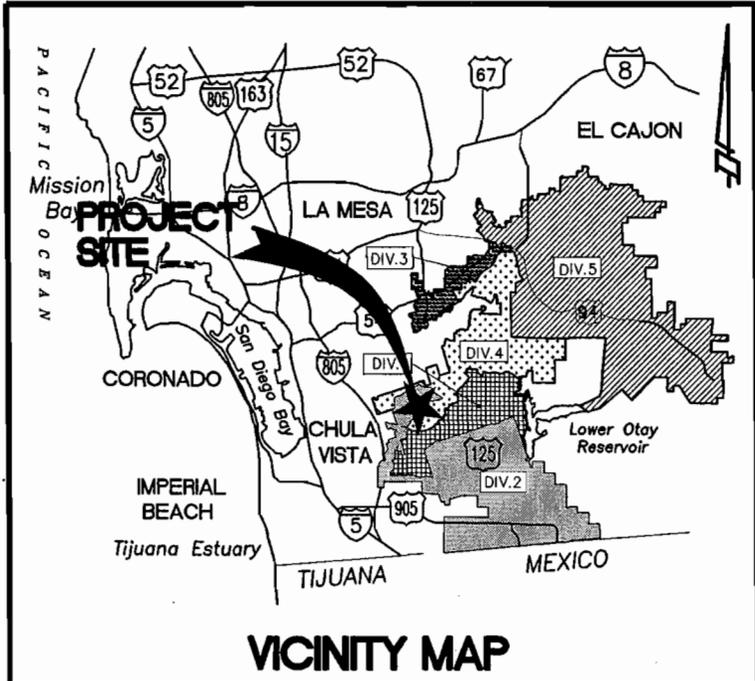
| | |
|-------------------------|---|
| SUBJECT/PROJECT: | Request to Approve Agreement with Cricket communications, Inc., a Delaware Corporation, for the Installation of a Communications Facility at the 485-1 Reservoir Stie |
|-------------------------|---|

COMMITTEE ACTION:

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

- This is a standard agreement for new cellular agreements and it has been reviewed by legal counsel;
- The monthly rental per the agreement is \$2,266/month along with an up-front administration fee of \$6,500. The administration fee covers staff time to supervise and assist the tenant during the licensing and permitting phases;
- The agreement is for 5 years and is subject to an annual inflation adjustment of 3%. If Cricket terminates the agreement prior to the end of the 5-year term, it must buy out the contract. The agreement can also be renewed by the tenant for 3 additional 5-year terms, and at Otay's option for 2 more additional 5-year terms ;
- There was discussion of leaving the annual inflation adjustment open and negotiating this rate each year. It was noted that cellular companies were not open to doing so and that they insist on a fixed increase of 3%. This allows them to anticipate exact cost increases within their budgets;
- It was noted that this was a co-location agreement (there are four vendors on this site) and it is the obligation of the cellular companies to do their own research with regard to interference with existing vendors;
- It was discussed that the District does not seek cellular agreements and that the companies approach the District on locations they have an interest in locating antennas;
- Cricket Communications provides service within a small local area with unlimited minutes for a flat fee each month. They hope to essentially replace your home phone;
- After the committee meeting, the leased space on the attached agreement was corrected from 45 square feet to 147 square feet.

P:\WORKING\Cricket Communications\Staff Report Exhibits.dwg 8/17/2006 3:39:51 PM PST



OTAY WATER DISTRICT

CRICKET COMMUNICATIONS AT
OTAY WATER DISTRICT'S 485-1 RESERVOIR SITE

LOCATION MAP

EXHIBIT A

AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY WATER DISTRICT TO
LOCATE A COMMUNICATIONS FACILITY AT
OTAY'S 485-1 RESERVOIR SITE

This Agreement ("Lease") is entered into and effective on the date specified in the signature page (the "Commencement Date"), by and between the Otay Water District, a municipal water district organized and operated pursuant to the Water Code Section 71000, et seq. ("Otay"), and Cricket Communications, Inc., a Delaware corporation ("Tenant"). Any special terms or conditions agreed to by Otay and Tenant will be set forth on Exhibit A.

RECITALS

A. Otay owns a site on which it has constructed water facilities known as the "485-1 Reservoir Site," as depicted on Attachment A to Exhibit B (the "Reservoir Site").

B. Tenant has requested Otay to allow it to locate a communications facility and transmitting and receiving antennas at the Reservoir Site.

AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Otay and Tenant agree as follows :

1. Premises. Otay owns the real property described in Attachment B to Exhibit B (the "Property"). Otay agrees to lease to Tenant, for the installation of antennas and related telecommunications equipment, approximately 147 square feet of real property within the Property, as more particularly described on Attachment C to Exhibit B (the "Premises"). A depiction of the Property and the Premises is attached hereto as Attachment D to Exhibit B.

2. Grant of Non-Exclusive Trench Easement(s). Otay has also agreed to grant a temporary non-exclusive easement to Tenant for certain portions of the Property, as legally

described in Exhibit C to this Lease (the "Easement"), for the purpose of trenching and installation of the necessary utilities to operate Tenant's equipment. It is expressly agreed that any such Easement shall run concurrent with this Lease. Tenant agrees and understands that if the Lease is terminated or ceases to exist for any reason, the Easement shall not have any force or effect. Tenant agrees to return and maintain all portions of land subject to the Easement that are disturbed in connection with the installation, connection, maintenance, repair, access or any other Tenant activity, to their original condition at Tenant's sole cost and expense.

This easement shall be non-exclusive. Otay, or any other tenant of Otay may utilize the easement area for similar purposes or for any other purpose which does not interfere with Tenant's uses. Otay shall provide Tenant with advance notice of any intention to use the temporary easement area by Otay or any current or future tenant of Otay.

3. Use of the Premises. The Premises may be used by Tenant only for the purpose of installing, constructing, housing, operating, maintaining and repairing approved telecommunication equipment, including appurtenant antennae and electronic equipment, as further described and conditioned in this Agreement (collectively, the "Facilities"), for the lawful provision of communication services. Tenant may not sublease or sublicense any use or space of the Premises or the Facilities thereon except as otherwise provided in Paragraph 12, below.

4. Access. Otay shall provide access to Tenant, Tenant's employees, agents, contractors and subcontractors to the Premises 24 hours a day, seven days a week, at no charge to Tenant. Otay hereby grants to Tenant such rights of ingress and egress over the Property as may be necessary and consistent with the authorized use of the Premises as outlined by Otay Operations. Subject to Otay's reasonable rules, Otay shall permit Tenant's employees, agents, contractors, subcontractors and invitees to park vehicles on the Property as necessary and consistent with the authorized use of the Premises. Otay shall, at its expense, maintain all access

roadways or driveways from the nearest public roadway to the Premises in a manner reasonably sufficient to allow access. In addition, Tenant shall obtain such permits, licenses or easements, from the owners of property adjoining the leased premises, as may be necessary for Tenant to have access to and from the leased Premises and also for access to utilities. Tenant shall provide copies of these documents to Otay prior to the start of construction.

5. Term. The term of this Lease shall be five (5) years (the “Initial Term”), commencing on the Commencement Date. Tenant shall have the right to extend the term of the Lease for three (3) additional terms of five (5) years each by giving Otay written notice of its intention to do so at least 120 days prior to the date that the then current term would otherwise end (each, an “Extension Term”). In addition, Tenant may request, in writing, two additional extensions of five (5) years each, which Otay may grant or deny at its sole discretion (each, an “Additional Term” and together with the Initial Term and Extension Term, or individually, as the context requires, the “Term”). Each such request shall be made in writing no less than 120 days prior to the expiration of the then current Extension Term or Additional Term, as applicable.

6. Administrative Fee. Tenant, prior to entering on Otay Property to conduct its investigation of the Premises, shall provide Otay with a non-refundable administrative fee in the amount of TWO THOUSAND DOLLARS AND NO CENTS (\$2,000.00). This fee will defray Otay’s costs associated with the supervision of and assistance with the Tenant’s investigation and planning phases of the site selection.

Additionally, upon final execution of the Agreement by both parties, Tenant shall provide Otay with a non-refundable administrative fee in the amount of FOUR THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$4,500.00). This amount shall be in addition to the administrative fee described above for entering on Otay Property to conduct investigation of the proposed Premises. This second administrative fee shall be used to defray Otay’s administrative

expenses and costs related to Otay's supervision and assistance with planning, design, and construction phases of the project, including legal expenses. These administrative fees shall not be considered rent or part of the rental installment.

7. Rent. Beginning on the earlier of (1) six months from the Commencement Date; or (2) the date on which a local building permit is issued allowing Tenant to construct the Facilities (or any portion thereof) on the Premises (the "First Rent Payment Date"), Tenant shall pay Otay as rent the sum of \$2,266 per month payable on the first day of each month in advance. However, at Tenant's election, Tenant may pay rent annually, in advance, if, at least 60 days prior to the Initial Term or an Extension Term, Tenant notifies the District, in writing, of its intent to pay its rent in annual payments during each year of the upcoming Extension Term or Additional Term. If the First Rent Payment Date is other than the first day of the calendar month, the rate shall be prorated for the first month of the Initial Term.

The rent shall be increased on each calendar anniversary of the Commencement Date at a rate of three percent (3%) per annum. However, at the beginning of each Extension Term or Additional Term, if any, Otay may, at its sole and absolute discretion, choose to adjust the annual rent, effective on the first year of said Extension Term or Additional Term, by an amount equal to the greater of: (i) three percent (3%); or (ii) the amount necessary to ensure that the rent equals the amount it would have been if each annual increase during the previous Term had been calculated based on the average percentage increases in the consumer price index published by the United States Department of Labor, Bureau of Labor Statistics (1982-1984 = 100) (the "CPI") for "All Items - All Urban Consumers" for the San Diego Metropolitan Statistical Area for the immediately preceding 5 year period. If the publication of the Consumer Price Index is discontinued, or if the Consumer Price Index is altered in some material manner, including changing the name of the index, the geographic area covered, the consumers or

workers so included, or the base year, the Parties must use their reasonable best efforts to agree on a substitute index or procedure that reasonably reflects and monitors consumer prices. After such an adjustment, the rent shall increase at a rate of three percent (3%) per annum for the rest of the applicable Extension Term or Additional Term, if any. Otay shall also have the discretion to adjust the base rent to then current market rent in the Additional Term if said market rent is greater than the CPI increase provided for in the above formula. The “then current market rent” shall be defined as the most recent rent transaction entered into by Otay with other similar tenants for the same or similar purposes.

8. Environmental. Otay represents that to the best of its knowledge the Premises have not been used for the generation, storage, treatment or disposal of hazardous materials other than those materials normally used by Otay for the treatment of water and that there is no hazardous waste on the Premises. Notwithstanding any other provision of this Lease, Tenant relies upon the representations stated herein as a material inducement for entering into this Lease. Tenant shall not bring any hazardous materials onto the Premises except for those contained in its back-up power facilities (e.g. lead-acid batteries and diesel fuel) and properly stored, reasonable quantities of common materials used in telecommunications operations (e.g. cleaning solvents). Tenant shall handle, store and dispose of all hazardous materials it brings onto the Premises in accordance with all federal, state and local laws and regulations (“Laws”). “Hazardous materials” means any substance, chemical, pollutant or waste that is presently identified as hazardous, toxic or dangerous under any applicable federal, state or local law or regulation and specifically includes, but is not limited to asbestos and asbestos containing materials, polychlorinated biphenyl’s (PCBs) and petroleum or other fuels (including crude oil or any fraction or derivative thereof).

9. Installation and Maintenance of Facilities. Tenant is authorized to install, maintain and operate on the Premises only the Facilities described and depicted on Attachment A to Exhibit D; provided that all permits and zoning approvals shall have been obtained by Tenant.

a. *Installation of the Facilities.* Tenant's design and installation of all portions of the Facilities shall be done according to plans approved by Otay, and such approval shall not be unreasonably withheld. The Tenant shall be responsible for painting its antennae and/or equipment to match Otay's facility. Otay will provide Tenant with specifications regarding paint type, color and application method to accomplish this requirement. Painting/coating submittals shall be provided to Otay by the Tenant prior to receiving permission to begin painting. Otay may specify a camouflage design if appropriate. These camouflage designs may include but are not limited to palm trees, pine trees and flag poles.

b. *Record Drawings.* Within thirty (30) days after completion of the Facilities, Tenant shall provide Otay with "record" drawings of Facilities showing and identifying all the equipment and improvements installed on the Premises. Said drawings shall be accompanied by a complete and detailed inventory of all equipment, personal property and antennae located on the Premises and any such property of Tenant located in the Easement. No property of Tenant other than such identified property shall be located on the Premises or the Property at any time. Upon delivery of Tenant's record drawings, in form and content satisfactory to Otay, such drawings shall replace and supersede any similar drawings contained in any exhibit attached hereto.

c. *Alterations.* Tenant shall not alter or change its Facilities in a material manner without the prior approval of Otay, such approval not to be unreasonably withheld. "Material" refers to any physical change that could affect the building or its appearance or any change that could disrupt Otay's workplace or communications. All of Tenant's construction

and installation work shall be performed at Tenant's sole cost and expense in a good and workmanlike manner. Tenant shall have the right to remove all facilities it installs at its sole expense on or before the expiration or termination of this Lease.

d. *Improvements to Facilities / Additional Space.* If, at any time during the Term, Tenant requests permission from Otay to add improvements requiring construction to its then existing Facilities, the then current Administrative Fees shall be payable to Otay for reimbursement for staff time to process the new request, construction inspection and monitoring during construction. If the requested Tenant improvements include additional lease space, a new lease agreement for the additional lease space must be executed prior to start of construction and Tenant shall pay the Administrative Fees then in effect, and shall comply with Otay's requirements then in effect. The administrative fees for the additional lease space shall be in addition to, and shall not replace the administrative fees for improvements requiring construction to the Facilities.

e. *Permits and Compliance with Applicable Laws.* Prior to commencing any construction or improvements, and from time to time, as applicable, Tenant agrees to obtain all necessary approvals for its communications operations and for the Facilities and to operate and maintain the same, at all times in accordance with all applicable laws, rules and regulations.

i. Prior to commencing construction, Tenant shall deliver to Otay copies of all executed licenses, approvals and permits required by local, state or federal agency in connection with the Facilities, which permits shall be attached hereto as Attachment B to Exhibit D.

ii. From time to time, as required by law or regulation in connection with the normal operation of the Facilities or as needed due to improvements or alterations to the same, Tenant shall provide Otay with copies of updated permits,

licenses and/or approvals. Tenant shall provide written evidence, satisfactory to Otay of all FCC approvals and other governmental permits and approvals, including but not limited to compliance with FCC Electromagnetic Radiation Guidelines.

iii. Otay agrees, at no expense to Otay, to cooperate with Tenant in making application for and obtaining all licenses, permits and any and all necessary approvals that may be required for Tenant's intended use of the Premises.

f. *Utilities.* Tenant shall be authorized to install utilities for the Premises and the Facilities at Tenant's expense and to improve the present utilities on or near the Premises (including, but not limited to the installation of an emergency back-up power) subject to Otay's approval of the location, which approval shall not be unreasonably withheld. Tenant shall fully and promptly pay for all utilities furnished to the Premises for the use, operation and maintenance of Tenant's facilities.

g. *Repair of Otay's Improvements.* Any damage done to Otay's improvement on the property during installation and/or during operations caused by Tenant or in connection with installation operation shall be repaired or replaced immediately at Tenant's expense and to Otay's reasonable satisfaction. In connection with the installation and operation of the antennae facilities, Tenant shall not locate or attach any antennae or other equipment to Otay's facilities without the prior written approval of Otay. Tenant shall pay all costs and expenses in relation to maintaining the integrity of Otay's facilities in connection with Tenant's installation and operation of the antennae facilities.

h. *Maintenance and Repair.* At all time during the Term, Tenant shall maintain the Premises and the Facilities in a manner acceptable to Otay. Tenants use of its facilities shall not interfere with Otay's operation of its improvements.

i. *Liens.* Tenant shall not encumber or allow the Premises or the Property to be encumbered in any manner other than as expressly authorized herein.

j. *Security.* Tenant recognizes and agrees that the Premises and the Reservoir Site are a sensitive area. Tenant agrees to provide for the proper supervision of all Tenant personnel assigned to enter and do work at the Premises. Tenant also agrees to, at its own cost and expense, comply with any and all security measures instituted by Otay from time to time.

10. Maintenance and Repair of Otay's Improvements. At any time during the Term, or while this Lease remains in effect, Otay may, at its option and upon One Hundred Twenty (120) days prior written notice to Tenant, remove or cause Tenant to remove all or any portion of its Facilities at Tenant's expense, in order for Otay to paint, repair, or make replacements to its improvements on the Premises (the "Maintenance Work"), as deemed necessary by Otay in its sole discretion. Tenant agrees to fully cooperate with Otay's efforts in connection with any Maintenance Work, including removing and re-installing any portion of the Facilities identified by Otay to be removed.

a. *Temporary Facilities.* During the course of the Maintenance Work, Tenant may install temporary antennae, at Tenant's expense, on the leased Premises subject to Otay's approval of the location. Once the Maintenance Work is completed by Otay, Tenant agrees to promptly dismantle any temporary facilities and to relocate the facilities to their original location or to any other location approved by Otay, as appropriate. All work related to the removal of any portion of the Facilities, installation of temporary facilities, dismantling, relocation to their

original location and any related work, shall be done at Tenant's sole cost and expense and in good and workmanlike manner.

b. *Repair of damage.* Tenant shall repair any damage caused by Tenant in connection with the installation, maintenance, operation or removal of any temporary facilities or the Facilities.

c. *Otay's option to remove temporary facilities.* If any temporary antennae is not removed within thirty (30) days from the date the Maintenance Work is completed, Otay will have the right to remove the temporary antennae and charge Tenant for such costs.

d. *Painting of the Facilities.* If the Maintenance Work includes the painting of Otay's improvements, the Tenant shall be responsible for repainting its antennas and/or equipment to match Otay's facility. Otay will provide specifications regarding paint type, color and application method to the Tenant to accomplish this requirement. The Tenant will be required to provide painting/coating submittals to Otay prior to receiving permission to begin painting. Subject to Otay's prior written consent, Tenant may substitute an alternate paint type and application method if it reasonably determines that Otay's selection will adversely affect or otherwise degrade Tenant's wireless signal from the Reservoir Site.

11. Co-Location. Tenant agrees that Otay may enter into leases with other communication carriers, wireless communications carriers and other utilities for use of any portion of the "Reservoir Site" as long as said leases do not result in unreasonable interference with Tenant's use of or access to the Premises. Tenant will reasonably cooperate with Otay's efforts in this regard including, at Otay's request, the relocation of, or changes to, the Facilities; provided that any alterations or relocation needed to accommodate the new lessee shall be performed at the expense of Otay or the new lessee.

12. Subleasing/Encumbrance. Tenant may not sub-lease or sub-license or otherwise encumber the Premises or any portion of the Facilities without Otay's prior written consent, which may be granted or denied at Otay's sole discretion. Any sub-lease or other encumbrance will require an amendment to this Lease and shall specify the terms and conditions for the sub-lease or other encumbrance.

13. Condition of the Property at Expiration or Termination. Upon the expiration or termination of this Lease as herein provided, Tenant shall surrender the Premises, and any Easements granted by Otay in connection with this Lease, to Otay in good and broom-clean condition, with all portions of the Facilities, including but not limited to equipment, supplies, buried conduits, and structures removed along with subterranean foundations to a depth of three feet below grade; or as otherwise agreed to by Otay in writing.

14. Interference. Tenant shall not use, nor shall Tenant permit its agents or invitees to use any portion of the Premises in a manner which interferes with Otay's use of the Reservoir Site for its intended purpose including communications facilities relating to Otay's operation such as telemetry/radio communications or any other pre-existing communications facilities. This would not apply to interference with a tenant of Otay whose use did not "pre-exist" this lease; except as agreed to by Tenant in connection with the co-location of any subsequent tenant's facilities. If Tenant's operation in any way interferes with Otay's telemetry/radio facilities, Tenant will have five (5) business days to correct the problem after notice from Otay. Tenant acknowledges that continuing interference will cause irreparable injury to Otay and, therefore, Otay will have the right to terminate the Lease immediately upon notice to Tenant.

15. Taxes. During the term of this Lease, Tenant shall pay before delinquency all taxes, assessments, license fees, and any other charge of any type whatsoever that are levied,

assessed, charged, or imposed on or against Tenant's personal property installed or located in or on the leased premises and that become payable during the term of this Lease.

16. Termination.

(a) This Lease may be terminated by Tenant without further liability if:

(i) Tenant delivers to Otay 30-day written notice at any time prior to the Commencement Date, for any reason or no reason;

(ii) Tenant gives Otay six months notice when Tenant determines at any time after the Commencement Date that any governmental or non-governmental license, permit, consent, approval, easement or restriction waiver that is necessary to enable Tenant to install or operate Tenant's facility cannot be obtained or renewed at reasonable expense or in reasonable time period.

(iii) Tenant determines at any time after the Commencement Date that the Premises are not appropriate or suitable for its operations for economic, environmental or technological reasons, including without limitation, any ruling or directive of the FCC or other governmental or regulatory agency, or problems with signal strength or interference not encompassed by subsection (iv) below; provided that the right to terminate under this subsection (iii) is exercisable only if Tenant pays Otay, as a termination fee, the lesser of twelve monthly installments of annual rent or the balance of the rent due for the remaining term of this Lease;

(iv) Otay commits a default under this Lease and fails to cure such default within a 30-day notice period, provided that if the period to diligently cure takes longer than 30 days and Otay commences to cure the default within the 30-day notice period, then Otay shall have such additional time as shall be reasonably necessary to diligently effect a complete cure;

(v) The Premises are totally or partially destroyed by fire or other casualty so as to hinder Tenant's normal operations and Otay does not provide to Tenant within ten (10)

days after the casualty occurs a suitable temporary relocation site for Tenant's facility pending repair and restoration of the Premises.

(b) This Lease may be terminated by Otay without further liability if:

(i) Tenant commits a default under this Lease and fails to cure such default as provided under paragraph 17, below.

17. Default.

a. *Event of Default.* The parties covenant and agree that a default or breach of this Lease (an "Event of Default") shall occur and be deemed to exist if, after notice and opportunity to cure as provided below:

(i) Tenant shall default in the payment of rent or other payments hereunder and said default shall continue for ten (10) days after Otay provides written notice of the same; or

(ii) Either party shall default in the performance or observance of any other covenant or condition of this Lease to be performed or observed if such failure persists for a period of thirty (30) days after the non-defaulting party provides written notice of the default to the defaulting party.

b. *Rights upon Default.* Upon the occurrence of an Event of Default, in addition to any other rights or remedies available to the non-defaulting party under any law, the non-defaulting party shall have the right to terminate the Lease.

c. *Cure Rights.* An Event of Default shall not exist unless written notice has been given in accordance with this Lease, and the defaulting party has had the opportunity to cure as provided herein. The defaulting party shall cure the alleged default within the manner provided herein; provided however, that if the nature of an alleged default is such that it can not reasonably be cured within such thirty (30) day period, the defaulting party shall not be in breach

of this Lease if it commences a cure within such period, and thereafter diligently proceeds with the actions necessary to complete such cure.

18. Destruction of Premises. If the Premises or the Facilities are destroyed or damaged, Tenant may elect to terminate this Lease as of the date of the damage or destruction by so notifying Otay no more than thirty (30) days following the date of damage or destruction, provided Otay does not provide to Tenant, within ten (10) days after the casualty occurs, a suitable temporary relocation site for Tenant's facility pending repair and restoration of the Premises.

19. Condemnation. If the condemning authority takes all the Property or a portion which in Tenant's opinion is sufficient to render the Premises unsuitable for Tenant's use, then this Lease shall terminate as of the date when possession is delivered to the condemning authority. In the event of any taking under the power of eminent domain, Tenant shall not be entitled to any portion of the award paid for the taking and Otay shall receive the full amount of such award except as provided herein. Tenant hereby expressly waives any right or claim to any portion of a condemnation award, except for relocation benefits and goodwill. All other damages, whether awarded as compensation for diminution in value of the leasehold or to the fee of the Premises, shall belong to Otay.

20. Insurance. Tenant shall maintain the following insurance:

- a. Commercial general liability with limits of \$5,000,000 per occurrence which may be satisfied by a primary policy with a limit of no less than \$2,000,000 and an umbrella policy of excess liability in the amount of no less than \$5,000,000;
- b. Automobile liability with the combined single limit of \$1,000,000 per accident;
- c. Worker's compensation, as required by law;

d. Employer's liability with limits of \$1,000,000 per occurrence.

Tenant shall include Otay as an additional insured on each of the aforementioned insurance policies and the policies shall state that they are primary and that any policies Otay maintains shall be noncontributory. Tenant shall provide Otay with written certificates of insurance evidencing such coverage. Said policies shall expressly provide that the policies shall not be canceled or altered without at least thirty (30) days prior written notice to Otay. Said policies shall be with insurance companies with an A.M. Best rating of AVII or better.

Otay takes no responsibility for the protection of Tenant's property from acts of vandalism by third parties. The insurance requirements may be changed by Otay upon giving of notice to Tenant; provided that the requirements set forth above shall be the minimum insurance requirements during the Term.

21. Indemnity. Tenant shall hold harmless, indemnify and defend Otay and each of Otay's directors, officers, managers, employees, agents and successors and assigns, from any and all claims, suits or actions of any kind and description brought forth on account of injuries to or death to any person or damage to any property, including damage to the Premises arising out of or related to its use of the Premises, except to the extent that such claims, suits or actions arise out of the sole negligence or willful misconduct of Otay.

22. Estoppel Certificate. Tenant shall, at any time and from time to time upon not less than thirty (30) days prior request by Otay, deliver to Otay a statement in writing certifying that (a) the Lease is unmodified and in full force (or if there have been modifications, that the Lease is in full force as modified and identifying the modifications; (b) the dates to which rent and other charges have been paid; (c) as far as the person making the certificate knows, Otay is or is not in default under any provisions of the Lease; and (d) such other matters as Otay may reasonably request.

23. Assignment. Tenant shall not assign this Lease except to an affiliated parent entity, subsidiary, purchaser of assets, or holder of its FCC license, without Otay's prior written consent. If, during the term of this Lease, Tenant requests the written consent of Otay to any assignment, Otay's consent thereto shall not unreasonably be withheld. Consent to one assignment shall not be deemed to be a consent to any subsequent assignment, and any subsequent assignment without Otay's consent shall be void and shall, at Otay's option, terminate this Lease.

24. Memorandum of Lease. If requested by Tenant, Otay agrees to promptly execute and deliver to Tenant a recordable Memorandum of Lease substantially in the form of Exhibit E.

25. Resolution of Disputes. All controversies or claims arising out of or relating to this Lease shall be resolved by submission to final and binding arbitration at the offices of the American Arbitration Association ("AAA") located in San Diego, California. Such arbitration shall be conducted in accordance with the most recent version of the AAA commercial arbitration rules.

26. Choice of Law and Venue. This Lease shall be interpreted in accordance with the laws of the State of California, and any disputes shall be heard in a court of competent jurisdiction in the State of California.

27. Attorney's Fees. In the event that either party commences any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any term, covenant, or condition of this Lease, the party prevailing in said action or proceeding shall be entitled to recover, in addition to court costs, reasonable attorneys' fees to be fixed by the court, and such recovery shall include court costs and attorneys' fees on appeal.

28. Entire Agreement. This Lease contains all agreements, promises and understandings between Otay and Tenant and no verbal or oral agreements, promises or understandings shall or will be binding upon either Otay or Tenant and any addition, variation or modification to this Lease shall be in effect unless made in writing and signed by the parties hereto.

29. Incorporation of Exhibits and Recitals. All exhibits and attachments attached to this Lease and all Recitals above are incorporated and made a part hereof as if fully set forth herein.

30. Severability. If any term or condition of this Agreement is found unenforceable, the remaining terms and conditions will remain binding upon the parties as though said unenforceable provision were not contained herein. However, if the invalid, illegal or unenforceable provision materially affects this Agreement then the Agreement may be terminated by either party on ten (10) days prior written notice to the other party hereto.

31. Waiver. Waiver of any provision or term of this Agreement, or of any breach or default hereunder, shall not constitute a waiver of any other term, condition, breach or default, or of a subsequent applicability of a term or condition, or a waiver of a subsequent breach or default, nor shall it constitute an amendment to the term, condition or provision that is waived.

32. Notice. All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices may be given by facsimile if proof of transmission is retained. Notices shall be sent to the addresses set forth below:

OTAY: Otay Water District
Attn: General Manager
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978-2096
Phone: (619) 670-2210
Fax: (619) 660-0829

TENANT: Cricket Communications, Inc.
Attn: Property Manager
10307 Pacific Center Court
San Diego, CA 92121
Phone: (858) 882-6306
Fax: (858) 622-0107

With a copy to: Cricket Communications, Inc.
Attn: Legal Department
10307 Pacific Center Court
San Diego, CA 92121
Phone: (858) 882-6288
Fax: (858) 882-6080

33. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. THE SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties have executed this Lease as of the 30th day of August, 2006. This date is referred to as the Commencement Date in the Lease.

CRICKET COMMUNICATIONS, INC.,
A Delaware corporation

By: Anthony G. Benyola
Name: Anthony G. Benyola
Its: Regional Network Director, Western Region

OTAY WATER DISTRICT
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91979

By: _____
Name: Mark Watton
Its: General Manager

Approved as to Form:

Aerobel Banuelos
Assistant General Counsel

EXHIBIT A
SPECIAL TERMS AND CONDITIONS ADDED TO
AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 485-1
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")

If any terms or conditions set forth herein contradict terms or conditions of the Lease to which this Exhibit is attached, as described above, the terms and conditions of this Exhibit shall control.

SPECIAL TERMS AND CONDITIONS

1. **Landscaping and Maintenance.** The installation, permitting, maintenance and upkeep, and all expenses or other obligations related thereto, in connection with any and all landscaping and irrigation systems mandated by the permitting agencies will be the sole responsibility of the Tenant. Otay Water District makes no commitment for delivery of water for said landscaping, except if Tenant obtains a water meter for the site and pays for water use.

2. **Rent.** At Tenant's election, subject to prior written notice as set forth in the Lease, Tenant may pay rent annually, in advance during each of the five-years of the Initial Term or during each of the five years in any Extension Term. Once the Initial Term or Extension Term, as applicable, has commenced, Tenant may not alter its election to pay monthly or annually.

3. **Tenant's Financing.** Notwithstanding anything to the contrary contained in this Lease, Tenant may assign, mortgage, pledge, hypothecate or otherwise transfer without prior notice or consent its interest in this Lease to any financing entity, or agent on behalf of any financing entity to whom Tenant (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof; provided that no such assignment shall become binding on Otay until written notification is given by Tenant to Otay as provided in the Lease. A "financing entity" as used herein, does not include any entity which primary business is not that of banking, finance, lending or investing funds and does not include any entity whose primary business is telecommunications.

- a. **Waiver of Otay's Lien.** With respect to any such financing entity, Otay waives any lien rights it may have concerning the Facilities, which is deemed Tenant's personal property and not fixtures attached to the Property and Tenant or, if appropriate, the financing entity has the right to remove the same at any time without Otay's consent. The financing entity shall not have the right to operate the Facilities without Otay's prior written consent, which may be denied if the financing entity does not meet the definition of financing entity above.

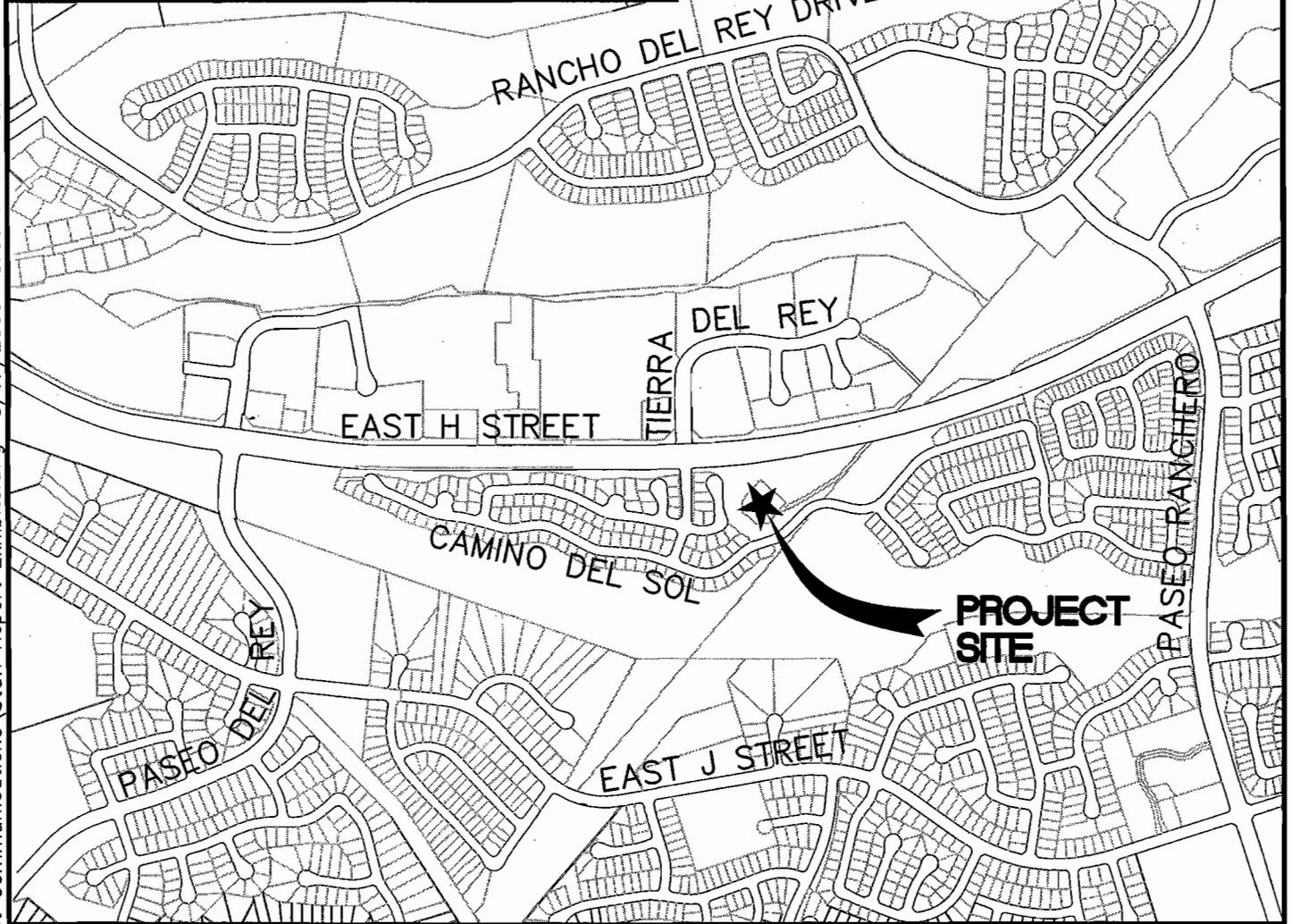
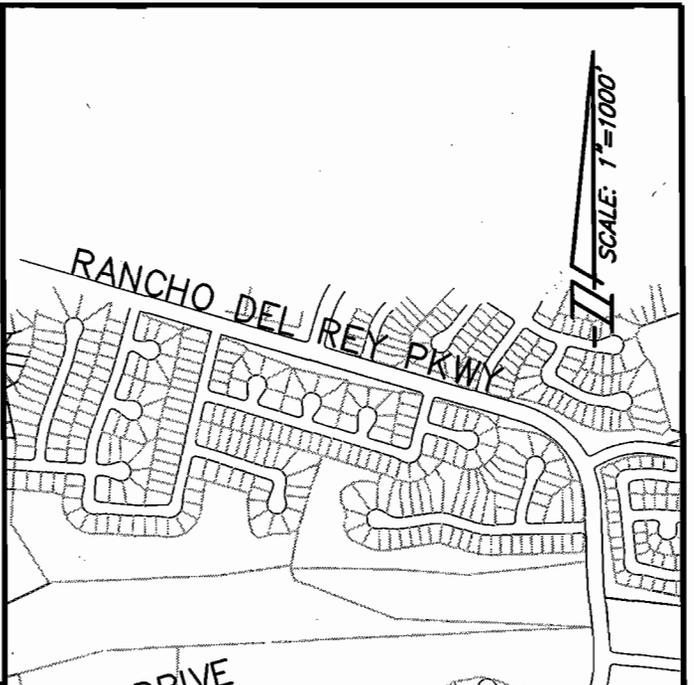
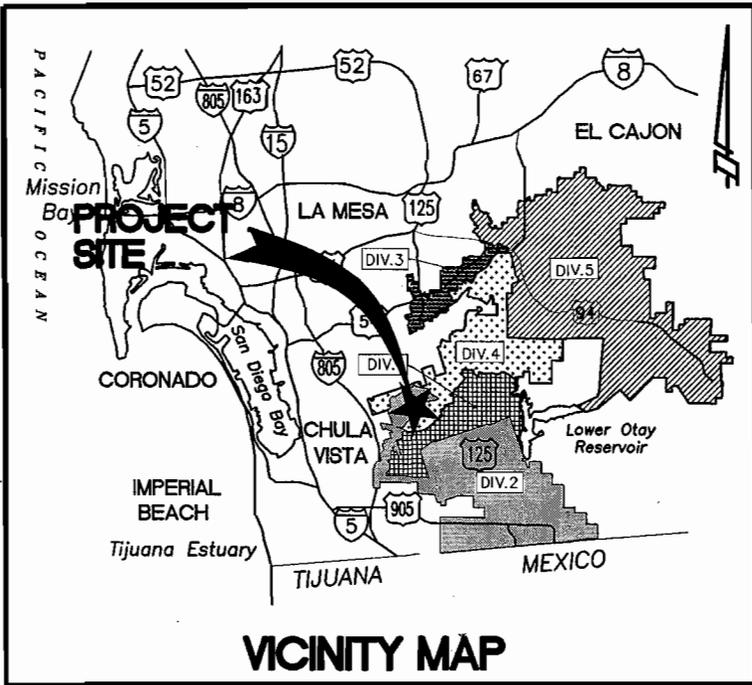
- b. **Collateral.** Tenant may enter into a financing arrangement including promissory notes and financial and security agreements for the financing of the Facilities (“Collateral”) with a third party financing entity (and may in the future enter into additional financing arrangements with other financing entities). In connection therewith, Otay (i) consents to the installation of the Collateral; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.
- c. **Disposition of Collateral.** Notwithstanding paragraphs a. and b., above, if Tenant fails to remove the Collateral, or any component thereof, within five (5) days of the termination of this Lease, said failure shall constitute an abandonment. If thereafter, Tenant or any holder of Collateral, lender or assignee, whether or not notification was provided to Otay, fails to claim and remove the same, within thirty (30) calendar days of the date of termination of this Lease, Otay is hereby specifically authorized to remove and dispose of the Collateral, or any component thereof, so abandoned at Tenant’s sole cost and expense and without incurring any liability to Tenant, or any lender with any interest in all or any part of the Collateral, or any assignee of this Lease.
- d. **No privity or obligation.** Otay does not have privity with any financing entity and specifically disclaims any obligation to any such entity, including any obligation to provide copies of any notices of default or right to cure under the Lease.

EXHIBIT B

**TO AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC. A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 485-1
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")**

List of Attachments to Exhibit B:

- ATTACHMENT A. DEPICTION OF RESERVOIR FACILITIES
- ATTACHMENT B. LEGAL DESCRIPTION OF THE PROPERTY
- ATTACHMENT C. LEGAL DESCRIPTION OF THE PREMISES
- ATTACHMENT D. DEPICTION OF THE PROPERTY AND PREMISES



P:\WORKING\Cricket Communications\Staff Report Exhibits.dwg 8/17/2006 3:39:51 PM PST



OTAY WATER DISTRICT
 CRICKET COMMUNICATIONS AT
 OTAY WATER DISTRICT'S 485-1 RESERVOIR SITE
 LOCATION MAP

EXHIBIT B
ATTACHMENT B

SITE LEGAL DESCRIPTION
OTAY WATER DISTRICT #485-1
CRICKET COMMUNICATIONS SAN-733-A
996 EAST "H" STREET
CHULA VISTA, CA 91910

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO, DESCRIBED AS FOLLOWS:

LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 13176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994.



Charles W. Christensen

Charles W. Christensen, RCE 8195

08/18/06
Date

EXHIBIT B
ATTACHMENT C

PROPOSED EQUIPMENT/ANTENNA EASEMENT
OTAY WATER DISTRICT #485-1
CRICKET COMMUNICATIONS SAN-733-A
996 EAST "H" STREET
CHULA VISTA, CA 91910

EQUIPMENT EASEMENT

A PROPOSED EQUIPMENT EASEMENT LYING WITHIN A PORTION OF LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 13176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE SOUTH 77°28'50" WEST, 228.16 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 11°47'23" EAST, 12.00 FEET; THENCE SOUTH 78°12'37" WEST, 10.00 FEET; THENCE NORTH 11°47'23" WEST, 12.00 FEET; THENCE NORTH 78°12'37" EAST, 10.00 FEET TO THE TRUE POINT OF BEGINNING.

SAID PROPOSED EASEMENT CONTAINING APPROXIMATELY 120 SQUARE FEET, MORE ORR LESS.

ANTENNA EASEMENT

PROPOSED ANTENNA EASEMENTS LYING WITHIN A PORTION OF LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 13176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PROPOSED ANTENNA EASEMENT A:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE NORTH 85°39'59" WEST, 242.91 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 00°00'00" WEST, 3.00 FEET; THENCE SOUTH 90°00'00" WEST, 3.00 FEET; THENCE NORTH 00°00'00" EAST, 3.00 FEET; THENCE NORTH 90°00'00" EAST, 3.00 FEET TO THE TRUE POINT OF BEGINNING. SAID PROPOSED EASEMENT CONTAINING APPROXIMATELY 9 SQUARE FEET, MORE OR LESS.

PROPOSED ANTENNA EASEMENT B:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE SOUTH 41°32'28" WEST, 112.17 FEET TO THE TRUE A POINT OF BEGINNING; THENCE SOUTH 00°00'00" WEST, 3.00 FEET; THENCE SOUTH 90°00'00" WEST, 3.00 FEET; THENCE NORTH 00°00'00" EAST, 3.00 FEET; THENCE NORTH 90°00'00" EAST, 3.00 FEET TO THE TRUE POINT OF BEGINNING. SAID

PROPOSED EASEMENT CONTAINING APPROXIMATELY 9 SQUARE FEET,
MORE OR LESS.

PROPOSED ANTENNA EASEMENT C:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE
SOUTH 71°04'15" WEST, 240.88 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 00°00'00" WEST, 3.00 FEET; THENCE SOUTH 90°00'00" WEST,
3.00 FEET; THENCE NORTH 00°00'00" EAST, 3.00 FEET; THENCE NORTH
90°00'00" EAST, 3.00 FEET TO THE TRUE POINT OF BEGINNING. SAID
PROPOSED EASEMENT CONTAINING APPROXIMATELY 9 SQUARE FEET,
MORE OR LESS.



Charles W. Christensen, RCE 8195

08/18/06

Date

JN 2006-76

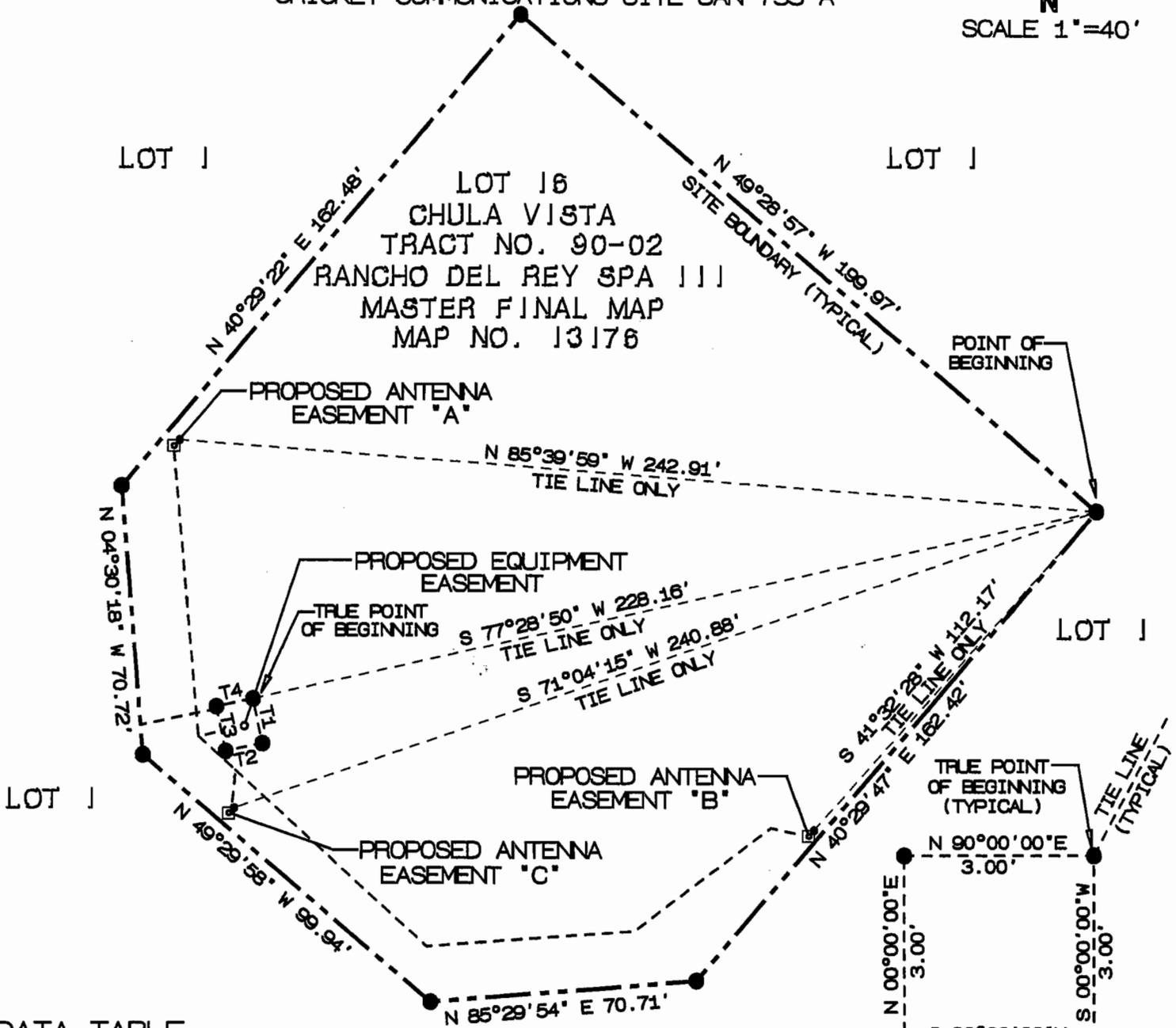


EXHIBIT B

ATTACHMENT D
 PROPOSED EQUIPMENT/ANTENNA EASEMENT
 OTAY WATER DISTRICT #485-1
 CRICKET COMMUNICATIONS SITE SAN-733-A



SCALE 1"=40'



DATA TABLE

| T NO. | DIRECTION | DISTANCE |
|-------|---------------|----------|
| 1 | S 11°47'23" E | 12.00' |
| 2 | S 78°12'37" W | 10.00' |
| 3 | N 11°47'23" W | 12.00' |
| 4 | N 78°12'37" E | 10.00' |

ANTENNA EASEMENT
 DETAIL (TYPICAL)
 NOT TO SCALE

Charles W. Christensen

08-18-06

CHARLES W. CHRISTENSEN, R.C.E. 8195

Date



CHRISTENSEN ENGINEERING & SURVEYING

CIVIL ENGINEERS

LAND SURVEYORS

PLANNERS

7888 SILVERTON AVENUE, SUITE 'J', SAN DIEGO, CALIFORNIA 92126

TELEPHONE: (858)271-9901

FAX: (858)271-8912



EXHIBIT C

TO AGREEMENT BETWEEN CRICKET COMMUNICATIONS, INC., A DELAWARE CORPORATION AND OTAY TO LOCATE COMMUNICATION FACILITIES AT OTAY'S 485-1 RESERVOIR SITE, DATED _____, _____ (THE "LEASE")

DEPICTION AND LEGAL DESCRIPTION OF TEMPORARY TRENCH EASEMENT

Easement Requested? Yes No
Easement Granted? Yes No

If Easement granted, complete the following information:

For good and valuable consideration, receipt of which is hereby acknowledged, the Otay Water District, as Grantor, hereby grants to Cricket Communications, Inc., a Delaware corporation, as Tenant, a temporary Easement to excavate, remove dirt and do any act necessary to install, operate and maintain power lines and connection lines as required in connection with the communications facilities and the antenna to be located on the Premises. The legal description of the land subject to the Easement is as follows:

A drawing depicting the Easement is attached hereto. Tenant may not sell, transfer or assign the Easement herein granted to Tenant. Tenant's rights under the Easement are specifically limited to the installation of such power lines, transmission lines and other communications lines and accessories as required to efficiently operate Tenant's communication facilities on the Premises.

The Easement shall **automatically terminate** on the day that is thirty (30) years from the date of the Lease. However, if the Lease is terminated earlier for any reason, the Easement will become unenforceable and, for all purposes, terminate on the date the Lease is terminated.

Grantor reserves the right to use the lands that are subject to the Easement in a manner such that it will not interfere with Tenant's use thereof.

Grantor retains the right to remove, at Tenant's expense, from the surface of the Easement any item, structure improvement or portion thereof that interferes or conflicts with Otay's use of the Property.

Tenant agrees to indemnify, defend and hold harmless the Grantor for any damage to property or person (including death) and any, claim, suit, action, cost or expense arising in connection with the Easement or Tenant's use or installation of any item, line, facility or other thing in connection therewith.

Tenant agrees to maintain the portion of the Property subject to the Easement in substantially the condition it is on the date the Lease is executed, excepting only such changes as are accepted by Otay in writing.

EXHIBIT C

PROPOSED UTILITY/COAXIAL CABLE EASEMENT
OTAY WATER DISTRICT #485-1
CRICKET COMMUNICATIONS SAN-733-A
996 EAST "H" STREET
CHULA VISTA, CA 91910

PROPOSED UTILITY EASEMENT

A PROPOSED 5.00' FOOT UTILITY EASEMENT LYING WITHIN A PORTION OF LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 13176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994, THE CENTERLINE OF SAID 5.00 FOOT EASEMENT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE SOUTH 77°20'38" WEST, 238.17 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 78°12'37" WEST, 20.62 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 16. THE SIDELINES OF SAID 5.00 FOOT EASEMENT TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE BEGINNING OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 11°47'23" WEST , AND AT THE END OF SAID EASEMENT ON THE WESTERLY LINE OF SAID LOT 16.

PROPOSED COAXIAL EASEMENT

A PROPOSED 5.00 FOOT COAXIAL CABLE EASEMENT LYING WITHIN A PORTION OF LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 13176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994, THE CENTERLINE OF SAID 5.00 FOOT EASEMENT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE SOUTH 75°54'50" WEST, 238.34 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 78°12'37" WEST, 6.21 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A"; THENCE NORTH 4°54'13" WEST, 74.91 FEET. THE SIDELINES OF SAID 5.00 FOOT EASEMENT TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE BEGINNING OF SAID EASEMENT ON A LINE BEARING SOUTH 11°47'23" EAST AND AT THE END OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 90°00'00" EAST.

BEGINNING AT AFOREMENTIONED POINT "A"; THENCE SOUTH 47°31'12" EAST, 13.33 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B"; THENCE SOUTH 5°58'00" WEST, 9.92 FEET. THE SIDELINES OF SAID 5.00 FOOT EASEMENT TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE BEGINNING OF SAID EASEMENT ON A LINE WHICH BEARS NORTH

42°28'48" EAST AND AT THE END OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 90°00'00" EAST.

BEGINNING AT AFOREMENTIONED POINT "B"; THENCE SOUTH 47°31'12" EAST, 68.45 FEET; THENCE NORTH 85°48'18" EAST, 55.11 FEET; THENCE NORTH 53°09'29" EAST, 45.31 FEET; THENCE SOUTH 77°25'53" EAST, 8.53. THE SIDELINES OF SAID 5.00 FOOT EASEMENT TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE BEGINNING OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 42°28'48" EAST AND AT THE END OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 0°00'00" EAST.

Charles W. Christensen

Charles W. Christensen, RCE 8195

08/16/06

Date

JN 2006-76

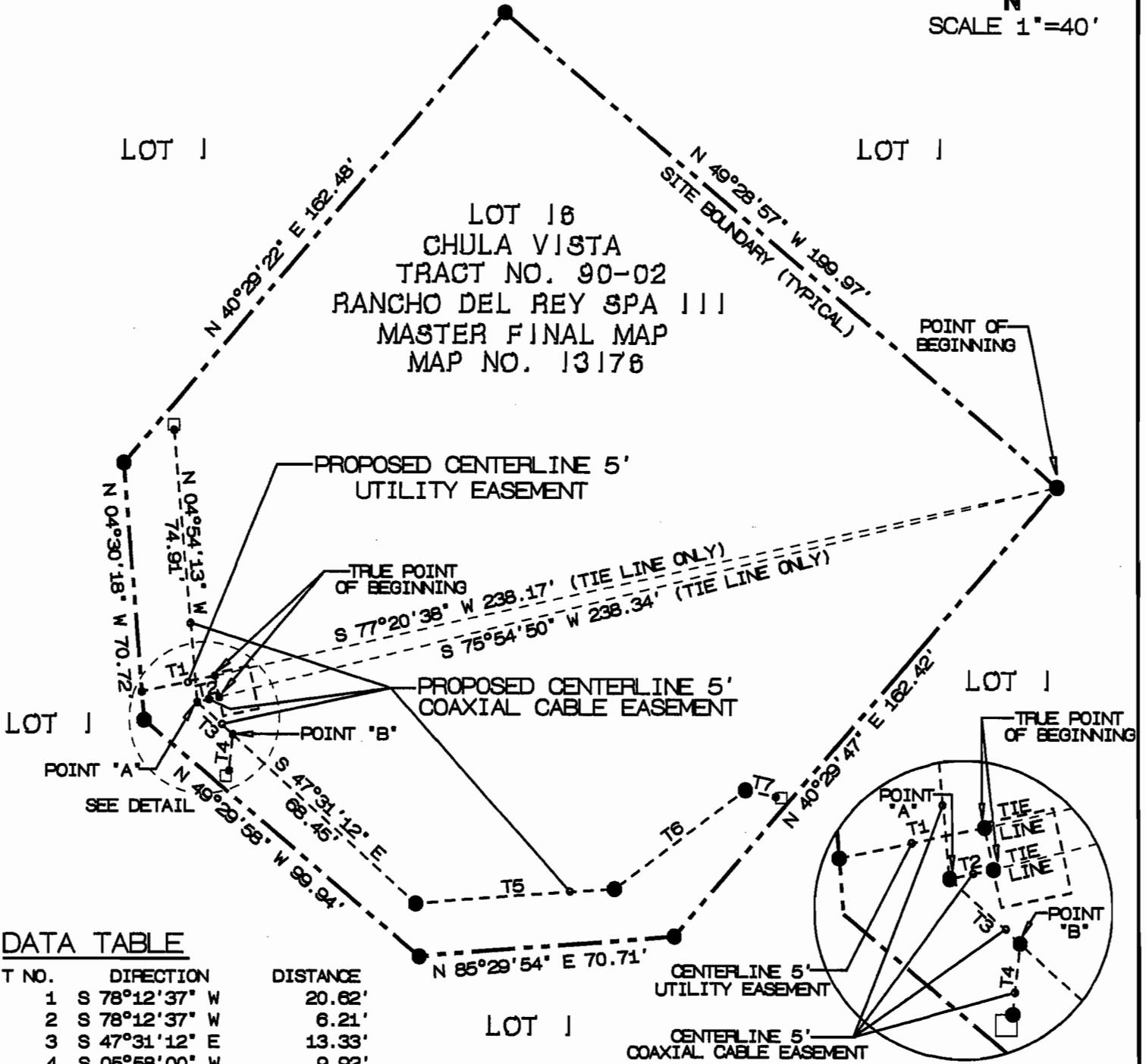


EXHIBIT C

PROPOSED UTILITY/COAXIAL CABLE EASEMENT
 OTAY WATER DISTRICT #485-1
 CRICKET COMMUNICATIONS SITE SAN-733-A



SCALE 1"=40'



DATA TABLE

| T NO. | DIRECTION | DISTANCE |
|-------|---------------|----------|
| 1 | S 78°12'37" W | 20.62' |
| 2 | S 78°12'37" W | 6.21' |
| 3 | S 47°31'12" E | 13.33' |
| 4 | S 05°58'00" W | 9.92' |
| 5 | N 85°48'18" E | 55.11' |
| 6 | N 53°09'29" E | 45.31' |
| 7 | S 77°25'53" E | 8.53' |

Charles W. Christensen

08-18-06

CHARLES W. CHRISTENSEN, R.C.E. 8195

Date

CHRISTENSEN ENGINEERING & SURVEYING

CIVIL ENGINEERS

LAND SURVEYORS

PLANNERS

7888 SILVERTON AVENUE, SUITE "J", SAN DIEGO, CALIFORNIA 92126

TELEPHONE: (858)271-9901

FAX: (858)271-8912



EXHIBIT D

**TO AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 485-1
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")**

List of Attachments to Exhibit D:

Attachment A. Depiction of the Telecommunication Facilities

Attachment B. Permits

EXHIBIT E

**TO AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 485-1
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")**

Memorandum of Lease

Check one option.

None.

See Attached.

cricket

ATTACHMENT A

EXHIBIT D

OTAY WATER DISTRICT 485-1 RESERVOIR SITE

996 EAST H STREET

CHULA VISTA, CA 91910

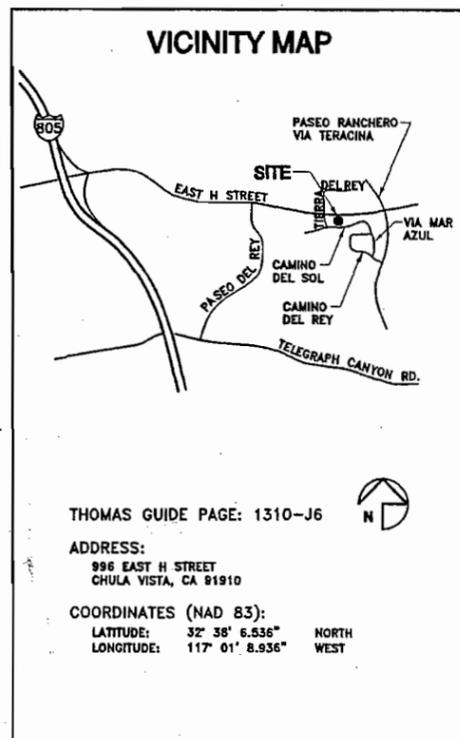
SAN-733-A

RECEIVED

MAR 10 2006

CITY OF CHULA VISTA
BUILDING & HOUSING DEPT.

PCC 06-068



ACCESSIBILITY DISCLAIMER

THIS PROJECT IS AN UNOCCUPIED WIRELESS PCS TELECOMMUNICATIONS FACILITY AND, ACCORDING TO WRITTEN INTERPRETATION FROM THE CALIFORNIA DEPARTMENT OF THE STATE ARCHITECT, IS EXEMPT FROM DISABLED ACCESS REQUIREMENTS.

CONSULTANT TEAM

ARCHITECT:
WILLIAM BOOTH & ROBERT SUAREZ
ARCHITECTURE & PLANNING
P.O. BOX 4651
CARLSBAD, CA 92018
(760) 434-8474
(760) 434-8596 (FAX)

ELECTRICAL CONSULTANT:
WALTER D. CAMP, ELECTRICAL ENGINEER, PE
1880 SHEEP RANCH LOOP
CHULA VISTA, CA 91913
(619) 934-1815

STRUCTURAL CONSULTANT:
ALEX BROWN ENGINEERING
935 OLDHAM COURT
ENCINITAS, CA 92024
(760) 943-7866
(760) 943-7866 (FAX)

SITE ACQUISITION:
MERIDIAN TELECOM, INC.
6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121
CONTACT: SUZANNE MARTIKAS
(858) 521-0240
(858) 777-3518 (FAX)

LAND USE PLANNER:
MERIDIAN TELECOM, INC.
6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121
CONTACT: FRANKLIN OROZCO
(619) 632-2569
(858) 777-3518 (FAX)

PROJECT SUMMARY

APPLICANT: CRICKET COMMUNICATIONS
6160 CORNERSTONE COURT, STE. 150
SAN DIEGO, CA 92121
CONTACT: DAVID PUTNAM
(925) 324-5360

OWNER: OTAY WATER DISTRICT
2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CA 91978
CONTACT: DAN KJONEGAARD
(619) 670-2269

PROJECT DESCRIPTION:

- INSTALLATION OF A SINGLE TELECOMMUNICATIONS CABINET ON A NEW RAISED STEEL PLATFORM ON GRADE
- INSTALLATION OF THREE ANTENNA SECTORS OF ONE ANTENNA EACH (TOTAL OF 3 ANTENNAS) MOUNTED ON 6" DIAMETER x 14'-0" HIGH STEEL POLES
- INSTALLATION OF A NEW 200 AMP ELECTRICAL SERVICE FROM A NEW ELECTRICAL TRANSFORMER TO REPLACE AN EXISTING TRANSFORMER
- INSTALLATION OF A NEW TELCO SERVICE CONNECTION FROM EXISTING TELCO PEDESTAL
- NO LANDSCAPE OR IRRIGATION IS PLANNED FOR THIS PROJECT

LEGAL DESCRIPTION:
LOT 16 OF CHULA VISTA TRACT NO. 90-02, RANCHO DEL REY SPA III, MASTER FINAL MAP, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 15176, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 14, 1994

PROJECT ADDRESS: 996 EAST H STREET
CHULA VISTA, CA 91910

ASSESSORS PARCEL NUMBER: 640-050-33

EXISTING ZONING: PC PLANNED COMMUNITY

TOTAL SITE AREA: 39,980.9 SF
= 0.91 ACRES

PROPOSED PROJECT AREA: 70 SF

TYPE OF CONSTRUCTION: TYPE V, NON-RATED UNSPRINKLERED

PROPOSED OCCUPANCY: NONE

NOTE:
THERE ARE CURRENTLY THREE EXISTING TELECOMMUNICATIONS FACILITIES ON THE SITE. (NEXTEL, T-MOBILE & VERIZON)

SHEET SCHEDULE

| | |
|-----|------------------------------------|
| T-1 | TITLE SHEET & PROJECT DATA |
| A-0 | SITE PLAN & GENERAL SPECIFICATIONS |
| A-1 | EQUIPMENT PLAN & ELEVATION |
| A-2 | EXTERIOR ELEVATIONS |
| A-3 | EXTERIOR ELEVATIONS |

APPLICABLE CODES

ALL WORK SHALL COMPLY WITH THE FOLLOWING APPLICABLE CODES:
CALIFORNIA STATE BUILDING CODE, 2001 EDITION, TITLE 24
UNIFORM BUILDING CODE, 2001 EDITION
UNIFORM PLUMBING CODE, 2001 EDITION
UNIFORM MECHANICAL CODE, 2001 EDITION
NATIONAL ELECTRICAL CODE, 2001 EDITION

IN THE EVENT OF CONFLICT, THE MOST RESTRICTIVE CODE SHALL PREVAIL



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| | |
|------------------|------|
| R.F. | DATE |
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME
OTAY WATER DISTRICT @ 971

PROJECT NUMBER
SAN-733-A

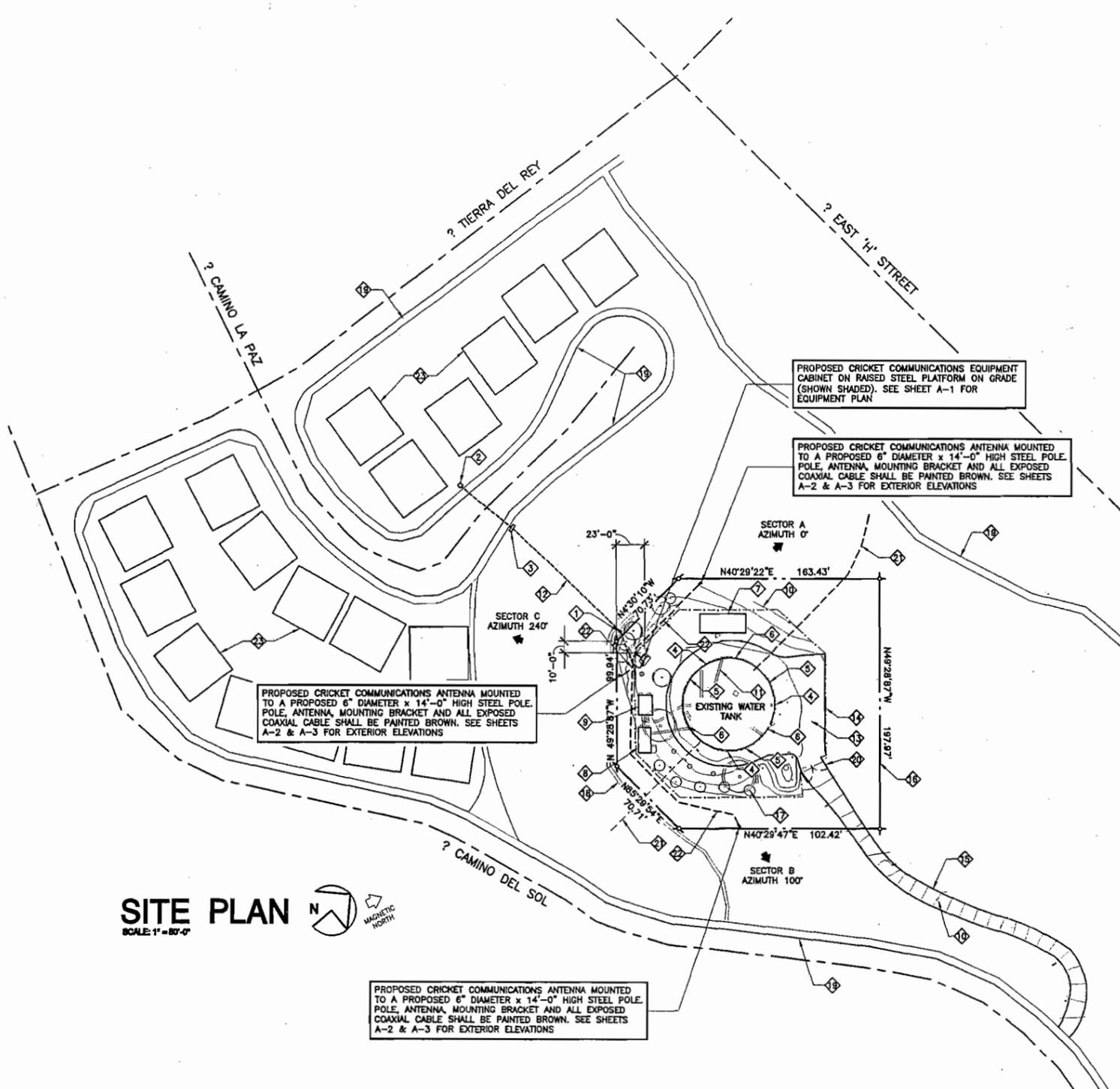
996 EAST H STREET
CHULA VISTA, CA 91910
SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|-----------------------|
| 12/14/05 | PRELIM 2D REVIEW (AO) |
| 01/05/06 | FINAL 2D REVIEW (AA) |
| 01/27/06 | SUBMITTAL SET (rew) |
| 03/07/06 | OWNER COMMENTS (rew) |
| 03/08/06 | OWNER COMMENTS (job) |

SHEET TITLE
TITLE SHEET & PROJECT DATA

PROJECTS\cricket\SAN733zd\SAN733z11.dwg



SITE PLAN
SCALE 1" = 50'-0"
MAGNETIC NORTH

PROPOSED CRICKET COMMUNICATIONS ANTENNA MOUNTED TO A PROPOSED 6" DIAMETER x 14'-0" HIGH STEEL POLE. ANTENNA MOUNTING BRACKET AND ALL EXPOSED COAXIAL CABLE SHALL BE PAINTED BROWN. SEE SHEETS A-2 & A-3 FOR EXTERIOR ELEVATIONS

PROPOSED CRICKET COMMUNICATIONS ANTENNA MOUNTED TO A PROPOSED 6" DIAMETER x 14'-0" HIGH STEEL POLE. ANTENNA MOUNTING BRACKET AND ALL EXPOSED COAXIAL CABLE SHALL BE PAINTED BROWN. SEE SHEETS A-2 & A-3 FOR EXTERIOR ELEVATIONS

PROPOSED CRICKET COMMUNICATIONS EQUIPMENT CABINET ON RAISED STEEL PLATFORM ON GRADE (SHOWN SHADED). SEE SHEET A-1 FOR EQUIPMENT PLAN

PROPOSED CRICKET COMMUNICATIONS ANTENNA MOUNTED TO A PROPOSED 6" DIAMETER x 14'-0" HIGH STEEL POLE. ANTENNA MOUNTING BRACKET AND ALL EXPOSED COAXIAL CABLE SHALL BE PAINTED BROWN. SEE SHEETS A-2 & A-3 FOR EXTERIOR ELEVATIONS

CRICKET COMMUNICATIONS TELECOMMUNICATIONS TRANSMITTER FREQUENCIES AND POWER LEVELS:
1850-1990 MHz BAND WIDTH
200 WATTS ERP PER SECTOR

EASEMENTS:
NO EASEMENTS ARE SHOWN WHICH REFLECTS PRELIMINARY RECORDS RESEARCH PARCEL MAPS.
EASEMENTS ARE SUBJECT TO REVIEW OF FINAL TITLE REPORT

GENERAL SPECIFICATIONS

- THE LATEST EDITION OF THE AMERICAN INSTITUTE OF ARCHITECTS DOCUMENT A201 "GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION" ARE INCLUDED IN THESE SPECIFICATIONS AS IF COMPLETELY REPRODUCED HEREIN.
- THIS FACILITY IS AN UNOCCUPIED PCS TELECOMMUNICATIONS SITE AND IS EXEMPT FROM DISABLED ACCESS REQUIREMENTS.
- PRIOR TO THE SUBMISSION OF BOB, THE CONTRACTORS PARTICIPATING SHALL VISIT THE JOB SITE AND FAMILIARIZE THEMSELVES WITH ALL FIELD CONDITIONS AFFECTING THE PROPOSED PROJECT INCLUDING DEMOGRAPHIC, ELECTRICAL, MECHANICAL, AND STRUCTURAL INSTALLATIONS, AS WELL AS WITH THE CONSTRUCTION AND CONTRACT DOCUMENTS AND SHALL CONFIRM THAT THE PROJECT CAN BE ACCOMPLISHED AS SHOWN PRIOR TO PROCEEDING WITH CONSTRUCTION. SHOULD ANY ERRORS, OMISSIONS, OR DISCREPANCIES BE FOUND, THE GENERAL CONTRACTOR SHALL IMMEDIATELY NOTIFY CRICKET COMMUNICATIONS CONSTRUCTION MANAGER AND THE ARCHITECT IN WRITING. IN THE EVENT OF DISCREPANCIES BE FOUND, THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR ALL COSTS INCURRED TO REPAIR OR CORRECT ALL PROBLEMS THAT RESULT.
- DRAWINGS SHALL NOT BE SCALED. THESE DRAWINGS ARE INTENDED TO BE DIAGRAMMATIC ONLY. NOTED DIMENSIONS HAVE PRECEDENCE OVER DRAWING SCALE AND DETAIL DRAWINGS HAVE PRECEDENCE OVER SMALL SCALE DRAWINGS. CONTRACTOR SHALL CHECK ACCURACY OF ALL DIMENSIONS IN THE FIELD. UNLESS SPECIFICALLY NOTED, DO NOT FABRICATE ANY MATERIALS, OR BEGIN ANY CONSTRUCTION UNTIL THE ACCURACY OF DRAWING DIMENSIONS HAS BEEN VERIFIED AGAINST ACTUAL FIELD DIMENSIONS.
- THE CONTRACTOR SHALL INCLUDE IN HIS OR HER BID ALL MATERIALS, EQUIPMENT, APPURTENANCES AND LABOR NECESSARY TO COMPLETE THE WORK AS INDICATED OR IMPLIED BY THESE DRAWINGS.
- CONTRACTOR SHALL NOTIFY THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER, THE PROPERTY OWNER AND THE ARCHITECT IF ANY DETAILS ARE CONSIDERED UNDESIRABLE, UNSAFE, NOT WATERPROOF, OR NOT WITHIN CUSTOMARY TRADE PRACTICE. IF WORK IS PERFORMED, IT WILL BE ASSUMED THAT THERE IS NO OBJECTION TO ANY DETAILS. DETAILS ARE INTENDED TO SHOW THE END RESULT OF THE DESIGN. MINOR MODIFICATIONS MAY BE REQUESTED TO SUIT JOB CONDITIONS, AND SHALL BE INCLUDED AS PART OF THE WORK.
- EXISTING ELEVATIONS AND LOCATIONS TO BE JOINED SHALL BE VERIFIED BY THE CONTRACTOR BEFORE CONSTRUCTION. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE EXACT MEANING, THE CONTRACTOR SHALL NOTIFY THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER AND THE ARCHITECT SO THAT MODIFICATIONS CAN BE MADE BEFORE PROCEEDING WITH THE WORK.
- THE CONTRACTOR SHALL VERIFY ALL TELEPHONE & RADIO EQUIPMENT LAYOUTS, SPECIFICATIONS, PERFORMANCE, INSTALLATION AND FINAL LOCATIONS WITH CRICKET COMMUNICATIONS CONSTRUCTION MANAGER PRIOR TO BEGINNING WORK. THE CONTRACTOR SHALL BE RESPONSIBLE FOR COORDINATING HIS WORK WITH ERICSSON RADIO SYSTEMS.
- ALL SYMBOLS AND ABBREVIATIONS USED ON THE DRAWINGS ARE CONSIDERED CONSTRUCTION STANDARDS. IF THE CONTRACTOR HAS QUESTIONS REGARDING THEIR EXACT MEANING, THE CONTRACTOR SHALL BE NOTIFIED FOR CLARIFICATION BEFORE THE CONTRACTOR PROCEEDS WITH THE WORK.
- THE CONTRACTOR SHALL OBTAIN AND PAY FOR PERMITS, LICENSES AND INSPECTIONS NECESSARY FOR PERFORMANCE OF THE WORK AND INCLUDE THOSE IN THE COST OF THE WORK TO CRICKET COMMUNICATIONS.
- THE CONTRACTOR SHALL PROVIDE CONTINUOUS SUPERVISION WHILE ANY SUBCONTRACTORS OR WORKMEN ARE ON THE SITE AND SHALL SUPERVISE AND DIRECT ALL WORK USING HIS BEST SKILL AND ATTENTION. HE SHALL BE SOLELY RESPONSIBLE FOR ALL CONSTRUCTION MEANS, METHODS, TECHNIQUES, PROCEDURES AND SEQUENCES AND FOR COORDINATING ALL PORTIONS OF THE WORK UNDER THE CONTRACT.
- WORKMANSHIP THROUGHOUT SHALL BE OF THE BEST QUALITY OF THE TRADE INVOLVED, AND SHALL MEET OR EXCEED THE FOLLOWING MINIMUM REFERENCE STANDARDS FOR QUALITY AND PROFESSIONAL CONSTRUCTION PRACTICES:
NRCA NATIONAL ROOFING CONTRACTORS ASSOCIATION
OFFICE INTERNATIONAL CENTER
10225 N. HIRSHING ROAD, SUITE 600
ROSEMONT, IL 60018
SMACNA SHEET METAL AND AIR CONDITIONING CONTRACTORS NATIONAL ASSOCIATION
4501 LANTANITE CENTER DRIVE
CHANTILLY, VA 20151-1208
IIP INTERNATIONAL INSTITUTE FOR LATH AND PLASTER
820 TRANSFER ROAD
ST. PAUL, MN 55114-1408
- INSTALL ALL EQUIPMENT AND MATERIALS PER THE LATEST EDITION OF THE MANUFACTURER'S INSTALLATION SPECIFICATIONS UNLESS SPECIFICALLY NOTED TO THE CONTRARY, OR WHERE LOCAL CODES OR REGULATIONS VARY. PRECEDENCE TO THE CONTRACTOR'S REGULATIONS TAKE PRECEDENCE.
- THE CONTRACTOR SHALL VERIFY, COORDINATE, AND PROVIDE ALL NECESSARY BLOCKING, BRACING, FRAMING, HANGERS OR OTHER SUPPORTS FOR ALL ITEMS REQUIRED BY THE SAME.
- THE CONTRACTOR AND ALL SUBCONTRACTORS SHALL OBEY ALL NOTICES AND SHALL COMPLY WITH ALL APPLICABLE LOCAL, STATE, FEDERAL, AND FEDERAL REGULATIONS AS WELL AS STATE DEPARTMENT OF INDUSTRIAL REGULATION AND DIVISION OF INDUSTRIAL SAFETY (OSHA) REQUIREMENTS.
- THE CONTRACTOR SHALL PROTECT THE PROPERTY OWNERS, AND CRICKET COMMUNICATIONS PROPERTY FROM DAMAGE WHICH MAY OCCUR DURING CONSTRUCTION INCLUDING BUT NOT LIMITED TO: EXPOSURE TO WEATHER CONDITIONS, ANY DAMAGE TO NEW AND EXISTING TREES, CURBS, STAIRS, OR EQUIPMENT, ETC. SHALL BE IMMEDIATELY REPAIRED OR REPLACED TO THE SATISFACTION OF CRICKET COMMUNICATIONS, AND THE PROPERTY OWNER, OR THE OWNER'S REPRESENTATIVE, AT THE EXPENSE OF THE CONTRACTOR.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR, AND SHALL REPLACE OR REPAIR, ANY DAMAGE TO EXISTING UTILITIES OR MATERIALS OR WORKMANSHIP OR ANY DAMAGE WHICH SHALL APPEAR WITHIN ONE YEAR AFTER THE COMPLETION AND ACCEPTANCE OF THE WORK BY CRICKET COMMUNICATIONS UNDER THIS CONTRACT.
- IT SHALL BE THE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, INCLUDING ON-SITE UTILITIES OR CONTACT AN OUTSIDE AGENCY TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREON OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL EXPENSES FOR REPAIR OR REPLACEMENT OF UTILITIES OR OTHER PROPERTY DAMAGED IN CONNECTION WITH THE EXECUTION OF WORK.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE PROJECT SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETED AND ACCEPTED BY CRICKET COMMUNICATIONS.
- THE CONTRACTOR SHALL PROVIDE TEMPORARY WATER, POWER AND TOILET FACILITIES AS REQUIRED BY THE PROPERTY OWNER, CRICKET COMMUNICATIONS, AND THE CITY OR GOVERNING AGENCY.
- THE LATEST EDITION OF ALL PERMITTED AND APPROVED PLANS PERTAINING TO THIS PROJECT SHALL BE KEPT ON-SITE IN A PLAN BOX AND SHALL NOT BE USED FOR WORK. ALL CONSTRUCTION SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN IN GOOD CONDITION ONE COMPLETE SET OF PLANS WITH ALL REVISIONS, ADDENDA AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.
- THE GENERAL CONTRACTOR IS RESPONSIBLE FOR OBTAINING THE CONSTRUCTION DOCUMENTS TO ILLUSTRATE THE SCOPE OF THE SITE. THIS SHALL BE DONE AFTER THE SITE HAS BEEN APPROVED FINAL INSPECTION BY THE RESPONSIBLE BUILDING AGENCY AND APPROVED BY CRICKET COMMUNICATIONS ONE SET OF REVISIONS DRAWINGS SHALL BE PROVIDED TO THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER.
- THE CONTRACTOR SHALL REMOVE ALL RUBBISH AND WASTE MATERIALS ON A DAILY BASIS, EXCEPT FOR THAT SPECIFIED AS REMAINING THE PROPERTY OF THE BUILDING OR PROPERTY OWNER AND SHALL EXERCISE STRICT CONTROL OVER JOB CLEANING THROUGHOUT CONSTRUCTION, INCLUDING FINAL CLEAN-UP UPON COMPLETION OF WORK. ALL WASTE AND TO BE LEFT IN A PROPER CLEAN CONDITION AT THE END OF EACH DAY AND VACUUM CLEAN CONDITION FREE FROM SPILLS, DUST OR SMUDGES OF ANY NATURE AT COMPLETION OF WORK.
- THE GENERAL CONTRACTOR MUST PERFORM WORK DURING PROPERTY OWNER'S PREFERRED HOURS TO AVOID DISRUPTION OF NORMAL ACTIVITY.
- ALL EXPOSED METAL SHALL BE HOT-DIPPED GALVANIZED.
- SEAL ALL PENETRATIONS THROUGH FIRE-RATED ASSEMBLIES WITH U.L. LISTED OR FIRE NATIONAL APPROVED MATERIALS OF THE APPROPRIATE RATING FOR THE ASSEMBLY WHERE PENETRATIONS OCCUR.

PROPRIETARY INFORMATION

THE INFORMATION CONTAINED IN THIS SET OF DESIGN DOCUMENTS IS PROPRIETARY BY NATURE. ANY USE OR DISCLOSURE OTHER THAN THAT WHICH RELATES TO CRICKET COMMUNICATIONS IS STRICTLY PROHIBITED.



WILLIAM M. BOOTH ARCHITECT ROBERT J. SUAREZ ARCHITECT
P.O. BOX 4551 CARLSBAD CA 92018 (760) 434-8477

PREPARED FOR
cricket
6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME
OTAY WATER DISTRICT @ 971
PROJECT NUMBER
SAN-733-A
996 EAST H STREET
CHULA VISTA, CA 91910
SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|-----------------------|
| 12/14/05 | PRELIM 2D REVIEW (AO) |
| 01/05/06 | FINAL 2D REVIEW (AA) |
| 01/27/06 | SUBMITTAL SET (rew) |
| 03/07/06 | OWNER COMMENTS (rew) |
| 03/08/06 | OWNER COMMENTS (job) |

SHEET TITLE
SITE PLAN & GENERAL SPECIFICATIONS

PROJECTS\cricket\SAN733z\A\SAN733zA0.dwg



PREPARED FOR

cricket®

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| | |
|------------------|------|
| R.F. | DATE |
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 971

PROJECT NUMBER

SAN-733-A

996 EAST H STREET
CHULA VISTA, CA 91910
SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|-----------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD REVIEW (AA) |
| 01/27/06 | SUBMITTAL SET (rew) |
| 03/07/06 | OWNER COMMENTS (rew) |
| 03/08/06 | OWNER COMMENTS (job) |

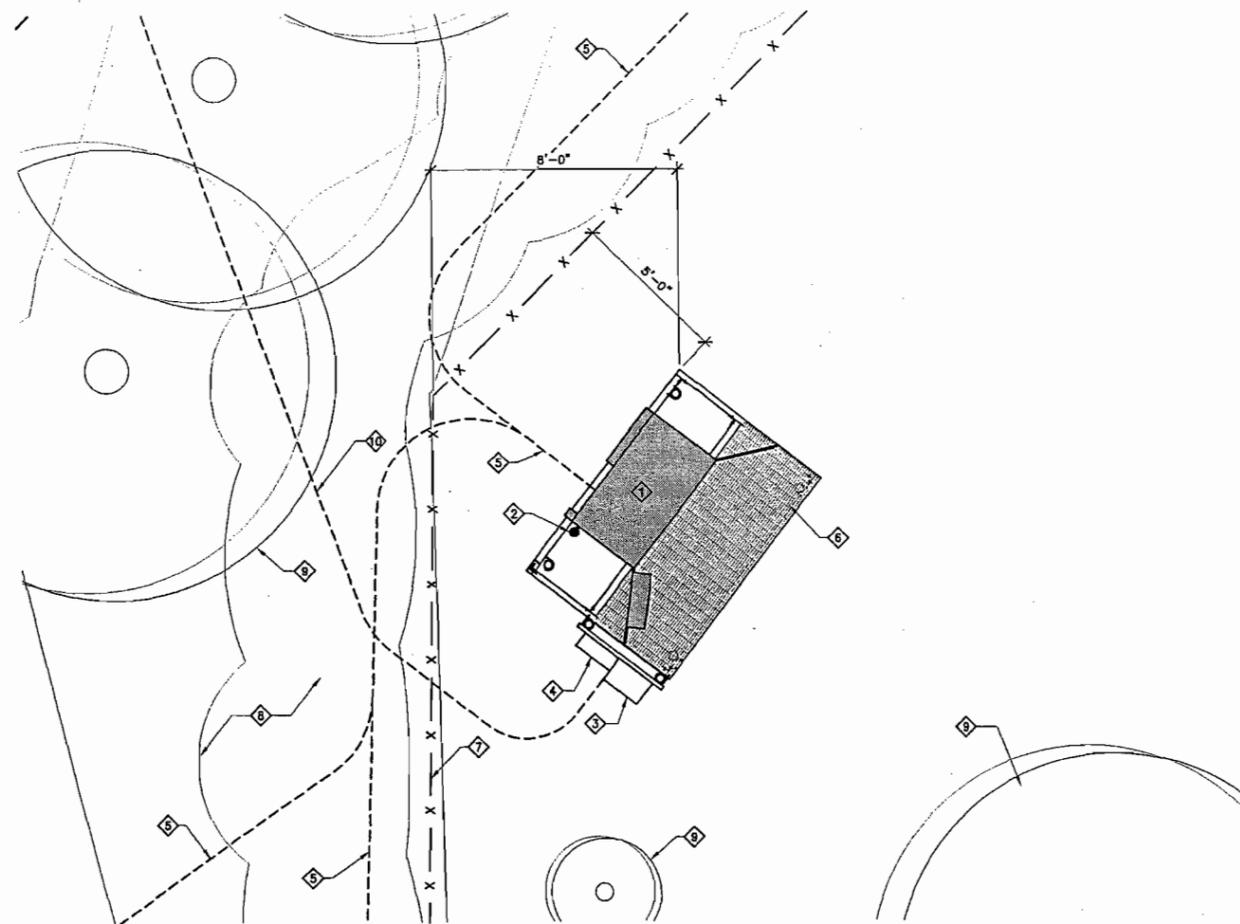
SHEET TITLE

EQUIPMENT PLAN & ELEVATION

PROJECTS\cricket\SAN733zd\SAN733zA1.dwg

A-1

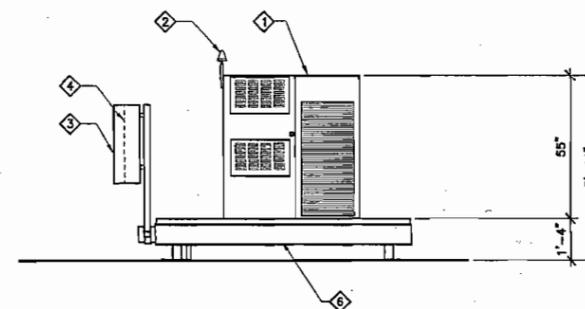
| ANTENNA AND COAXIAL CABLE SCHEDULE | | | | | | | | | |
|------------------------------------|-----------|---------|----------------------|----------|---------------|-----------------------------|-------------------------------|--------------------------|-----------|
| SECTOR ANTENNA | DIRECTION | AZIMUTH | ANTENNA MODEL NUMBER | DOWNTILT | SERIAL NUMBER | NUMBER OF CABLES PER SECTOR | COAX. CABLE LENGTH (+ / - 5') | JUMPER LENGTH (+ / - 3') | COAX SIZE |
| A1 | NORTH | 0° | CSA PCSX065-18-02 | 0° | | 2 | 80' | 6'-0" | 7/8" |
| B1 | SOUTH | 180° | CSA PCSX065-18-02 | 0° | | 2 | 55' | 6'-0" | 7/8" |
| C1 | WEST | 240° | CSA PCSX065-18-02 | 0° | | 2 | 185' | 6'-0" | 1 5/8" |



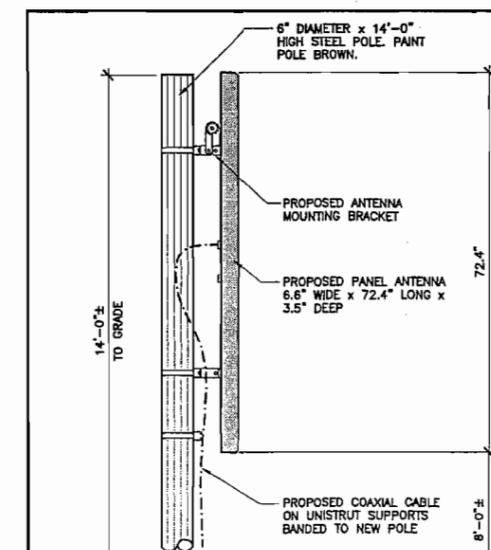
EQUIPMENT PLAN
SCALE: 3/4"=1'-0"
MAGNETIC NORTH

KEYED NOTES:

- 1. PROPOSED CRICKET COMMUNICATIONS CMD EQUIPMENT CABINET. 52" WIDE x 36" DEEP x 55" HIGH. WEIGHT: 2800 LBS.
- 2. PROPOSED GPS ANTENNA MOUNTED TO EQUIPMENT CABINET
- 3. PROPOSED TELCO CABINET
- 4. PROPOSED PPC CABINET
- 5. PROPOSED UNDERGROUND COAXIAL CABLE TRENCH
- 6. PROPOSED RAISED STEEL PLATFORM
- 7. EXISTING CHAINLINK FENCE
- 8. EXISTING LANDSCAPING
- 9. EXISTING TREES TO REMAIN
- 10. PROPOSED JOINT UTILITY TRENCH TO POWER AND TELCO SERVICE CONNECTIONS ON ADJACENT PROPERTY



EQUIPMENT ELEVATION
SCALE: 3/4"=1'-0"



- NOTE:
- POLE, ANTENNA, COAXIAL CABLE, SUPPORT FRAME AND BRACKETS SHALL BE PAINTED BROWN
 - ALL ELEMENTS OF ANTENNA MOUNT SHALL BE GALVANIZED

ANTENNA MOUNT

SCALE: 3/4"=1'-0"

1



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 971

PROJECT NUMBER

SAN-733-A

996 EAST H STREET
CHULA VISTA, CA 91910
SAN DIEGO COUNTY

DRAWING DATES

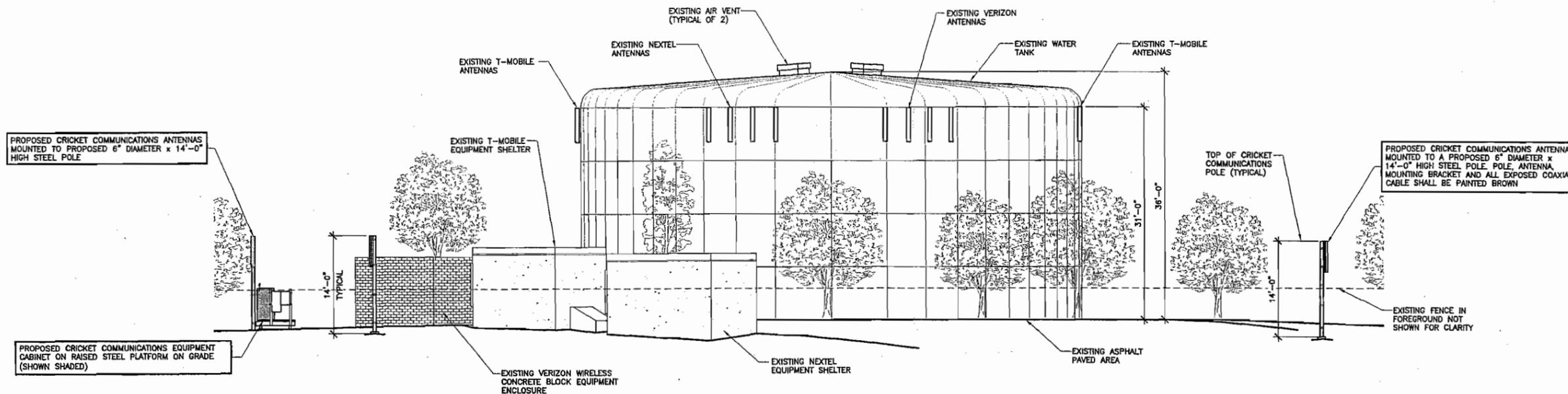
| | |
|----------|-----------------------|
| 12/12/05 | PRELIM 2D REVIEW (AO) |
| 01/05/06 | FINAL 2D REVIEW (AA) |
| 01/27/06 | SUBMITTAL SET (raw) |
| 03/07/06 | OWNER COMMENTS (rew) |
| 03/08/06 | OWNER COMMENTS (jab) |

SHEET TITLE

EXTERIOR ELEVATION

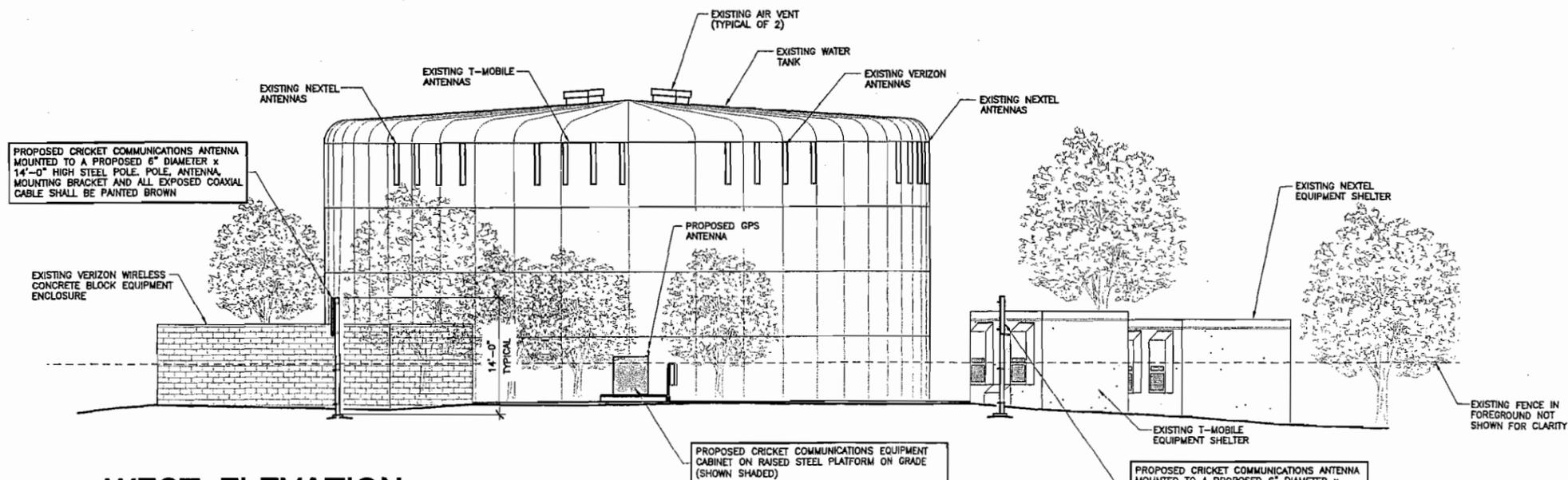
PROJECTS\cricket\SAN733zd\SAN733zA2.dwg

A-2



SOUTH ELEVATION

SCALE: 1/8" = 1'-0"



WEST ELEVATION

SCALE: 1/8" = 1'-0"

PREPARED FOR
cricket[®]
 6160 CORNERSTONE COURT, SUITE 150
 SAN DIEGO, CA 92121

APPROVALS

| | |
|------------------|------|
| R.F. | DATE |
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

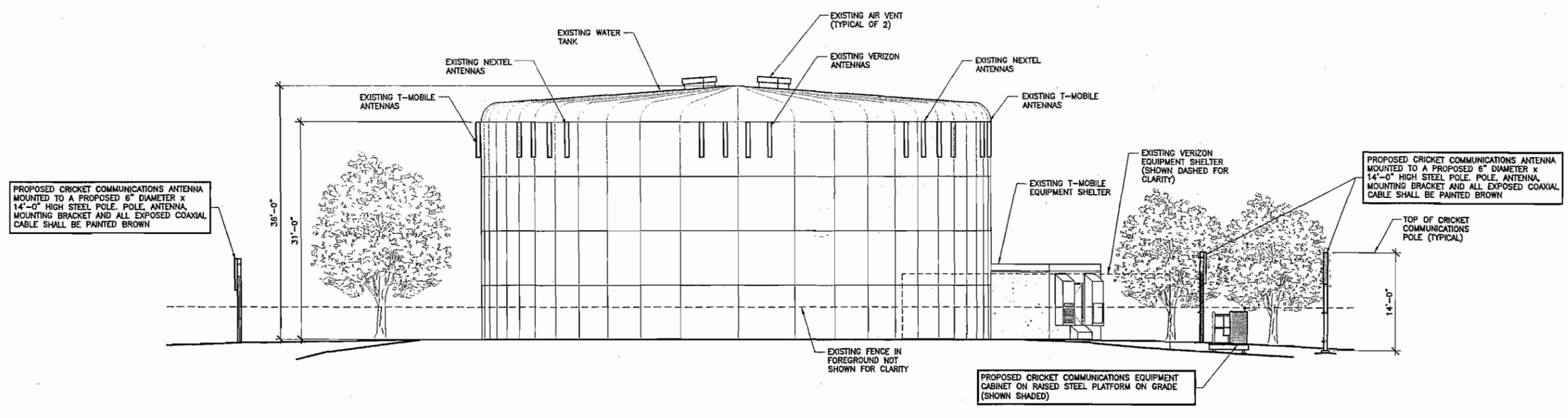
PROJECT NAME
OTAY WATER DISTRICT @ 971
 PROJECT NUMBER
SAN-733-A
 996 EAST H STREET
 CHULA VISTA, CA 91910
 SAN DIEGO COUNTY

DRAWING DATES

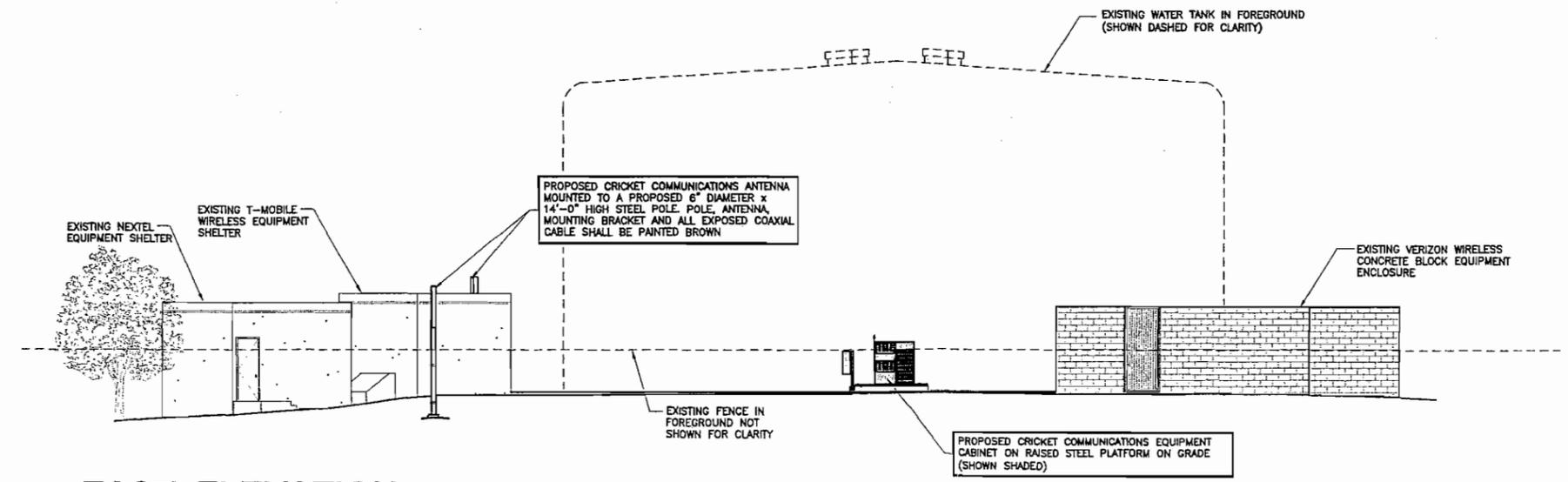
| | |
|----------|-----------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD REVIEW (AA) |
| 01/27/06 | SUBMITTAL SET (raw) |
| 03/07/06 | OWNER COMMENTS (raw) |
| 03/08/06 | OWNER COMMENTS (job) |

SHEET TITLE
EXTERIOR ELEVATIONS

PROJECTS\cricket\SAN733zd\SAN733zA3.dwg



NORTH ELEVATION
 SCALE: 1/8" = 1'-0"



EAST ELEVATION
 SCALE: 1/8" = 1'-0"



AGENDA ITEM 8c

STAFF REPORT

| | | | |
|-----------------------------|---|---------------|----------------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Patrick Vaughan, <i>[Signature]</i> Senior Civil Engineer | W.O./G.F. NO: | aa000 DIV. NO. 1 1d1000 |
| APPROVED BY: (Chief): | Rod Posada, <i>[Signature]</i> Chief, Development Services | | |
| APPROVED BY: (Asst. GM): | Manny Magaña, <i>[Signature]</i> Assistant General Manager, Engineering and Operations | | |
| SUBJECT: | Request to Approve Agreement with Cricket Communications, Inc., a Delaware Corporation, for the installation of a Communications Facility at the 458-1&2 Reservoir Site | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to execute an agreement with Cricket Communications, Inc., a Delaware Corporation (Cricket) for the installation of a communications facility (Attachment 1), at the 458-1&2 Reservoir Site.

See attached Exhibit A for project location.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute an agreement with Cricket that allows the installation of a communications facility at the 458-1&2 Reservoir Site. The agreement will grant Cricket 88 square feet of leased area and trench easements of right-of-way for access, power, and a communications facility.

ANALYSIS:

Cricket will be the fourth cellular provider locating its facilities on the 458-1&2 Reservoir Site. Currently, Sprint, T-Mobile, and Crown Castle are the three cellular providers at this location. The proposed wireless communication facility consists of the construction of an unmanned communications equipment cabinets with the incorporated, one 14-foot antenna support pole. The equipment will be located within an area totaling 88 square feet of leased space.

The District will receive copies of construction drawings, all permits, and approvals by local regulatory agencies prior to granting permission to start construction. Staff agrees with the design concept for the proposed facility construction.

FISCAL IMPACT:

The District will receive \$2,266 per month in rent effective upon execution of the lease agreement for a period of five years, subject to an annual inflation adjustment of 3 percent. The tenant will have the option to extend the term for three additional five-year periods. Two additional five-year extensions may be granted at the District's discretion.

An initial \$2,000 payment toward the District's non-refundable administrative fee of \$6,500 has been paid to reimburse the District for staff time to supervise and assist the tenant during the licensing and permitting phases; this fee is separate from rent. The remaining balance of \$4,500 will be due and payable upon execution of this agreement by both parties to reimburse the District for costs to assist the tenant with planning, design, and construction phases of the project, including legal expenses.

LEGAL IMPACT:

The District's Lease Agreement has been reviewed by our legal counsel. District Counsel has been an integral part in the negotiations and construction of this agreement.

STRATEGIC GOAL:

This item is in line with the District's Strategic Focus Areas: Community and Governance, and Financial Health.



General Manager

Attachments



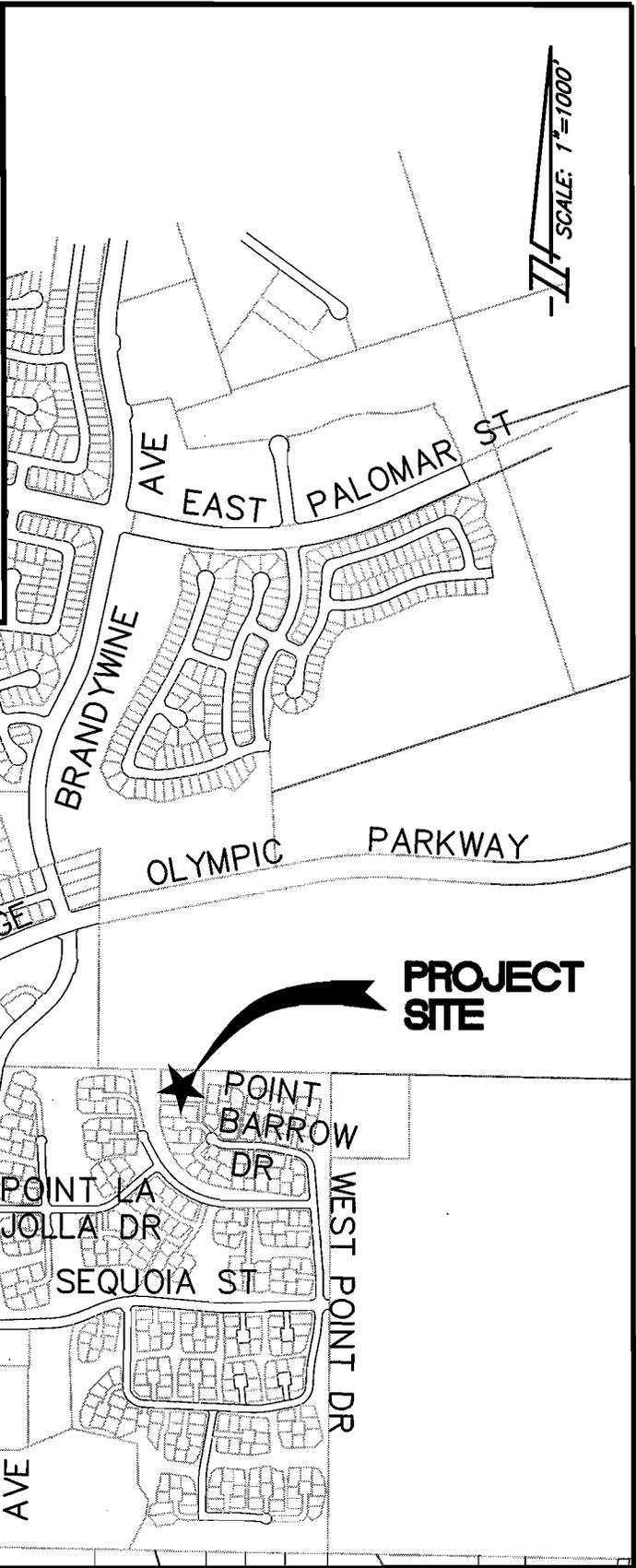
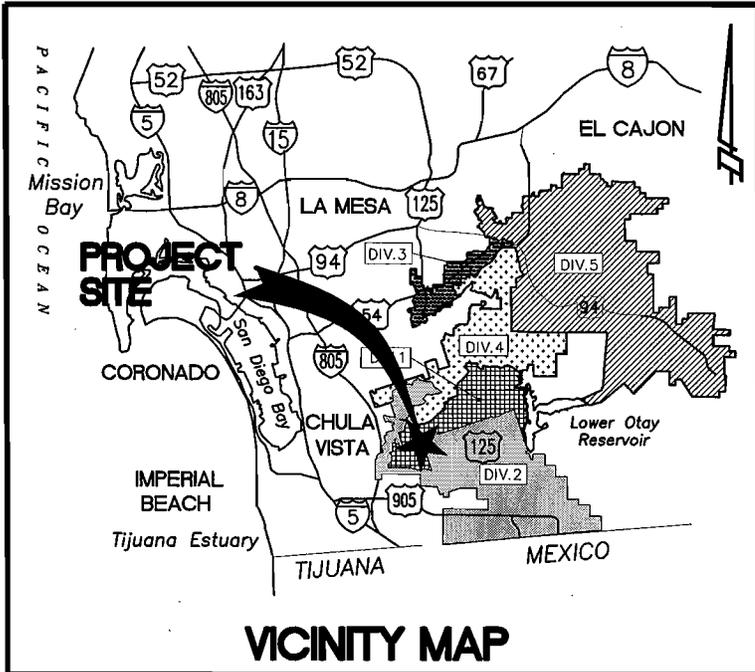
ATTACHMENT A

| | |
|-------------------------|---|
| SUBJECT/PROJECT: | Request to Approve Agreement with Cricket communications, Inc., a Delaware Corporation, for the Installation of a Communications Facility at the 458-1&2 Reservoir Stie |
|-------------------------|---|

COMMITTEE ACTION:

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

- This is a standard agreement for new cellular agreements and it has been reviewed by legal counsel;
- The monthly rental per the agreement is \$2,266/month along with an up-front administration fee of \$6,500. The administration fee covers staff time to supervise and assist the tenant during the licensing and permitting phases;
- The agreement is for 5 years and is subject to an annual inflation adjustment of 3%. If Cricket terminates the agreement prior to the end of the 5-year term, it must buy out the contract. The agreement can also be renewed by the tenant for 3 additional 5-year terms, and at Otay's option for 2 more additional 5-year terms ;
- There was discussion of leaving the annual inflation adjustment open and negotiating this rate each year. It was noted that cellular companies were not open to doing so and that they insist on a fixed increase of 3%. This allows them to anticipate exact cost increases within their budgets;
- It was noted that this was a co-location agreement (there are four vendors on this site) and it is the obligation of the cellular companies to do their own research with regard to interference with existing vendors;
- It was discussed that the District does not seek cellular agreements and that the companies approach the District on locations they have an interest in locating antennas;
- Cricket Communications provides service within a small local area with unlimited minutes for a flat fee each month. They hope to essentially replace your home phone;
- After the committee meeting, the leased space on the attached agreement was corrected from 88 square feet to 177 square feet.



SCALE: 1"=1000'



OTAY WATER DISTRICT
 CRICKET COMMUNICATIONS AT
 OTAY WATER DISTRICT'S 458-1 & 458-2 RESERVOIR SITE
 LOCATION MAP

EXHIBIT A

AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY WATER DISTRICT TO
LOCATE A COMMUNICATIONS FACILITY AT
OTAY'S 458-1&2 RESERVOIR SITE

This Agreement ("Lease") is entered into and effective on the date specified in the signature page (the "Commencement Date"), by and between the Otay Water District, a municipal water district organized and operated pursuant to the Water Code Section 71000, et seq. ("Otay"), and Cricket Communications, Inc., a Delaware corporation ("Tenant"). Any special terms or conditions agreed to by Otay and Tenant will be set forth on Exhibit A.

R E C I T A L S

A. Otay owns a site on which it has constructed water facilities known as the "458-1&2 Reservoir Site," as depicted on Attachment A to Exhibit B (the "Reservoir Site").

B. Tenant has requested Otay to allow it to locate a communications facility and transmitting and receiving antennas at the Reservoir Site.

A G R E E M E N T

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Otay and Tenant agree as follows :

1. Premises. Otay owns the real property described in Attachment B to Exhibit B (the "Property"). Otay agrees to lease to Tenant, for the installation of antennas and related telecommunications equipment, approximately 177 square feet of real property within the Property, as more particularly described on Attachment C to Exhibit B (the "Premises"). A depiction of the Property and the Premises is attached hereto as Attachment D to Exhibit B.

2. Grant of Non-Exclusive Trench Easement(s). Otay has also agreed to grant a temporary non-exclusive easement to Tenant for certain portions of the Property, as legally

described in Exhibit C to this Lease (the "Easement"), for the purpose of trenching and installation of the necessary utilities to operate Tenant's equipment. It is expressly agreed that any such Easement shall run concurrent with this Lease. Tenant agrees and understands that if the Lease is terminated or ceases to exist for any reason, the Easement shall not have any force or effect. Tenant agrees to return and maintain all portions of land subject to the Easement that are disturbed in connection with the installation, connection, maintenance, repair, access or any other Tenant activity, to their original condition at Tenant's sole cost and expense.

This easement shall be non-exclusive. Otay, or any other tenant of Otay may utilize the easement area for similar purposes or for any other purpose which does not interfere with Tenant's uses. Otay shall provide Tenant with advance notice of any intention to use the temporary easement area by Otay or any current or future tenant of Otay.

3. Use of the Premises. The Premises may be used by Tenant only for the purpose of installing, constructing, housing, operating, maintaining and repairing approved telecommunication equipment, including appurtenant antennae and electronic equipment, as further described and conditioned in this Agreement (collectively, the "Facilities"), for the lawful provision of communication services. Tenant may not sublease or sublicense any use or space of the Premises or the Facilities thereon except as otherwise provided in Paragraph 12, below.

4. Access. Otay shall provide access to Tenant, Tenant's employees, agents, contractors and subcontractors to the Premises 24 hours a day, seven days a week, at no charge to Tenant. Otay hereby grants to Tenant such rights of ingress and egress over the Property as may be necessary and consistent with the authorized use of the Premises as outlined by Otay Operations. Subject to Otay's reasonable rules, Otay shall permit Tenant's employees, agents, contractors, subcontractors and invitees to park vehicles on the Property as necessary and consistent with the authorized use of the Premises. Otay shall, at its expense, maintain all access

roadways or driveways from the nearest public roadway to the Premises in a manner reasonably sufficient to allow access. In addition, Tenant shall obtain such permits, licenses or easements, from the owners of property adjoining the leased premises, as may be necessary for Tenant to have access to and from the leased Premises and also for access to utilities. Tenant shall provide copies of these documents to Otay prior to the start of construction.

5. Term. The term of this Lease shall be five (5) years (the “Initial Term”), commencing on the Commencement Date. Tenant shall have the right to extend the term of the Lease for three (3) additional terms of five (5) years each by giving Otay written notice of its intention to do so at least 120 days prior to the date that the then current term would otherwise end (each, an “Extension Term”). In addition, Tenant may request, in writing, two additional extensions of five (5) years each, which Otay may grant or deny at its sole discretion (each, an “Additional Term” and together with the Initial Term and Extension Term, or individually, as the context requires, the “Term”). Each such request shall be made in writing no less than 120 days prior to the expiration of the then current Extension Term or Additional Term, as applicable.

6. Administrative Fee. Tenant, prior to entering on Otay Property to conduct its investigation of the Premises, shall provide Otay with a non-refundable administrative fee in the amount of TWO THOUSAND DOLLARS AND NO CENTS (\$2,000.00). This fee will defray Otay’s costs associated with the supervision of and assistance with the Tenant’s investigation and planning phases of the site selection.

Additionally, upon final execution of the Agreement by both parties, Tenant shall provide Otay with a non-refundable administrative fee in the amount of FOUR THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$4,500.00). This amount shall be in addition to the administrative fee described above for entering on Otay Property to conduct investigation of the proposed Premises. This second administrative fee shall be used to defray Otay’s administrative

expenses and costs related to Otay's supervision and assistance with planning, design, and construction phases of the project, including legal expenses. These administrative fees shall not be considered rent or part of the rental installment.

7. Rent. Beginning on the earlier of (1) six months from the Commencement Date; or (2) the date on which a local building permit is issued allowing Tenant to construct the Facilities (or any portion thereof) on the Premises (the "First Rent Payment Date"), Tenant shall pay Otay as rent the sum of \$2,266 per month payable on the first day of each month in advance. However, at Tenant's election, Tenant may pay rent annually, in advance, if, at least 60 days prior to the Initial Term or an Extension Term, Tenant notifies the District, in writing, of its intent to pay its rent in annual payments during each year of the upcoming Extension Term or Additional Term. If the First Rent Payment Date is other than the first day of the calendar month, the rate shall be prorated for the first month of the Initial Term.

The rent shall be increased on each calendar anniversary of the Commencement Date at a rate of three percent (3%) per annum. However, at the beginning of each Extension Term or Additional Term, if any, Otay may, at its sole and absolute discretion, choose to adjust the annual rent, effective on the first year of said Extension Term or Additional Term, by an amount equal to the greater of: (i) three percent (3%); or (ii) the amount necessary to ensure that the rent equals the amount it would have been if each annual increase during the previous Term had been calculated based on the average percentage increases in the consumer price index published by the United States Department of Labor, Bureau of Labor Statistics (1982-1984 = 100) (the "CPI") for "All Items - All Urban Consumers" for the San Diego Metropolitan Statistical Area for the immediately preceding 5 year period. If the publication of the Consumer Price Index is discontinued, or if the Consumer Price Index is altered in some material manner, including changing the name of the index, the geographic area covered, the consumers or

workers so included, or the base year, the Parties must use their reasonable best efforts to agree on a substitute index or procedure that reasonably reflects and monitors consumer prices. After such an adjustment, the rent shall increase at a rate of three percent (3%) per annum for the rest of the applicable Extension Term or Additional Term, if any. Otay shall also have the discretion to adjust the base rent to then current market rent in the Additional Term if said market rent is greater than the CPI increase provided for in the above formula. The “then current market rent” shall be defined as the most recent rent transaction entered into by Otay with other similar tenants for the same or similar purposes.

8. Environmental. Otay represents that to the best of its knowledge the Premises have not been used for the generation, storage, treatment or disposal of hazardous materials other than those materials normally used by Otay for the treatment of water and that there is no hazardous waste on the Premises. Notwithstanding any other provision of this Lease, Tenant relies upon the representations stated herein as a material inducement for entering into this Lease. Tenant shall not bring any hazardous materials onto the Premises except for those contained in its back-up power facilities (e.g. lead-acid batteries and diesel fuel) and properly stored, reasonable quantities of common materials used in telecommunications operations (e.g. cleaning solvents). Tenant shall handle, store and dispose of all hazardous materials it brings onto the Premises in accordance with all federal, state and local laws and regulations (“Laws”). “Hazardous materials” means any substance, chemical, pollutant or waste that is presently identified as hazardous, toxic or dangerous under any applicable federal, state or local law or regulation and specifically includes, but is not limited to asbestos and asbestos containing materials, polychlorinated biphenyl’s (PCBs) and petroleum or other fuels (including crude oil or any fraction or derivative thereof).

9. Installation and Maintenance of Facilities. Tenant is authorized to install, maintain and operate on the Premises only the Facilities described and depicted on Attachment A to Exhibit D; provided that all permits and zoning approvals shall have been obtained by Tenant.

a. *Installation of the Facilities.* Tenant's design and installation of all portions of the Facilities shall be done according to plans approved by Otay, and such approval shall not be unreasonably withheld. The Tenant shall be responsible for painting its antennae and/or equipment to match Otay's facility. Otay will provide Tenant with specifications regarding paint type, color and application method to accomplish this requirement. Painting/coating submittals shall be provided to Otay by the Tenant prior to receiving permission to begin painting. Otay may specify a camouflage design if appropriate. These camouflage designs may include but are not limited to palm trees, pine trees and flag poles.

b. *Record Drawings.* Within thirty (30) days after completion of the Facilities, Tenant shall provide Otay with "record" drawings of Facilities showing and identifying all the equipment and improvements installed on the Premises. Said drawings shall be accompanied by a complete and detailed inventory of all equipment, personal property and antennae located on the Premises and any such property of Tenant located in the Easement. No property of Tenant other than such identified property shall be located on the Premises or the Property at any time. Upon delivery of Tenant's record drawings, in form and content satisfactory to Otay, such drawings shall replace and supersede any similar drawings contained in any exhibit attached hereto.

c. *Alterations.* Tenant shall not alter or change its Facilities in a material manner without the prior approval of Otay, such approval not to be unreasonably withheld. "Material" refers to any physical change that could affect the building or its appearance or any change that could disrupt Otay's workplace or communications. All of Tenant's construction

and installation work shall be performed at Tenant's sole cost and expense in a good and workmanlike manner. Tenant shall have the right to remove all facilities it installs at its sole expense on or before the expiration or termination of this Lease.

d. *Improvements to Facilities / Additional Space.* If, at any time during the Term, Tenant requests permission from Otay to add improvements requiring construction to its then existing Facilities, the then current Administrative Fees shall be payable to Otay for reimbursement for staff time to process the new request, construction inspection and monitoring during construction. If the requested Tenant improvements include additional lease space, a new lease agreement for the additional lease space must be executed prior to start of construction and Tenant shall pay the Administrative Fees then in effect, and shall comply with Otay's requirements then in effect. The administrative fees for the additional lease space shall be in addition to, and shall not replace the administrative fees for improvements requiring construction to the Facilities.

e. *Permits and Compliance with Applicable Laws.* Prior to commencing any construction or improvements, and from time to time, as applicable, Tenant agrees to obtain all necessary approvals for its communications operations and for the Facilities and to operate and maintain the same, at all times in accordance with all applicable laws, rules and regulations.

i. Prior to commencing construction, Tenant shall deliver to Otay copies of all executed licenses, approvals and permits required by local, state or federal agency in connection with the Facilities, which permits shall be attached hereto as Attachment B to Exhibit D.

ii. From time to time, as required by law or regulation in connection with the normal operation of the Facilities or as needed due to improvements or alterations to the same, Tenant shall provide Otay with copies of updated permits,

licenses and/or approvals. Tenant shall provide written evidence, satisfactory to Otay of all FCC approvals and other governmental permits and approvals, including but not limited to compliance with FCC Electromagnetic Radiation Guidelines.

iii. Otay agrees, at no expense to Otay, to cooperate with Tenant in making application for and obtaining all licenses, permits and any and all necessary approvals that may be required for Tenant's intended use of the Premises.

f. *Utilities.* Tenant shall be authorized to install utilities for the Premises and the Facilities at Tenant's expense and to improve the present utilities on or near the Premises (including, but not limited to the installation of an emergency back-up power) subject to Otay's approval of the location, which approval shall not be unreasonably withheld. Tenant shall fully and promptly pay for all utilities furnished to the Premises for the use, operation and maintenance of Tenant's facilities.

g. *Repair of Otay's Improvements.* Any damage done to Otay's improvement on the property during installation and/or during operations caused by Tenant or in connection with installation operation shall be repaired or replaced immediately at Tenant's expense and to Otay's reasonable satisfaction. In connection with the installation and operation of the antennae facilities, Tenant shall not locate or attach any antennae or other equipment to Otay's facilities without the prior written approval of Otay. Tenant shall pay all costs and expenses in relation to maintaining the integrity of Otay's facilities in connection with Tenant's installation and operation of the antennae facilities.

h. *Maintenance and Repair.* At all time during the Term, Tenant shall maintain the Premises and the Facilities in a manner acceptable to Otay. Tenants use of its facilities shall not interfere with Otay's operation of its improvements.

i. *Liens.* Tenant shall not encumber or allow the Premises or the Property to be encumbered in any manner other than as expressly authorized herein.

j. *Security.* Tenant recognizes and agrees that the Premises and the Reservoir Site are a sensitive area. Tenant agrees to provide for the proper supervision of all Tenant personnel assigned to enter and do work at the Premises. Tenant also agrees to, at its own cost and expense, comply with any and all security measures instituted by Otay from time to time.

10. Maintenance and Repair of Otay's Improvements. At any time during the Term, or while this Lease remains in effect, Otay may, at its option and upon One Hundred Twenty (120) days prior written notice to Tenant, remove or cause Tenant to remove all or any portion of its Facilities at Tenant's expense, in order for Otay to paint, repair, or make replacements to its improvements on the Premises (the "Maintenance Work"), as deemed necessary by Otay in its sole discretion. Tenant agrees to fully cooperate with Otay's efforts in connection with any Maintenance Work, including removing and re-installing any portion of the Facilities identified by Otay to be removed.

a. *Temporary Facilities.* During the course of the Maintenance Work, Tenant may install temporary antennae, at Tenant's expense, on the leased Premises subject to Otay's approval of the location. Once the Maintenance Work is completed by Otay, Tenant agrees to promptly dismantle any temporary facilities and to relocate the facilities to their original location or to any other location approved by Otay, as appropriate. All work related to the removal of any portion of the Facilities, installation of temporary facilities, dismantling, relocation to their

original location and any related work, shall be done at Tenant's sole cost and expense and in good and workmanlike manner.

b. *Repair of damage.* Tenant shall repair any damage caused by Tenant in connection with the installation, maintenance, operation or removal of any temporary facilities or the Facilities.

c. *Otay's option to remove temporary facilities.* If any temporary antennae is not removed within thirty (30) days from the date the Maintenance Work is completed, Otay will have the right to remove the temporary antennae and charge Tenant for such costs.

d. *Painting of the Facilities.* If the Maintenance Work includes the painting of Otay's improvements, the Tenant shall be responsible for repainting its antennas and/or equipment to match Otay's facility. Otay will provide specifications regarding paint type, color and application method to the Tenant to accomplish this requirement. The Tenant will be required to provide painting/coating submittals to Otay prior to receiving permission to begin painting. Subject to Otay's prior written consent, Tenant may substitute an alternate paint type and application method if it reasonably determines that Otay's selection will adversely affect or otherwise degrade Tenant's wireless signal from the Reservoir Site.

11. Co-Location. Tenant agrees that Otay may enter into leases with other communication carriers, wireless communications carriers and other utilities for use of any portion of the "Reservoir Site" as long as said leases do not result in unreasonable interference with Tenant's use of or access to the Premises. Tenant will reasonably cooperate with Otay's efforts in this regard including, at Otay's request, the relocation of, or changes to, the Facilities; provided that any alterations or relocation needed to accommodate the new lessee shall be performed at the expense of Otay or the new lessee.

12. Subleasing/Encumbrance. Tenant may not sub-lease or sub-license or otherwise encumber the Premises or any portion of the Facilities without Otay's prior written consent, which may be granted or denied at Otay's sole discretion. Any sub-lease or other encumbrance will require an amendment to this Lease and shall specify the terms and conditions for the sub-lease or other encumbrance.

13. Condition of the Property at Expiration or Termination. Upon the expiration or termination of this Lease as herein provided, Tenant shall surrender the Premises, and any Easements granted by Otay in connection with this Lease, to Otay in good and broom-clean condition, with all portions of the Facilities, including but not limited to equipment, supplies, buried conduits, and structures removed along with subterranean foundations to a depth of three feet below grade; or as otherwise agreed to by Otay in writing.

14. Interference. Tenant shall not use, nor shall Tenant permit its agents or invitees to use any portion of the Premises in a manner which interferes with Otay's use of the Reservoir Site for its intended purpose including communications facilities relating to Otay's operation such as telemetry/radio communications or any other pre-existing communications facilities. This would not apply to interference with a tenant of Otay whose use did not "pre-exist" this lease; except as agreed to by Tenant in connection with the co-location of any subsequent tenant's facilities. If Tenant's operation in any way interferes with Otay's telemetry/radio facilities, Tenant will have five (5) business days to correct the problem after notice from Otay. Tenant acknowledges that continuing interference will cause irreparable injury to Otay and, therefore, Otay will have the right to terminate the Lease immediately upon notice to Tenant.

15. Taxes. During the term of this Lease, Tenant shall pay before delinquency all taxes, assessments, license fees, and any other charge of any type whatsoever that are levied,

assessed, charged, or imposed on or against Tenant's personal property installed or located in or on the leased premises and that become payable during the term of this Lease.

16. Termination.

(a) This Lease may be terminated by Tenant without further liability if:

(i) Tenant delivers to Otay 30-day written notice at any time prior to the Commencement Date, for any reason or no reason;

(ii) Tenant gives Otay six months notice when Tenant determines at any time after the Commencement Date that any governmental or non-governmental license, permit, consent, approval, easement or restriction waiver that is necessary to enable Tenant to install or operate Tenant's facility cannot be obtained or renewed at reasonable expense or in reasonable time period.

(iii) Tenant determines at any time after the Commencement Date that the Premises are not appropriate or suitable for its operations for economic, environmental or technological reasons, including without limitation, any ruling or directive of the FCC or other governmental or regulatory agency, or problems with signal strength or interference not encompassed by subsection (iv) below; provided that the right to terminate under this subsection (iii) is exercisable only if Tenant pays Otay, as a termination fee, the lesser of twelve monthly installments of annual rent or the balance of the rent due for the remaining term of this Lease;

(iv) Otay commits a default under this Lease and fails to cure such default within a 30-day notice period, provided that if the period to diligently cure takes longer than 30 days and Otay commences to cure the default within the 30-day notice period, then Otay shall have such additional time as shall be reasonably necessary to diligently effect a complete cure;

(v) The Premises are totally or partially destroyed by fire or other casualty so as to hinder Tenant's normal operations and Otay does not provide to Tenant within ten (10)

days after the casualty occurs a suitable temporary relocation site for Tenant's facility pending repair and restoration of the Premises.

(b) This Lease may be terminated by Otay without further liability if:

(i) Tenant commits a default under this Lease and fails to cure such default as provided under paragraph 17, below.

17. Default.

a. *Event of Default.* The parties covenant and agree that a default or breach of this Lease (an "Event of Default") shall occur and be deemed to exist if, after notice and opportunity to cure as provided below:

(i) Tenant shall default in the payment of rent or other payments hereunder and said default shall continue for ten (10) days after Otay provides written notice of the same; or

(ii) Either party shall default in the performance or observance of any other covenant or condition of this Lease to be performed or observed if such failure persists for a period of thirty (30) days after the non-defaulting party provides written notice of the default to the defaulting party.

b. *Rights upon Default.* Upon the occurrence of an Event of Default, in addition to any other rights or remedies available to the non-defaulting party under any law, the non-defaulting party shall have the right to terminate the Lease.

c. *Cure Rights.* An Event of Default shall not exist unless written notice has been given in accordance with this Lease, and the defaulting party has had the opportunity to cure as provided herein. The defaulting party shall cure the alleged default within the manner provided herein; provided however, that if the nature of an alleged default is such that it can not reasonably be cured within such thirty (30) day period, the defaulting party shall not be in breach

of this Lease if it commences a cure within such period, and thereafter diligently proceeds with the actions necessary to complete such cure.

18. Destruction of Premises. If the Premises or the Facilities are destroyed or damaged, Tenant may elect to terminate this Lease as of the date of the damage or destruction by so notifying Otay no more than thirty (30) days following the date of damage or destruction, provided Otay does not provide to Tenant, within ten (10) days after the casualty occurs, a suitable temporary relocation site for Tenant's facility pending repair and restoration of the Premises.

19. Condemnation. If the condemning authority takes all the Property or a portion which in Tenant's opinion is sufficient to render the Premises unsuitable for Tenant's use, then this Lease shall terminate as of the date when possession is delivered to the condemning authority. In the event of any taking under the power of eminent domain, Tenant shall not be entitled to any portion of the award paid for the taking and Otay shall receive the full amount of such award except as provided herein. Tenant hereby expressly waives any right or claim to any portion of a condemnation award, except for relocation benefits and goodwill. All other damages, whether awarded as compensation for diminution in value of the leasehold or to the fee of the Premises, shall belong to Otay.

20. Insurance. Tenant shall maintain the following insurance:

- a. Commercial general liability with limits of \$5,000,000 per occurrence which may be satisfied by a primary policy with a limit of no less than \$2,000,000 and an umbrella policy of excess liability in the amount of no less than \$5,000,000;
- b. Automobile liability with the combined single limit of \$1,000,000 per accident;
- c. Worker's compensation, as required by law;

d. Employer's liability with limits of \$1,000,000 per occurrence.

Tenant shall include Otay as an additional insured on each of the aforementioned insurance policies and the policies shall state that they are primary and that any policies Otay maintains shall be noncontributory. Tenant shall provide Otay with written certificates of insurance evidencing such coverage. Said policies shall expressly provide that the policies shall not be canceled or altered without at least thirty (30) days prior written notice to Otay. Said policies shall be with insurance companies with an A.M. Best rating of AVII or better.

Otay takes no responsibility for the protection of Tenant's property from acts of vandalism by third parties. The insurance requirements may be changed by Otay upon giving of notice to Tenant; provided that the requirements set forth above shall be the minimum insurance requirements during the Term.

21. Indemnity. Tenant shall hold harmless, indemnify and defend Otay and each of Otay's directors, officers, managers, employees, agents and successors and assigns, from any and all claims, suits or actions of any kind and description brought forth on account of injuries to or death to any person or damage to any property, including damage to the Premises arising out of or related to its use of the Premises, except to the extent that such claims, suits or actions arise out of the sole negligence or willful misconduct of Otay.

22. Estoppel Certificate. Tenant shall, at any time and from time to time upon not less than thirty (30) days prior request by Otay, deliver to Otay a statement in writing certifying that (a) the Lease is unmodified and in full force (or if there have been modifications, that the Lease is in full force as modified and identifying the modifications; (b) the dates to which rent and other charges have been paid; (c) as far as the person making the certificate knows, Otay is or is not in default under any provisions of the Lease; and (d) such other matters as Otay may reasonably request.

23. Assignment. Tenant shall not assign this Lease except to an affiliated parent entity, subsidiary, purchaser of assets, or holder of its FCC license, without Otay's prior written consent. If, during the term of this Lease, Tenant requests the written consent of Otay to any assignment, Otay's consent thereto shall not unreasonably be withheld. Consent to one assignment shall not be deemed to be a consent to any subsequent assignment, and any subsequent assignment without Otay's consent shall be void and shall, at Otay's option, terminate this Lease.

24. Memorandum of Lease. If requested by Tenant, Otay agrees to promptly execute and deliver to Tenant a recordable Memorandum of Lease substantially in the form of Exhibit E.

25. Resolution of Disputes. All controversies or claims arising out of or relating to this Lease shall be resolved by submission to final and binding arbitration at the offices of the American Arbitration Association ("AAA") located in San Diego, California. Such arbitration shall be conducted in accordance with the most recent version of the AAA commercial arbitration rules.

26. Choice of Law and Venue. This Lease shall be interpreted in accordance with the laws of the State of California, and any disputes shall be heard in a court of competent jurisdiction in the State of California.

27. Attorney's Fees. In the event that either party commences any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any term, covenant, or condition of this Lease, the party prevailing in said action or proceeding shall be entitled to recover, in addition to court costs, reasonable attorneys' fees to be fixed by the court, and such recovery shall include court costs and attorneys' fees on appeal.

28. Entire Agreement. This Lease contains all agreements, promises and understandings between Otay and Tenant and no verbal or oral agreements, promises or understandings shall or will be binding upon either Otay or Tenant and any addition, variation or modification to this Lease shall be in effect unless made in writing and signed by the parties hereto.

29. Incorporation of Exhibits and Recitals. All exhibits and attachments attached to this Lease and all Recitals above are incorporated and made a part hereof as if fully set forth herein.

30. Severability. If any term or condition of this Agreement is found unenforceable, the remaining terms and conditions will remain binding upon the parties as though said unenforceable provision were not contained herein. However, if the invalid, illegal or unenforceable provision materially affects this Agreement then the Agreement may be terminated by either party on ten (10) days prior written notice to the other party hereto.

31. Waiver. Waiver of any provision or term of this Agreement, or of any breach or default hereunder, shall not constitute a waiver of any other term, condition, breach or default, or of a subsequent applicability of a term or condition, or a waiver of a subsequent breach or default, nor shall it constitute an amendment to the term, condition or provision that is waived.

32. Notice. All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices may be given by facsimile if proof of transmission is retained. Notices shall be sent to the addresses set forth below:

OTAY: Otay Water District
Attn: General Manager
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978-2096
Phone: (619) 670-2210
Fax: (619) 660-0829

TENANT: Cricket Communications, Inc.
Attn: Property Manager
10307 Pacific Center Court
San Diego, CA 92121
Phone: (858) 882-6306
Fax: (858) 622-0107

With a copy to: Cricket Communications, Inc.
Attn: Legal Department
10307 Pacific Center Court
San Diego, CA 92121
Phone: (858) 882-6288
Fax: (858) 882-6080

33. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. THE SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties have executed this Lease as of the 30TH day of August, 2006. This date is referred to as the Commencement Date in the Lease.

CRICKET COMMUNICATIONS, INC.,
A Delaware corporation

By: Anthony G. Benyola
Name: Anthony G. Benyola
Its: Regional Network Director, Western Region

OTAY WATER DISTRICT
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91979

By: _____
Name: Mark Watton
Its: General Manager

Approved as to Form:

Aerobel Banuelos
Assistant General Counsel

EXHIBIT A
SPECIAL TERMS AND CONDITIONS ADDED TO
AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 458-1&2
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")

If any terms or conditions set forth herein contradict terms or conditions of the Lease to which this Exhibit is attached, as described above, the terms and conditions of this Exhibit shall control.

SPECIAL TERMS AND CONDITIONS

1. **Landscaping and Maintenance.** The installation, permitting, maintenance and upkeep, and all expenses or other obligations related thereto, in connection with any and all landscaping and irrigation systems mandated by the permitting agencies will be the sole responsibility of the Tenant. Otay Water District makes no commitment for delivery of water for said landscaping, except if Tenant obtains a water meter for the site and pays for water use.

2. **Rent.** At Tenant's election, subject to prior written notice as set forth in the Lease, Tenant may pay rent annually, in advance during each of the five-years of the Initial Term or during each of the five years in any Extension Term. Once the Initial Term or Extension Term, as applicable, has commenced, Tenant may not alter its election to pay monthly or annually.

3. **Tenant's Financing.** Notwithstanding anything to the contrary contained in this Lease, Tenant may assign, mortgage, pledge, hypothecate or otherwise transfer without prior notice or consent its interest in this Lease to any financing entity, or agent on behalf of any financing entity to whom Tenant (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof; provided that no such assignment shall become binding on Otay until written notification is given by Tenant to Otay as provided in the Lease. A "financing entity" as used herein, does not include any entity which primary business is not that of banking, finance, lending or investing funds and does not include any entity whose primary business is telecommunications.

- a. **Waiver of Otay's Lien.** With respect to any such financing entity, Otay waives any lien rights it may have concerning the Facilities, which is deemed Tenant's personal property and not fixtures attached to the Property and Tenant or, if appropriate, the financing entity has the right to remove the same at any time without Otay's consent. The financing entity shall not have the right to operate the Facilities without Otay's prior written consent, which may be denied if the financing entity does not meet the definition of financing entity above.

- b. **Collateral.** Tenant may enter into a financing arrangement including promissory notes and financial and security agreements for the financing of the Facilities (“Collateral”) with a third party financing entity (and may in the future enter into additional financing arrangements with other financing entities). In connection therewith, Otay (i) consents to the installation of the Collateral; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.
- c. **Disposition of Collateral.** Notwithstanding paragraphs a. and b., above, if Tenant fails to remove the Collateral, or any component thereof, within five (5) days of the termination of this Lease, said failure shall constitute an abandonment. If thereafter, Tenant or any holder of Collateral, lender or assignee, whether or not notification was provided to Otay, fails to claim and remove the same, within thirty (30) calendar days of the date of termination of this Lease, Otay is hereby specifically authorized to remove and dispose of the Collateral, or any component thereof, so abandoned at Tenant’s sole cost and expense and without incurring any liability to Tenant, or any lender with any interest in all or any part of the Collateral, or any assignee of this Lease.
- d. **No privity or obligation.** Otay does not have privity with any financing entity and specifically disclaims any obligation to any such entity, including any obligation to provide copies of any notices of default or right to cure under the Lease.

EXHIBIT B

TO AGREEMENT BETWEEN CRICKET COMMUNICATIONS, INC. A DELAWARE CORPORATION AND OTAY TO LOCATE COMMUNICATION FACILITIES AT OTAY'S 458-1&2 RESERVOIR SITE, DATED _____, _____ (THE "LEASE")

List of Attachments to Exhibit B:

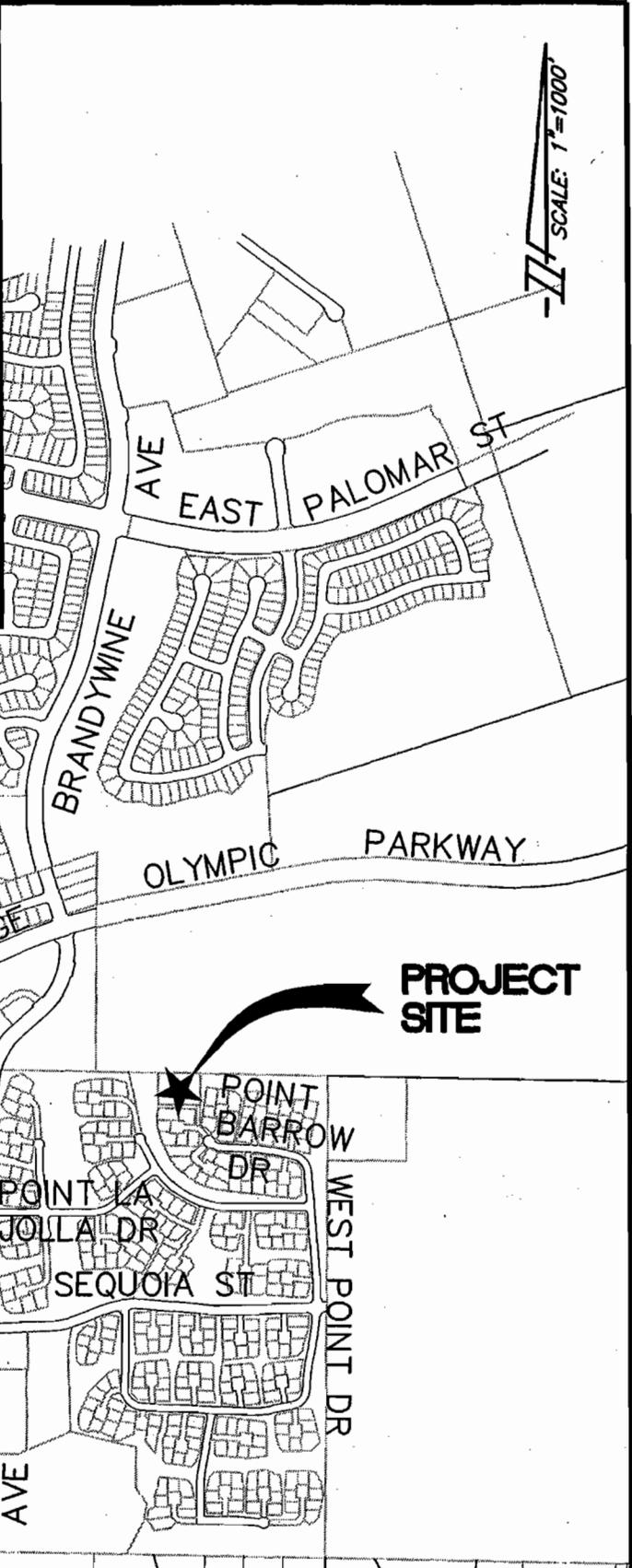
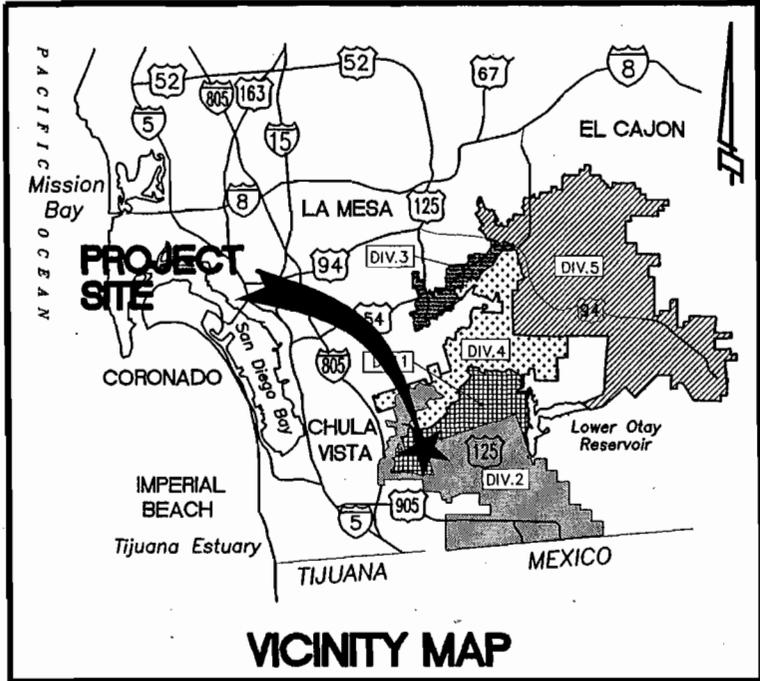
ATTACHMENT A. DEPICTION OF RESERVOIR FACILITIES

ATTACHMENT B. LEGAL DESCRIPTION OF THE PROPERTY

ATTACHMENT C. LEGAL DESCRIPTION OF THE PREMISES

ATTACHMENT D. DEPICTION OF THE PROPERTY AND PREMISES

P:\WORKING\Cricket Communications\Staff Report Exhibits.dwg 8/17/2006 3:39:51 PM PST



OTAY WATER DISTRICT
 CRICKET COMMUNICATIONS AT
 OTAY WATER DISTRICT'S 458-1 & 458-2 RESERVOIR SITE
 LOCATION MAP

ATTACHMENT A

EXHIBIT B
ATTACHMENT B

SITE LEGAL DESCRIPTION
OTAY WATER DISTRICT #458-1&2
CRICKET COMMUNICATIONS SAN-757
651 POINT BARROW DRIVE
CHULA VISTA, CA 91911

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE FRACTIONAL SECTION 18, TOWNSHIP 18 SOUTH, RANGE 1, WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO U.S. GOVERNMENT SURVEY DESCRIBED AS FOLLOWS:

THE NORTHERLY 180.00 FEET OF THE EASTERLY 965.00 FEET, EXCEPTING THE EASTERLY 725.00 FEET THEREOF.

EXCEPTING THEREFROM ALL GAS, OIL AND MINERAL RIGHTS, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN THAT CERTAIN GRANT DEED RECORDED SEPTEMBER 15, 1964 AS FILE/PAGE NO. 168308 OF OFFICIAL RECORDS.



Charles W. Christensen

Charles W. Christensen, RCE 8195

08/18/06
Date

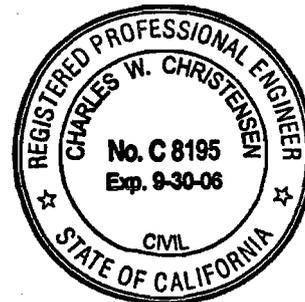
EXHIBIT B
ATTACHMENT C

PROPOSED EQUIPMENT/ANTENNA EASEMENT
OTAY WATER DISTRICT #458-1&2
CRICKET COMMUNICATIONS SAN-757
651 POINT BARROW DRIVE
CHULA VISTA, CA 91911

A PROPOSED EQUIPMENT AND ANTENNA EASEMENT LYING WITHIN A PORTION OF THE NORTHERLY 180.00 FEET, OF THE EASTERLY 965.00 FEET, EXCEPTING THE EASTERLY 725.00 FEET THEREOF, IN THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 18, TOWNSHIP 18 SOUTH, RANGE 1, WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO U.S. GOVERNMENT SURVEY. THE PROPOSED EASEMENT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF THE ABOVE DESCRIBED PARCEL; THENCE LEAVING SAID SOUTHEASTERLY CORNER, NORTH 46°48'31" WEST, 226.12 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 87°55'52" WEST, 12.67 FEET; THENCE NORTH 2°04'08" EAST, 14.00 FEET; THENCE SOUTH 87°55'52" EAST, 12.67 FEET; THENCE SOUTH 2°04'08" WEST, 14.00 FEET TO THE TRUE POINT OF BEGINNING.

SAID PROPOSED EASEMENT CONTAINS APPROXIMATELY 177 SQUARE FEET, MORE OR LESS.



Charles W. Christensen

Charles W. Christensen, RCE 8195

08/18/06

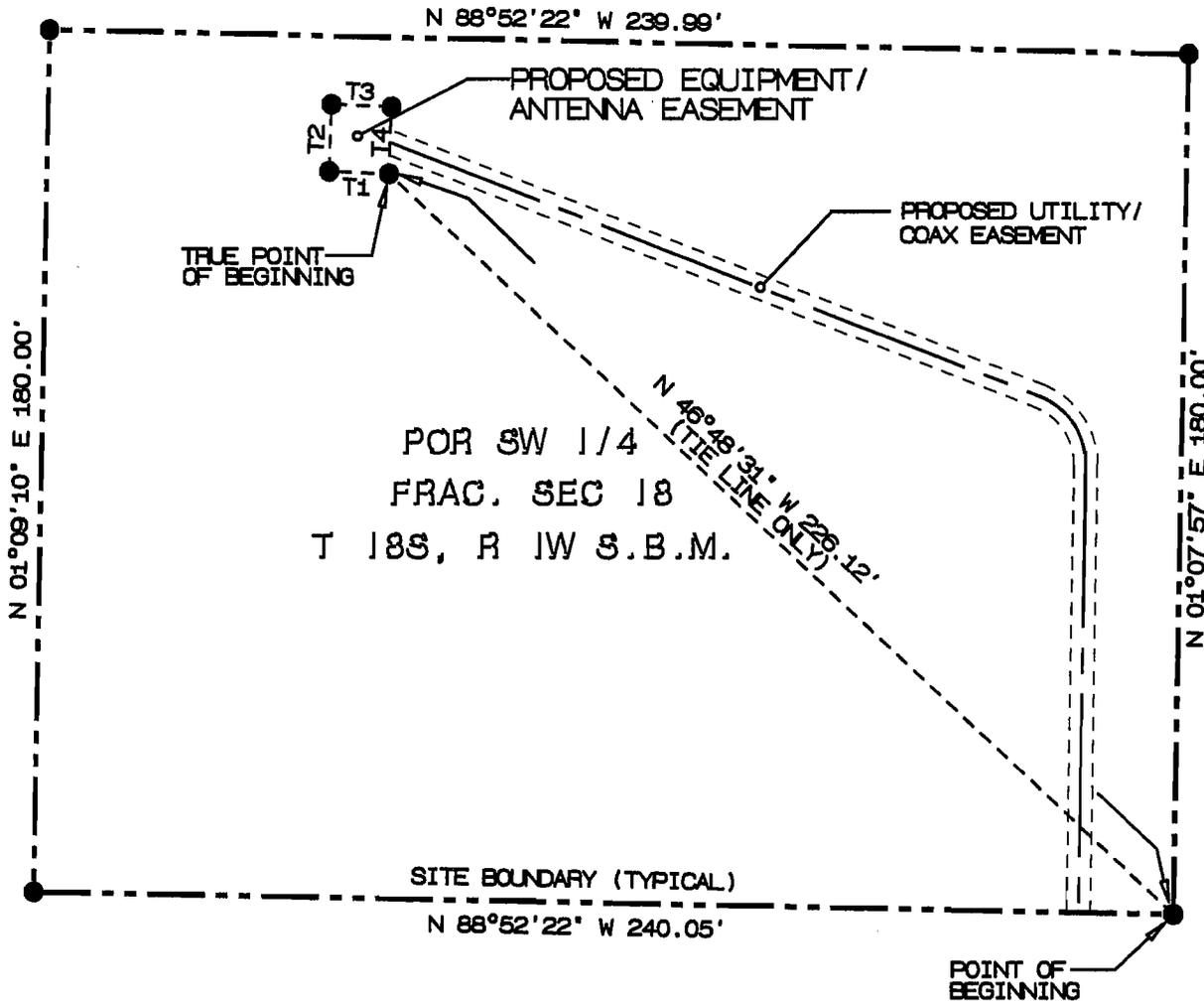
Date

EXHIBIT B

ATTACHMENT D
 PROPOSED EQUIPMENT/ANTENNA EASEMENT
 OTAY WATER DISTRICT #458-1&2
 CRICKET COMMUNICATIONS SITE SAN-757



SCALE 1"=40'



UNIT NO. 4

MAP NO. 8832

DATA TABLE

| T NO. | DIRECTION | DISTANCE |
|-------|---------------|----------|
| 1 | N 87°55'52" W | 12.67' |
| 2 | N 02°04'08" E | 14.00' |
| 3 | S 87°55'52" E | 12.67' |
| 4 | S 02°04'08" W | 14.00' |

Charles W. Christensen

08-18-06

CHARLES W. CHRISTENSEN, R.C.E. 8195

Date

CHRISTENSEN ENGINEERING & SURVEYING

CIVIL ENGINEERS

LAND SURVEYORS

PLANNERS

7888 SILVERTON AVENUE, SUITE 'J', SAN DIEGO, CALIFORNIA 92126

TELEPHONE: (858)271-9901

FAX: (858)271-8912



EXHIBIT C

TO AGREEMENT BETWEEN CRICKET COMMUNICATIONS, INC., A DELAWARE CORPORATION AND OTAY TO LOCATE COMMUNICATION FACILITIES AT OTAY'S 458-1&2 RESERVOIR SITE, DATED _____, _____ (THE "LEASE").

DEPICTION AND LEGAL DESCRIPTION OF TEMPORARY TRENCH EASEMENT

Easement Requested? Yes No

Easement Granted? Yes No

If Easement granted, complete the following information:

For good and valuable consideration, receipt of which is hereby acknowledged, the Otay Water District, as Grantor, hereby grants to Cricket Communications, Inc., a Delaware corporation, as Tenant, a temporary Easement to excavate, remove dirt and do any act necessary to install, operate and maintain power lines and connection lines as required in connection with the communications facilities and the antenna to be located on the Premises. The legal description of the land subject to the Easement is as follows:

A drawing depicting the Easement is attached hereto. Tenant may not sell, transfer or assign the Easement herein granted to Tenant. Tenant's rights under the Easement are specifically limited to the installation of such power lines, transmission lines and other communications lines and accessories as required to efficiently operate Tenant's communication facilities on the Premises.

The Easement shall **automatically terminate** on the day that is thirty (30) years from the date of the Lease. However, if the Lease is terminated earlier for any reason, the Easement will become unenforceable and, for all purposes, terminate on the date the Lease is terminated.

Grantor reserves the right to use the lands that are subject to the Easement in a manner such that it will not interfere with Tenant's use thereof.

Grantor retains the right to remove, at Tenant's expense, from the surface of the Easement any item, structure improvement or portion thereof that interferes or conflicts with Otay's use of the Property.

Tenant agrees to indemnify, defend and hold harmless the Grantor for any damage to property or person (including death) and any, claim, suit, action, cost or expense arising in connection with the Easement or Tenant's use or installation of any item, line, facility or other thing in connection therewith.

Tenant agrees to maintain the portion of the Property subject to the Easement in substantially the condition it is on the date the Lease is executed, excepting only such changes as are accepted by Otay in writing.

EXHIBIT C

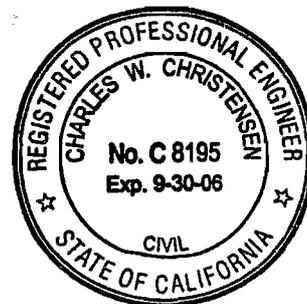
PROPOSED UTILITY/COAX EASEMENT
OTAY WATER DISTRICT #458-1&2
CRICKET COMMUNICATIONS SAN-757
651 POINT BARROW DRIVE
CHULA VISTA, CA 91911

A PROPOSED 5.00 FOOT UTILITY/COAX EASEMENT LYING WITHIN A PORTION OF THE NORTHERLY 180.00 FEET, OF THE EASTERLY 965.00 FEET, EXCEPTING THE EASTERLY 725.00 FEET THEREOF, IN THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 18 TOWNSHIP 18 SOUTH, RANGE 1, WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO U.S. GOVERNMENT SURVEY. THE CENTERLINE OF SAID PROPOSED 5.00 FOOT EASEMENT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF THE ABOVE DESCRIBED PARCEL; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID PARCEL, NORTH 88°52'22" WEST, 20.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID SOUTHERLY LINE NORTH 1°07'38" EAST, 93.45 FEET TO THE BEGINNING OF A TANGENT 15.25 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°58'21", 18.62 FEET; THENCE TANGENT TO SAID CURVE NORTH 68°50'43" WEST, 146.60 FEET.

THE SIDELINES OF SAID EASEMENT TO BE EXTENDED OR SHORTENED SO AS TO TERMINATE AT THE BEGINNING OF SAID EASEMENT ON THE SOUTHERLY LINE OF THE ABOVE DESCRIBED PARCEL AND AT THE END OF SAID EASEMENT ON A LINE WHICH BEARS NORTH 2°04'08" EAST.

SAID EASEMENT CONTAINS APPROXIMATELY 1,293 SQUARE FEET, MORE OR LESS.



Charles W. Christensen

Charles W. Christensen, RCE 8195

08/18/06

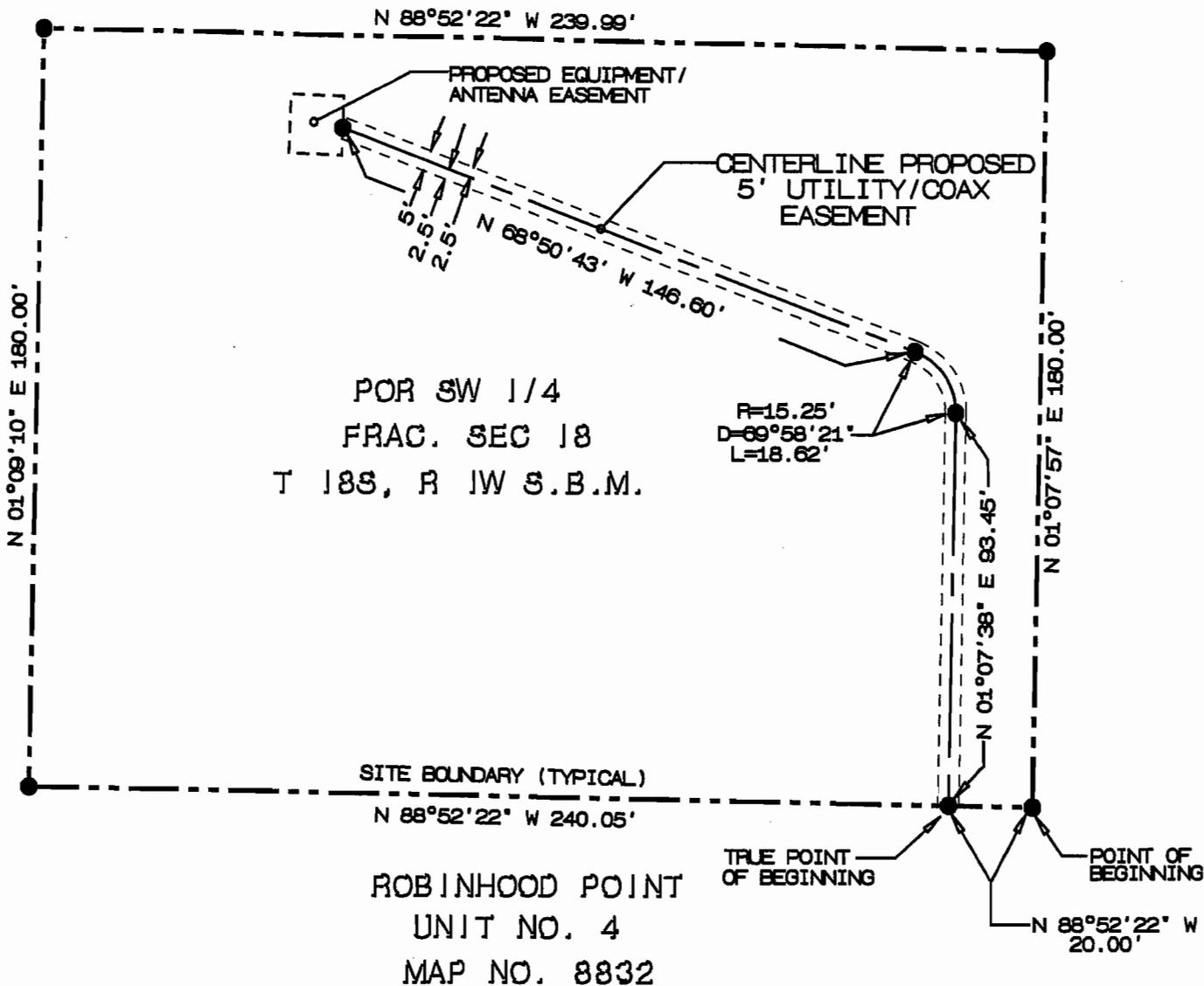
Date

EXHIBIT C

PROPOSED UTILITY/COAX EASEMENT
OTAY WATER DISTRICT #458-182
CRICKET COMMUNICATIONS SITE SAN-757



SCALE 1"=40'



Charles W. Christensen

08-18-06

CHARLES W. CHRISTENSEN, R.C.E. 8195

Date

CHRISTENSEN ENGINEERING & SURVEYING

CIVIL ENGINEERS

LAND SURVEYORS

PLANNERS

7888 SILVERTON AVENUE, SUITE "J", SAN DIEGO, CALIFORNIA 92126

TELEPHONE: (858)271-9901

FAX: (858)271-8912



EXHIBIT D

**TO AGREEMENT BETWEEN CRICKET
COMMUNICATIONS, INC., A DELAWARE
CORPORATION AND OTAY TO LOCATE
COMMUNICATION FACILITIES AT OTAY'S 458-1&2
RESERVOIR SITE, DATED _____, _____ (THE
"LEASE")**

List of Attachments to Exhibit D:

Attachment A. Depiction of the Telecommunication Facilities

Attachment B. Permits

cricket

OTAY WATER DISTRICT 458 1 & 2 RESERVOIR SITE
 651 POINT BARROW DRIVE
 CHULA VISTA, CA 91911
 SAN-757

ATTACHMENT A
 EXHIBIT D



PREPARED FOR
cricket
 6160 CORNERSTONE COURT, SUITE 150
 SAN DIEGO, CA 92121

APPROVALS

| | |
|------------------|------|
| R.F. | DATE |
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME
OTAY WATER DISTRICT @ 651
 PROJECT NUMBER
SAN-757
 651 POINT BARROW DRIVE
 CHULA VISTA, CA 91911
 SAN DIEGO COUNTY

DRAWING DATES

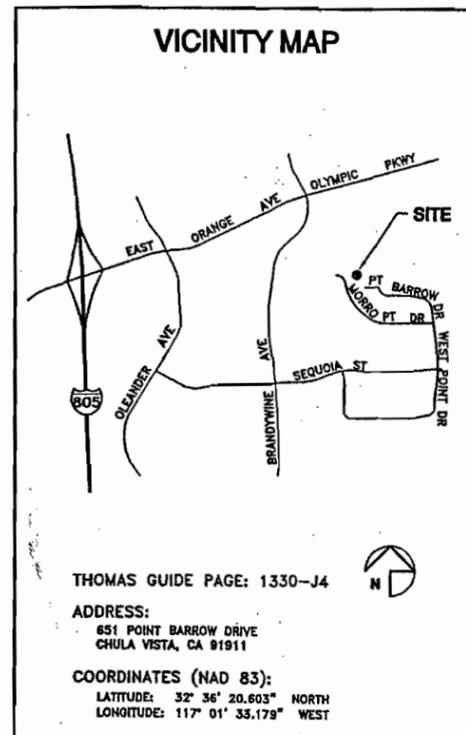
| | |
|----------|--------------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD PREVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (rew) |
| 03/10/06 | ANTENNA REVISION (rew) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

TITLE SHEET
 &
 PROJECT DATA

PROJECTS\cricket\SAN757zd\SAN757zT1.DWG

T-1



ACCESSIBILITY DISCLAIMER

THIS PROJECT IS AN UNOCCUPIED WIRELESS PCS TELECOMMUNICATIONS FACILITY AND, ACCORDING TO WRITTEN INTERPRETATION FROM THE CALIFORNIA DEPARTMENT OF THE STATE ARCHITECT, IS EXEMPT FROM DISABLED ACCESS REQUIREMENTS.

CONSULTANT TEAM

ARCHITECT:
 WILLIAM BOOTH & ROBERT SUAREZ
 ARCHITECTURE & PLANNING
 P.O. BOX 4651
 CARLSBAD, CA 92018
 (760) 434-8474
 (760) 434-8596 (FAX)

ELECTRICAL CONSULTANT:
 WALTER D. CAMP, ELECTRICAL ENGINEER, PE
 1880 SHEEP RANCH LOOP
 CHULA VISTA, CA 91913
 (619) 934-1815

STRUCTURAL CONSULTANT:
 ALEX BROWN ENGINEERING
 935 OLDHAM COURT
 ENCINITAS, CA 92024
 (760) 943-7866
 (760) 943-7866 (FAX)

SITE ACQUISITION:
 MERIDIAN TELECOM, INC.
 6160 CORNERSTONE COURT, SUITE 150
 SAN DIEGO, CA 92121
 CONTACT: FRANKLIN OROZCO
 (619) 632-2569
 (658) 777-3518 (FAX)

PROJECT SUMMARY

APPLICANT: CRICKET COMMUNICATIONS
 6160 CORNERSTONE COURT, STE. 150
 SAN DIEGO, CA 92121
 CONTACT: DAVID PUTNAM
 (925) 324-5360

OWNER: OTAY WATER DISTRICT
 2554 SWEETWATER SPRINGS BOULEVARD
 SPRING VALLEY, CA 91978
 CONTACT: DAN KJOEGAARD
 (619) 670-2269

PROJECT DESCRIPTION:

- INSTALLATION OF ONE TELECOMMUNICATIONS CABINET ON A PROPOSED RAISED STEEL PLATFORM ON GRADE LEVEL INSIDE A NEW CONCRETE BLOCK ENCLOSURE
- INSTALLATION OF THREE ANTENNA SECTORS OF ONE ANTENNA EACH (TOTAL OF 3 ANTENNAS) MOUNTED ON A 6" DIAMETER x 14'-0" HIGH STEEL POLE
- INSTALLATION OF A NEW 200 AMP ELECTRICAL SERVICE FROM A NEW ELECTRICAL TRANSFORMER TO REPLACE AN EXISTING TRANSFORMER
- INSTALLATION OF A NEW TELCO SERVICE CONNECTION FROM EXISTING TELCO PEDESTAL
- NO LANDSCAPE OR IRRIGATION IS PLANNED FOR THIS PROJECT

LEGAL DESCRIPTION:
 A PORTION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 18 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PROJECT ADDRESS: 651 POINT BARROW DRIVE
 CHULA VISTA, CA 91911

ASSESSORS PARCEL NUMBER: 644-221-60 & 68

EXISTING ZONING: R-1, PLANNED COMMUNITY

TOTAL SITE AREA: 0.99 ACRES
 = 43,124 SF

PROPOSED PROJECT AREA: 70 SQ. FT.

TYPE OF CONSTRUCTION: TYPE V, NON-RATED (UNSPRINKLERED)

PROPOSED OCCUPANCY: NONE (OUTDOOR RADIO EQUIPMENT CABINETS ONLY)

NOTE: THERE ARE CURRENTLY Three EXISTING TELECOMMUNICATIONS FACILITIES ON THE SITE. (SPRINT, ~~VERIZON~~ T-MOBILE & CINGULAR)

CROWN CASTLE

SHEET SCHEDULE

| | |
|-------|------------------------------------|
| T-1 | TITLE SHEET & PROJECT DATA |
| A-0 | SITE PLAN & GENERAL SPECIFICATIONS |
| A-0.1 | SITE UTILIZATION PLAN |
| A-1 | EQUIPMENT PLAN & ELEVATION |
| A-2 | EXTERIOR ELEVATIONS |
| A-3 | EXTERIOR ELEVATIONS |

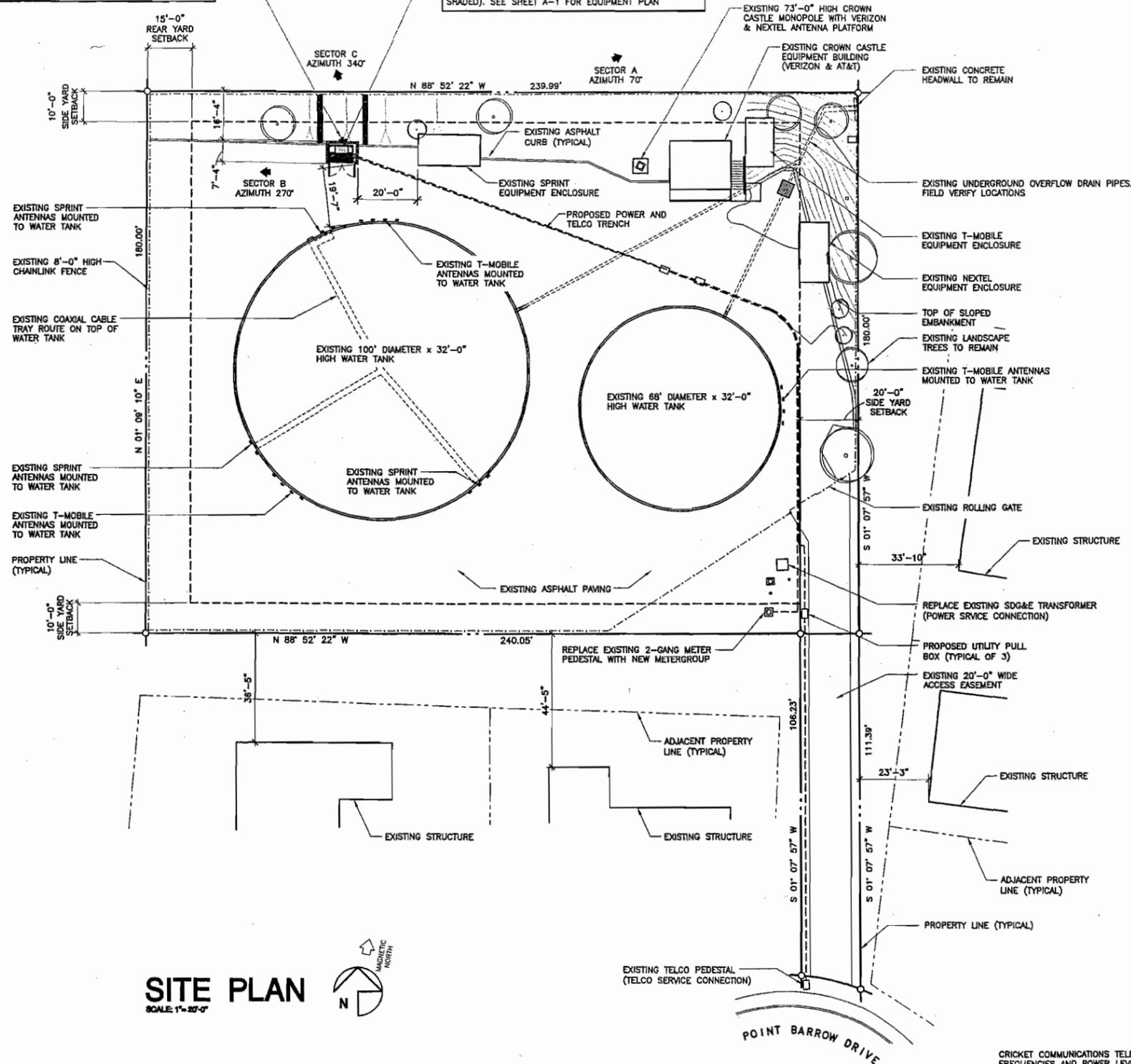
APPLICABLE CODES

ALL WORK SHALL COMPLY WITH THE FOLLOWING APPLICABLE CODES:
 CALIFORNIA STATE BUILDING CODE, 2001 EDITION, TITLE 24
 UNIFORM BUILDING CODE, 2001 EDITION
 UNIFORM PLUMBING CODE, 2001 EDITION
 UNIFORM MECHANICAL CODE, 2001 EDITION
 NATIONAL ELECTRICAL CODE, 2001 EDITION

IN THE EVENT OF CONFLICT, THE MOST RESTRICTIVE CODE SHALL PREVAIL.

PROPOSED CRICKET COMMUNICATIONS ANTENNAS MOUNTED TO A PROPOSED 6" DIAMETER x 14'-0" HIGH STEEL POLE. POLE, ANTENNA MOUNTING BRACKET AND ALL EXPOSED COAXIAL CABLE SHALL BE PAINTED BROWN. SEE SHEETS A-2 & A-3 FOR EXTERIOR ELEVATIONS

PROPOSED CRICKET COMMUNICATIONS EQUIPMENT CABINET ON RAISED STEEL PLATFORM INSIDE A PROPOSED CONCRETE BLOCK ENCLOSURE ON GRADE (SHOWN SHADED). SEE SHEET A-1 FOR EQUIPMENT PLAN



SITE PLAN

SCALE: 1"=20'-0"



CRICKET COMMUNICATIONS TELECOMMUNICATIONS TRANSMITTER FREQUENCIES AND POWER LEVELS:
1850-1990 MHz BAND WIDTH
200 WATTS ERP PER SECTOR

EASEMENTS:
NO EASEMENTS ARE SHOWN WHICH REFLECTS PRELIMINARY RECORDS RESEARCH OF RECORDED PARCEL MAPS.
EASEMENTS ARE SUBJECT TO REVIEW OF FINAL TITLE REPORT

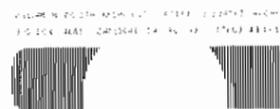
GENERAL SPECIFICATIONS

- THE LATEST EDITION OF THE AMERICAN INSTITUTE OF ARCHITECTS DOCUMENT 0501 "GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION" ARE INCLUDED IN THESE SPECIFICATIONS AS IF COMPLETELY REPRODUCED HEREIN.
- THIS FACILITY IS AN UNLICENSED PCS TELECOMMUNICATIONS SITE AND IS EXEMPT FROM DEBARRED ACCESS REQUIREMENTS.
- PRIOR TO THE SUBMISSION OF BIDS, THE CONTRACTORS PARTICIPATING SHALL VISIT THE JOB SITE AND FAMILIARIZE THEMSELVES WITH ALL FIELD CONDITIONS AFFECTING THE PROPOSED PROJECT INCLUDING DEMOLITION, ELECTRICAL, MECHANICAL AND STRUCTURAL INSTALLATIONS, AS WELL AS WITH THE CONSTRUCTION AND CONTRACT DOCUMENTS AND SHALL CONFIRM THAT THE PROJECT CAN BE ACCOMPLISHED AS SHOWN PRIOR TO PROCEEDING WITH CONSTRUCTION. SHOULD ANY DISCREPANCY, OMISSION, OR DISCREPANCIES BE FOUND, THE GENERAL CONTRACTOR SHALL IMMEDIATELY NOTIFY CRICKET COMMUNICATIONS CONSTRUCTION MANAGER AND THE ARCHITECT IN WRITING. IN THE EVENT OF DISCREPANCIES THE CONTRACTOR SHALL INCLUDE THE MORE COSTLY OR EXTENSIVE WORK IN THE BID, UNLESS SPECIFICALLY ORDERED OTHERWISE. IF A DISCREPANCY EXISTS AND THE PROJECT MANAGER AND ARCHITECT ARE NOT NOTIFIED, THE GENERAL CONTRACTOR SHALL BE HELD RESPONSIBLE FOR ALL COSTS INCURRED TO REPAIR OR CORRECT ALL PROBLEMS THAT RESULT.
- DRAWINGS SHALL NOT BE SCALED. THESE DRAWINGS ARE INTENDED TO BE DIMENSIONED. ONLY NOTES DIMENSIONS HAVE PRECEDENCE OVER DRAWING SCALE AND DETAIL DRAWINGS HAVE PRECEDENCE OVER SMALL SCALE DRAWINGS. CONTRACTOR SHALL CHECK ACCURACY OF ALL DIMENSIONS IN THE FIELD. UNLESS SPECIFICALLY NOTED, DO NOT FABRICATE ANY MATERIALS, OR BEGIN ANY CONSTRUCTION UNTIL THE ACCURACY OF DRAWING DIMENSIONS HAS BEEN VERIFIED AGAINST ACTUAL FIELD DIMENSIONS.
- THE CONTRACTOR SHALL INCLUDE IN HIS OR HER BID ALL MATERIALS, EQUIPMENT, APPURTENANCES AND LABOR NECESSARY TO COMPLETE THE WORK AS INDICATED OR IMPLIED BY THESE DRAWINGS.
- CONTRACTOR SHALL NOTIFY THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER, THE PROPERTY OWNER AND THE ARCHITECT IF ANY DETAILS ARE CONSIDERED IMPRACTICAL, UNSAFE, UNREASONABLE, UNUSABLE, UNSOUND, OR NOT WITHIN CUSTOMARY TRADE PRACTICES. IF IT WILL BE ASSUMED THAT THERE IS NO OBJECTION TO ANY DETAIL, DETAILS ARE INTENDED TO SHOW THE CONTRACTOR'S RESPONSIBILITY. MINOR MODIFICATIONS MAY BE REQUIRED TO SUIT JOB CONDITIONS, AND SHALL BE INCLUDED AS PART OF THE WORK.
- EXISTING ELEVATIONS AND LOCATIONS TO BE JOINED SHALL BE NOTED BY THE CONTRACTOR BEFORE PROCEEDING WITH THE WORK. THE CONTRACTOR SHALL NOTIFY THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER AND THE ARCHITECT SO THAT MODIFICATIONS CAN BE MADE BEFORE PROCEEDING WITH THE WORK.
- THE CONTRACTOR SHALL VERIFY ALL TELEPHONE & RADIO EQUIPMENT LAYOUTS, SPECIFICATIONS, PERFORMANCE, INSTALLATION AND FINAL LOCATIONS WITH CRICKET COMMUNICATIONS CONSTRUCTION MANAGER PRIOR TO BEGINNING WORK. THE CONTRACTOR SHALL BE RESPONSIBLE FOR COORDINATING HIS WORK WITH ERICSSON RADIO SYSTEMS.
- ALL SYMBOLS AND ABBREVIATIONS USED ON THE DRAWINGS ARE CONSIDERED CONSTRUCTION STANDARDS. IF THE CONTRACTOR HAS QUESTIONS REGARDING THEIR EXACT MEANING, THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER AND THE ARCHITECT SHALL BE NOTIFIED FOR CLARIFICATION BEFORE THE CONTRACTOR PROCEEDS WITH THE WORK.
- THE CONTRACTOR SHALL OBTAIN AND PAY FOR PERMITS, LICENSES AND INSPECTIONS NECESSARY FOR PERFORMANCE OF THE WORK AND INCLUDE THOSE IN THE COST OF THE WORK TO CRICKET COMMUNICATIONS.
- THE CONTRACTOR SHALL PROVIDE CONTINUOUS SUPERVISION WHILE ANY SUBCONTRACTORS OR WORKMEN ARE ON THE SITE AND SHALL SUPERVISE AND DIRECT ALL WORK USING HIS BEST SKILL AND ATTENTION. HE SHALL BE RESPONSIBLE FOR ALL CONSTRUCTION MEANS, METHODS, TECHNIQUES, PROCEDURES AND SEQUENCES AND FOR COORDINATING ALL PORTIONS OF THE WORK UNDER THE CONTRACT.
- WORKMANSHIP THROUGHOUT SHALL BE OF THE BEST QUALITY OF THE TRADE INVOLVED, AND SHALL MEET OR EXCEED THE FOLLOWING MINIMUM REQUIREMENTS FOR QUALITY AND PROFESSIONAL CONSTRUCTION PRACTICES:
 - NCA NATIONAL ROOFING CONTRACTORS ASSOCIATION
O'HARE INTERNATIONAL CENTER
10225 N. WILSON ROAD, SUITE 600
ROSEMONT, IL 60018
 - SMACNA SHEET METAL AND AIR CONDITIONING CONTRACTORS NATIONAL ASSOCIATION
4221 LAFAYETTE CENTER DRIVE
CHANTILLY, VA 20151-1209
 - IBP INTERNATIONAL INSTITUTE FOR LATH AND PLASTER
820 TRANSFER ROAD
ST. PAUL, MN 55114-1406
- INSTALL ALL EQUIPMENT AND MATERIALS PER THE LATEST EDITION OF THE MANUFACTURER'S INSTALLATION SPECIFICATIONS UNLESS SPECIFICALLY NOTED TO THE CONTRARY, OR WHERE LOCAL CODES OR REGULATIONS TAKE PRECEDENCE.
- THE CONTRACTOR SHALL VERIFY, COORDINATE, AND PROVIDE ALL NECESSARY BLOCKING, BRACING, FRAMING, HANGERS OR OTHER SUPPORTS FOR ALL ITEMS REGARDING THE SAME.
- THE CONTRACTOR AND ALL SUBCONTRACTORS SHALL OBEY ALL NOTICES AND SHALL COMPLY WITH ALL APPLICABLE LOCAL CODES, REGULATIONS, LAWS AND ORDINANCES AS WELL AS STATE DEPARTMENT OF INDUSTRIAL REGULATIONS AND DIVISION OF INDUSTRIAL SAFETY (DISA) REQUIREMENTS.
- THE CONTRACTOR SHALL PROTECT THE PROPERTY OWNERS, AND CRICKET COMMUNICATIONS PROPERTY FROM DAMAGE WHICH MAY OCCUR DURING CONSTRUCTION INCLUDING BUT NOT LIMITED TO, EXPOSURE TO WEATHER CONDITIONS. ANY DAMAGE TO NEW AND EXISTING FRAMES, CONSTRUCTION STRUCTURES, FORMWORK, CURBS, STAIRS, OR EQUIPMENT, ETC. SHALL BE IMMEDIATELY REPAIRED OR REPLACED TO THE SATISFACTION OF CRICKET COMMUNICATIONS, AND THE PROPERTY OWNER, OR THE OWNER'S REPRESENTATIVE, AT THE EXPENSE OF THE CONTRACTOR.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR, AND SHALL REPLACE OR REPAIR, ANY FINISH SURFACES OR MATERIALS OR WORKMANSHIP OR ANY DAMAGE WHICH SHALL APPEAR WITHIN ONE YEAR AFTER THE COMPLETION AND ACCEPTANCE OF THE WORK BY CRICKET COMMUNICATIONS UNDER THE CONTRACT.
- IT SHALL BE THE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, INCLUDING ON-SITE LATERALS OR CONTACT AN OUTSIDE AGENCY TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREON OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL EXPENSES FOR REPAIR OR REPLACEMENT OF UTILITIES OR OTHER PROPERTY DAMAGED IN CONNECTION WITH THE EXECUTION OF WORK.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE PROJECT SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETED AND ACCEPTED BY CRICKET COMMUNICATIONS.
- THE CONTRACTOR SHALL PROVIDE TEMPORARY WATER, POWER AND TOILET FACILITIES AS REQUIRED BY THE PROPERTY OWNER, CRICKET COMMUNICATIONS, AND THE CITY OR GOVERNING AGENCY.
- THE LATEST EDITION OF ALL PERMITTED AND APPROVED PLANS PERTAINING TO THIS PROJECT SHALL BE KEPT ON-SITE IN A PLAN BOX AND SHALL NOT BE USED BY WORKERS. ALL CONSTRUCTION SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN IN GOOD CONDITION, ONE COMPLETE SET OF PLANS WITH ALL REVISIONS, ADDENDA AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.
- THE GENERAL CONTRACTOR IS RESPONSIBLE FOR RETURNING THE CONSTRUCTION DOCUMENTS TO ILLUSTRATE THE AS-BUILT CONDITION OF THE SITE. THIS SHALL BE DONE AFTER THE SITE HAS BEEN AWARDED FINAL INSPECTION BY THE RESPONSIBLE BUILDING AGENCY AND APPROVED BY CRICKET COMMUNICATIONS. ONE SET OF RETURNED DRAWINGS SHALL BE PROVIDED TO THE CRICKET COMMUNICATIONS CONSTRUCTION MANAGER.
- THE CONTRACTOR SHALL REMOVE ALL RUBBISH AND WASTE MATERIALS ON A DAILY BASIS, EXCEPT FOR THAT SPECIFIED AS REMAINING THE PROPERTY OF THE BUILDING OR PROPERTY OWNER AND SHALL EXERCISE STRICT CONTROL OVER JOB CLEANING THROUGHOUT CONSTRUCTION, INCLUDING FINAL CLEAN-UP UPON COMPLETION OF WORK. ALL AREAS ARE TO BE LEFT IN A BROOD CLEAN CONDITION AT THE END OF EACH DAY AND VACUUM CLEAN CONDITION, FREE FROM PAINT SPOTS, DUST OR SMUDGES OF ANY NATURE, AT COMPLETION OF WORK.
- THE GENERAL CONTRACTOR MUST PERFORM WORK DURING PROPERTY OWNER'S PREFERRED HOURS TO AVOID DISRUPTION OF NORMAL ACTIVITY.
- ALL EXPOSED METAL SHALL BE HOT-DIPPED GALVANIZED.
- SEAL ALL PENETRATIONS THROUGH PRE-CAST ASSEMBLIES WITH U.L. LISTED OR FIRE MARSHAL APPROVED MATERIALS OF THE APPROPRIATE RATING FOR THE ASSEMBLY WHERE PENETRATIONS OCCUR.

PROPRIETARY INFORMATION

THE INFORMATION CONTAINED IN THIS SET OF DESIGN DOCUMENTS IS PROPRIETARY BY NATURE. ANY USE OR DISCLOSURE OTHER THAN THAT WHICH RELATES TO CRICKET COMMUNICATIONS IS STRICTLY PROHIBITED.

BOOTH & SUAREZ



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 651

PROJECT NUMBER

SAN-757

651 POINT BARROW DRIVE
CHULA VISTA, CA 91911

SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|--------------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD REVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (rew) |
| 03/10/06 | ANTENNA REVISION (rew) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

SITE PLAN

PROJECTS\cricket\SAN757zd\SAN757zd.A0.DWG

A-0



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME
OTAY WATER DISTRICT @ 651

PROJECT NUMBER
SAN-757

651 POINT BARROW DRIVE
CHULA VISTA, CA 91911
SAN DIEGO COUNTY

DRAWING DATES

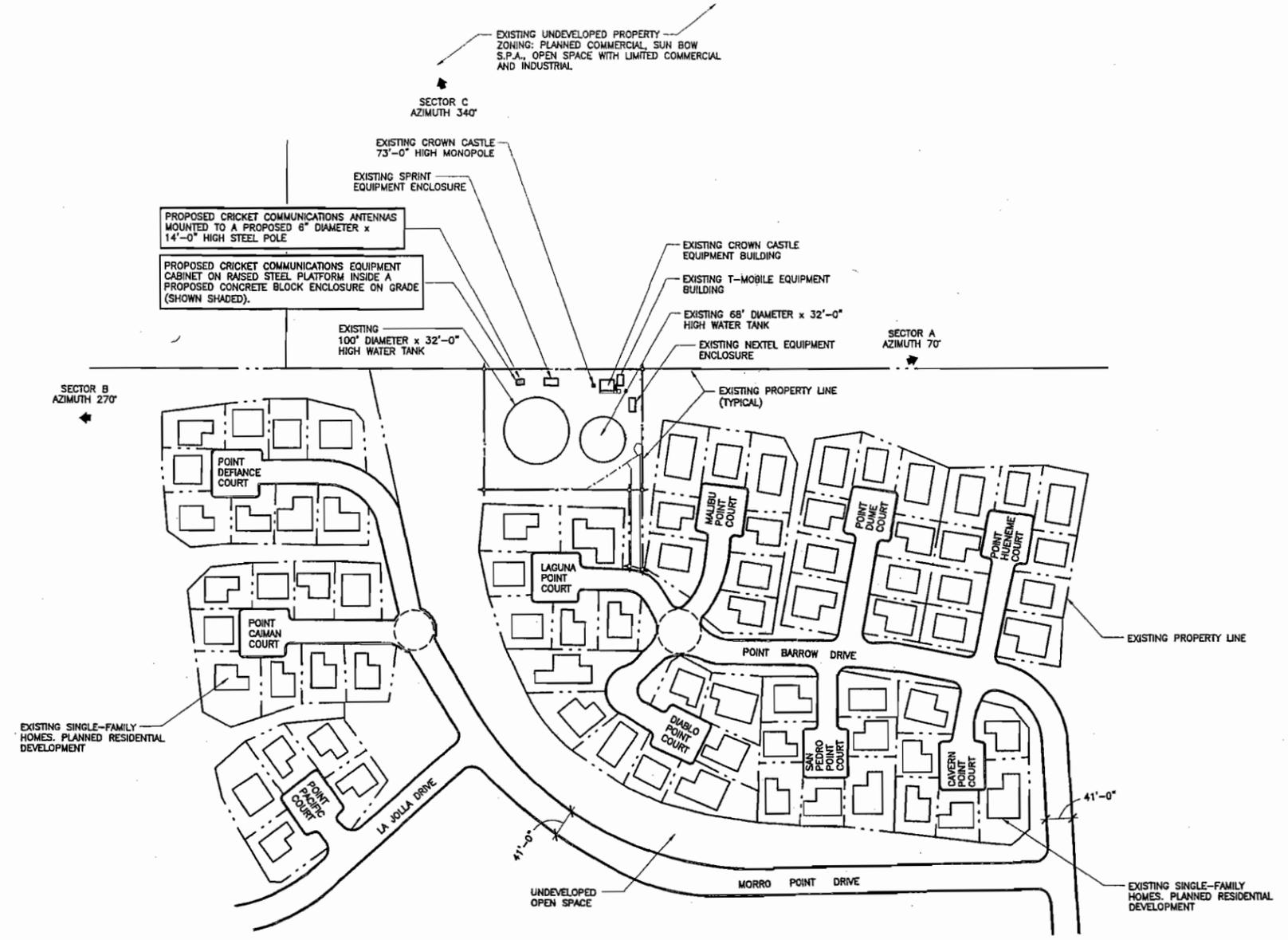
| | |
|----------|--------------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD PREVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (rew) |
| 03/10/06 | ANTENNA REVISION (rew) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

SITE UTILIZATION PLAN

PROJECTS\cricket\SAN757zd\SAN757zAO-1.DWG

A-0.1

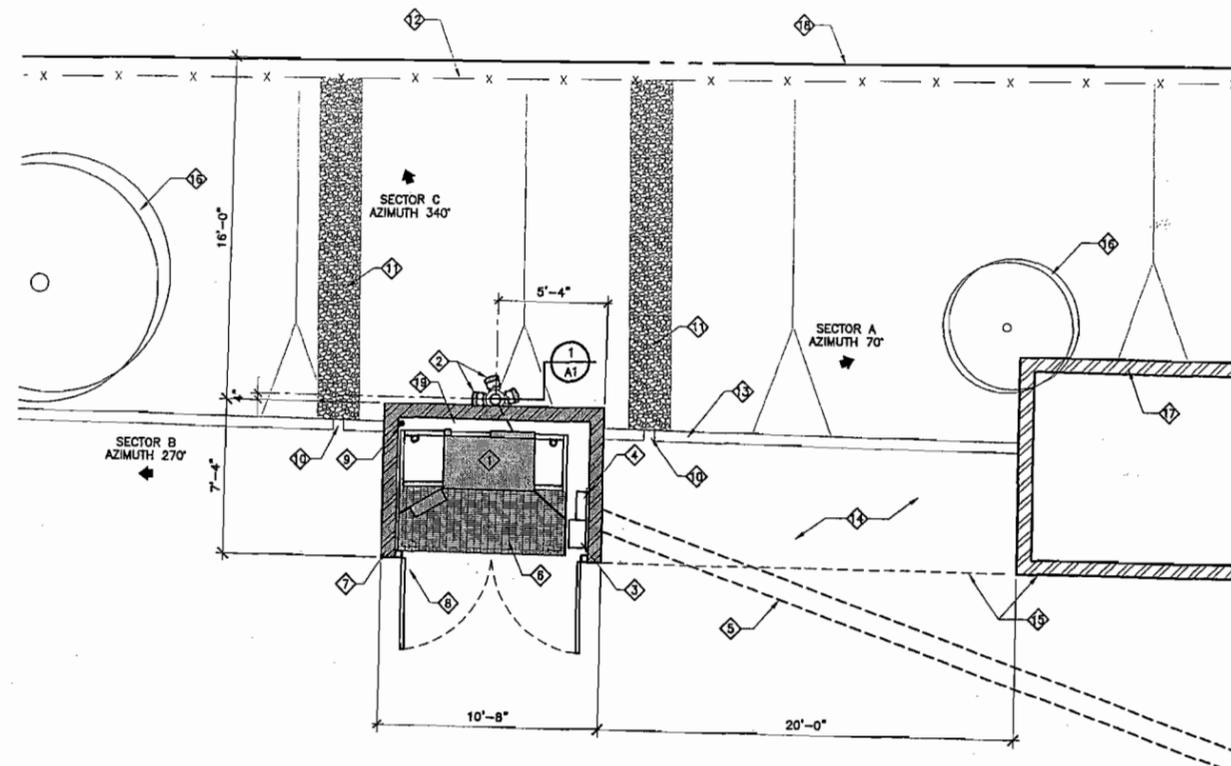


SITE UTILIZATION PLAN

SCALE: 1" = 100'-0"



| ANTENNA AND COAXIAL CABLE SCHEDULE | | | | | | | | | |
|------------------------------------|-----------|---------|----------------------|----------|---------------|-----------------------------|-------------------------------|--------------------------|-----------|
| SECTOR ANTENNA | DIRECTION | AZIMUTH | ANTENNA MODEL NUMBER | DOWNTILT | SERIAL NUMBER | NUMBER OF CABLES PER SECTOR | COAX. CABLE LENGTH (+ / - 5') | JUMPER LENGTH (+ / - 3') | COAX SIZE |
| A1 | EAST | 70° | CSA PCSX033-18-02 | 0° | | 2 | 20' | 6'-0" | 7/8" |
| B1 | WEST | 270° | CSA PCSX065-13-02 | 0° | | 2 | 20' | 6'-0" | 7/8" |
| C1 | NORTH | 340° | CSA PCSX065-13-02 | 0° | | 2 | 20' | 6'-0" | 7/8" |

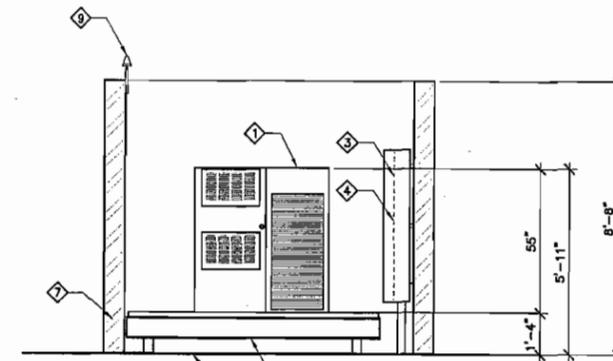


EQUIPMENT PLAN
SCALE: 1/4" = 1'-0"

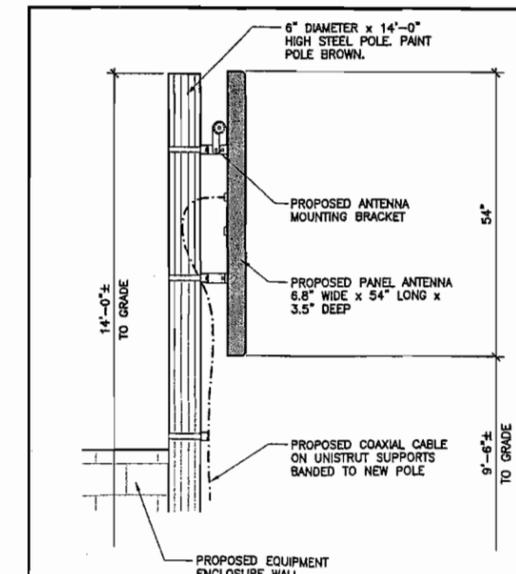


KEYED NOTES:

- | | |
|--|---|
| 1 PROPOSED CRICKET COMMUNICATIONS CMO EQUIPMENT CABINET. 52" WIDE x 30" DEEP x 55" HIGH. WEIGHT: 2600 LBS. | 10 PROPOSED CUT IN ASPHALT CURB FOR DRAINAGE |
| 2 PROPOSED CRICKET COMMUNICATIONS ANTENNAS MOUNTED TO A PROPOSED 6" DIAMETER x 14'-0" HIGH STEEL POLE. POLE, ANTENNA MOUNTING BRACKET AND ALL EXPOSED COAXIAL CABLE SHALL BE PAINTED BROWN | 11 PROPOSED GRAVEL DIVERTER |
| 3 PROPOSED TELCO CABINET MOUNTED ON CONCRETE BLOCK WALL | 12 EXISTING 8'-0" HIGH CHAINLINK FENCE |
| 4 PROPOSED PPC CABINET ON CONCRETE BLOCK WALL | 13 EXISTING ASPHALT CURB |
| 5 PROPOSED UNDERGROUND UTILITY CONDUITS | 14 EXISTING ASPHALT PAVING |
| 6 PROPOSED RAISED STEEL PLATFORM | 15 ALIGN |
| 7 PROPOSED 8'-8" HIGH CONCRETE BLOCK WALL TO MATCH EXISTING SPRINT ENCLOSURE PAINTED LIGHT SAND COLOR | 16 EXISTING TREE TO REMAIN |
| 8 PROPOSED STEEL DOUBLE LEAF GATE TO MATCH EXISTING SPRINT ENCLOSURE WOOD GATE | 17 EXISTING SPRINT EQUIPMENT ENCLOSURE |
| 9 PROPOSED GPS ANTENNA MOUNTED TO CONCRETE BLOCK WALL | 18 PROPERTY LINE |
| | 19 PROPOSED COAXIAL CABLE MOUNTED TO ENCLOSURE WALL |



EQUIPMENT ELEVATION
SCALE: 3/4" = 1'-0"



NOTE:

- POLE, ANTENNA, COAXIAL CABLE, SUPPORT FRAME AND BRACKETS SHALL BE PAINTED BROWN
- ALL ELEMENTS OF ANTENNA MOUNT SHALL BE GALVANIZED

ANTENNA MOUNT

SCALE: 3/4" = 1'-0" 1

Booth & Suarez

PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| | |
|------------------|------|
| R.F. | DATE |
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 651

PROJECT NUMBER

SAN-757

651 POINT BARROW DRIVE
CHULA VISTA, CA 91911
SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|--------------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD PREVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (raw) |
| 03/10/06 | ANTENNA REVISION (raw) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

EQUIPMENT PLAN & ELEVATION

PROJECTS\cricket\SAN757zd\SAN757za1.DWG

A-1



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 651

PROJECT NUMBER

SAN-757

651 POINT BARROW DRIVE
CHULA VISTA, CA 91911
SAN DIEGO COUNTY

DRAWING DATES

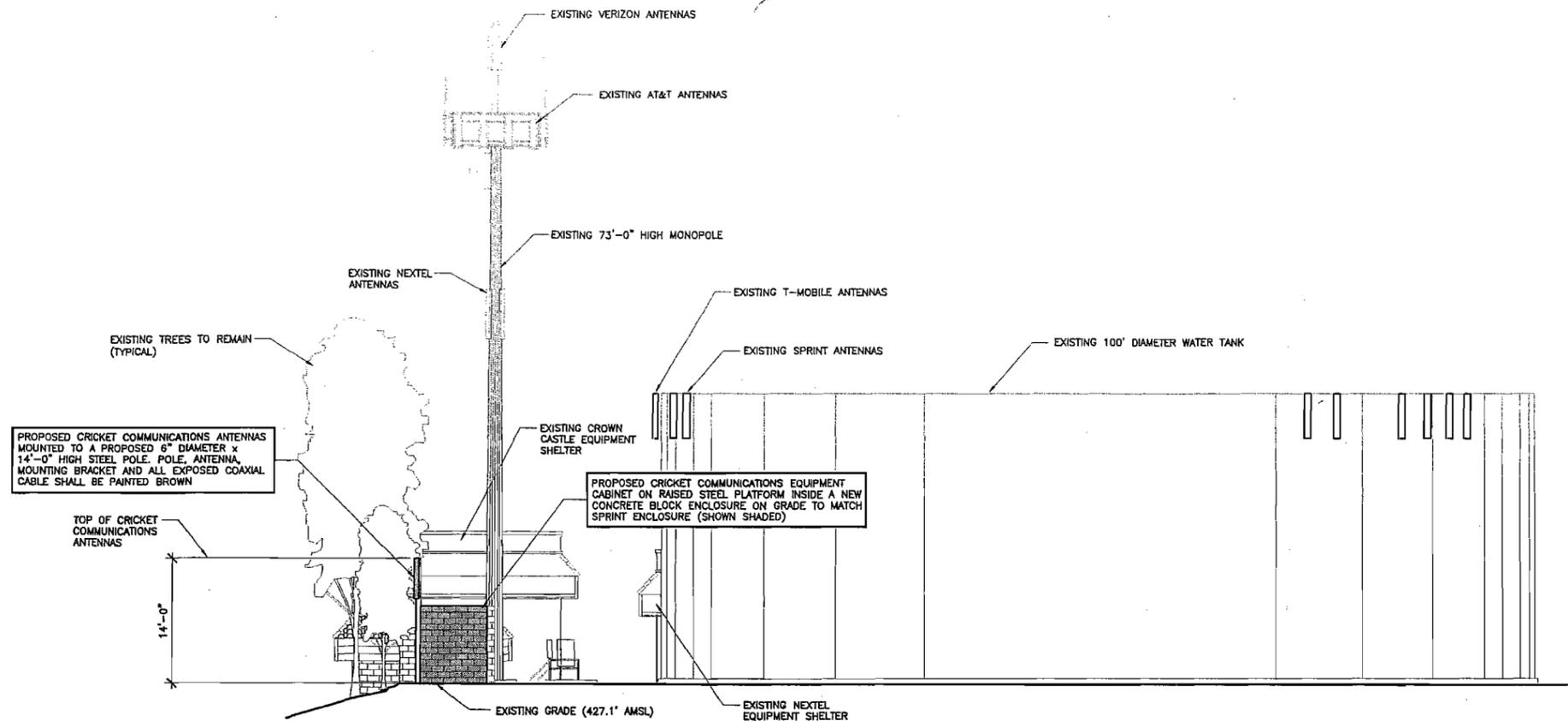
| | |
|----------|--------------------------|
| 12/14/05 | PRELIM ZD REVIEW (AO) |
| 01/05/06 | FINAL ZD PREVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (rew) |
| 03/10/06 | ANTENNA REVISION (rew) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

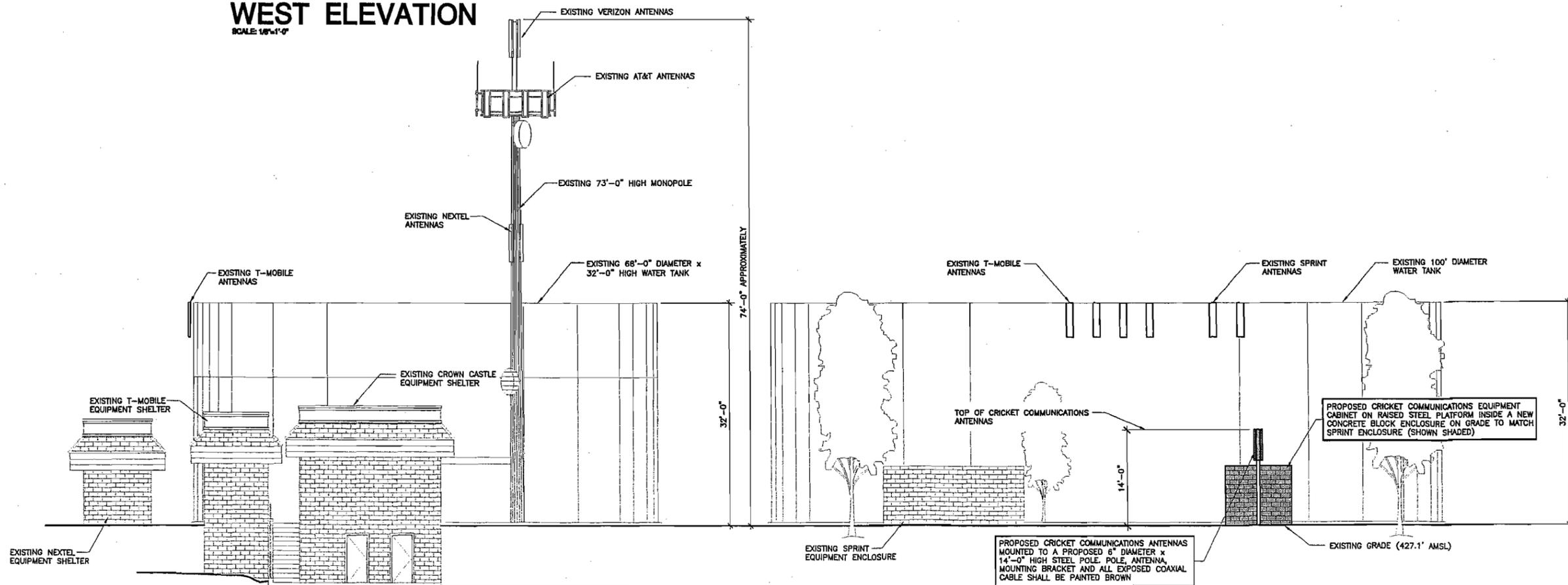
EXTERIOR ELEVATION

PROJECTS\cricket\SAN757zd\SAN757zA2.DWG

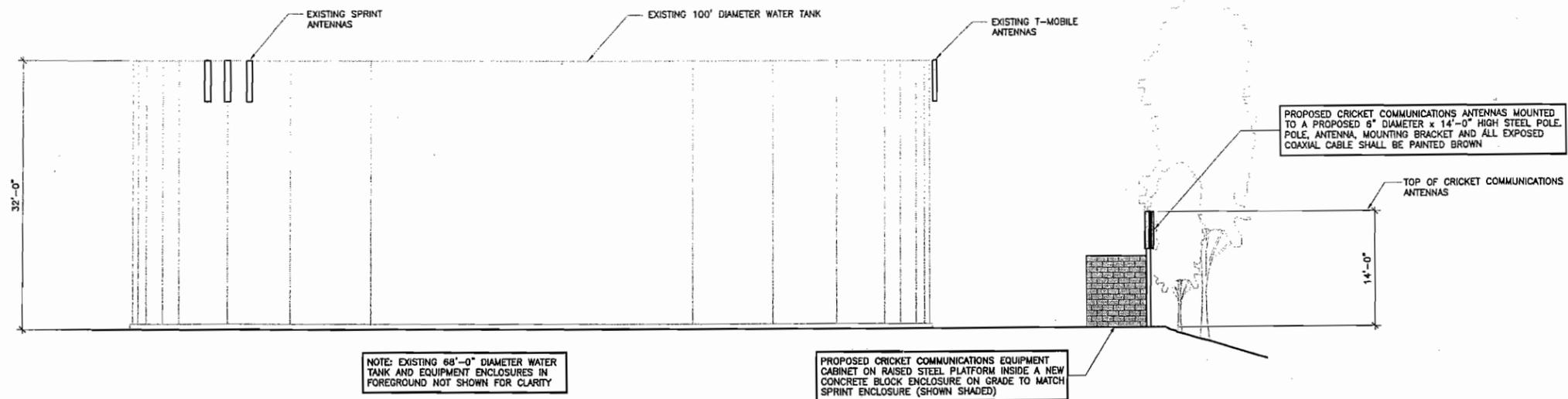
A-2



WEST ELEVATION
SCALE: 1/8"=1'-0"

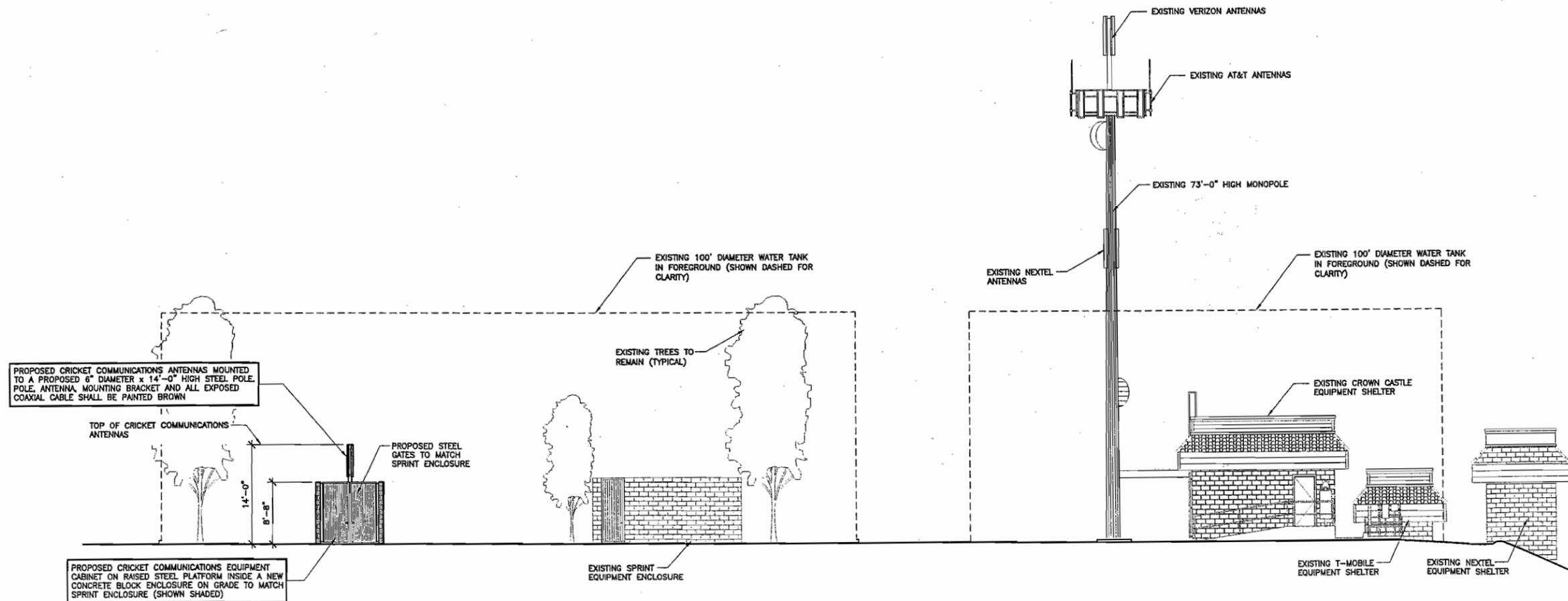


NORTH ELEVATION
SCALE: 1/8"=1'-0"



EAST ELEVATION

SCALE: 1/8"=1'-0"



SOUTH ELEVATION

SCALE: 1/8"=1'-0"



PREPARED FOR

cricket

6160 CORNERSTONE COURT, SUITE 150
SAN DIEGO, CA 92121

APPROVALS

| R.F. | DATE |
|------------------|------|
| ZONING | DATE |
| CONSTRUCTION | DATE |
| SITE ACQUISITION | DATE |
| OWNER APPROVAL | DATE |

PROJECT NAME

OTAY WATER DISTRICT @ 651

PROJECT NUMBER

SAN-757

651 POINT BARROW DRIVE
CHULA VISTA, CA 91911

SAN DIEGO COUNTY

DRAWING DATES

| | |
|----------|--------------------------|
| 12/14/05 | PRELIM 2D REVIEW (AO) |
| 01/05/06 | FINAL 2D PREVIEW (AO) |
| 01/27/06 | SUBMITTAL SET (AA) |
| 03/08/06 | OWNER COMMENTS (rew) |
| 03/10/06 | ANTENNA REVISION (rew) |
| 03/21/06 | ANTENNA REVISION 2 (job) |

SHEET TITLE

EXTERIOR ELEVATION

PROJECTS\cricket\SAN757\2d\SAN757EA3.DWG



AGENDA ITEM 9a

STAFF REPORT

| | | | |
|---------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board Meeting | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Mark Watton, General Manager | W.O./G.F.NO: | DIV. NO. |
| SUBJECT: | Board of Directors 2006 Calendar of Meetings | | |

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2006 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2006 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.

A handwritten signature in blue ink, appearing to read "M. Watts", is written over a horizontal line.

General Manager

Attachments: Calendar of Meetings for 2006

G:\UserData\DistSec\WINWORD\STAFRPTS\Board Meeting Calendar 8-3-05.doc

**Board of Directors, Workshops
and Committee Meetings
2006**

Regular Board Meetings:

January 4, 2006
February 1, 2006
March 13, 2006
April 5, 2006
May 3, 2006
June 7, 2006
July 5, 2006
August 2, 2006
September 6, 2006
October 4, 2006
November 1, 2006
December 6, 2006

**Special Board or Committee Meetings (3rd
Wednesday of Each Month or as Noted)**

January 18, 2006
February 15, 2006
March 15, 2006
April 19, 2006
May 17, 2006
June 21, 2006
July 19, 2006
August 16, 2006
September 20, 2006
October 18, 2006
November 15, 2006
December 20, 2006

Board Workshops:

Tuesday, May 30, 2006, Budget Workshop
Monday, August 7, 2006, Integrated Resources Plan Workshop
Monday, September 25, 2006, Board Retreat Workshop

Committee Meetings:

CWA/Water Resources and Security Committee (Tuesday before the CWA board meeting):

Water Resource and Security Committee Chair
Gary Croucher
Mark Watton, CWA Board Representative

January 24, 2006
February 21, 2006
~~March 21, 2006 (Canceled)~~
April 25, 2006
May 23, 2006
June 20, 2006
July 25, 2006
August 22, 2006
September 26, 2006
October 24, 2006
November 28, 2006
December – No meeting



AGENDA ITEM 9b

STAFF REPORT

| | | | |
|---------------|--|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Mark Watton, General Manager | W.O./G.F. NO: | DIV. NO. All |
| APPROVED BY: | | | |
| SUBJECT: | California Special Districts Association (CSDA) Region 6 Board Election | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board consider casting a vote to elect a representative to the California Special Districts Association (CSDA) Board of Directors, Region 6, Seat A.

PURPOSE:

To present for the board's consideration the ballot to elect a representative to Region 6, Seat A, of CSDA's Board of Directors.

COMMITTEE ACTION: _____

N/A.

ANALYSIS:

CSDA is holding an election to fill Seat A of Region 6 on its Board of Directors. Ms. Jo MacKenzie, Vista Irrigation District, is the incumbent and is seeking re-election. Mr. James Doud, South Bay Irrigation District, is also seeking election to the seat. Each regular member (district) is entitled to one (1) vote for each seat to represent its region. There are a total of six [6] regions with each region having three seats on the Board.

Attached is a copy of the mail-in ballot and the candidates' Statement of Qualifications. The ballot must be mailed and received by CSDA by 5:00 p.m. on Thursday, September 21, 2006.

FISCAL IMPACT: _____

None.

STRATEGIC GOAL:

Participating would support the strategic goal of maintaining effective communications with other cities, special districts, State and Federal governments, community organizations and Mexico.

LEGAL IMPACT: _____

None.

A handwritten signature in blue ink, appearing to read "M. J. Watts", is written over a horizontal line.

General Manager



**CSDA BOARD OF DIRECTORS
ELECTION 2006**

ALL FIELDS MUST BE COMPLETED FOR BALLOT TO BE COUNTED.
(Please vote for one.)

REGION SIX



*Seat A - term
ends 2009*

- James F. Doud, Sr.**
South Bay Irrigation District
- Jo MacKenzie***
Vista Irrigation District

* *incumbent*

Signature: _____ Date: _____

Member District: _____

Must be received by 5pm, September 21, 2006 CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814

CANDIDATE STATEMENT
JO MackENZIE, REGION 6 DIRECTOR

I have served as the Region 6 Director to the CSDA Board since 2003. I have actively served on numerous committees and been Vice-Chair of the Legislative Committee and Chair of Elections/By-Laws Committee.

During the last three years, Special Districts have become recognized as the third leg of local government gaining that recognition after CSDA's negotiations with the Governor's Office on Proposition 1A. CSDA is the recognized voice of Special Districts. As your representative, I have strived to maintain the effectiveness of CSDA for the benefit of all Special Districts.

I was elected to the Vista Irrigation District Board in 1992; President 1993, 1994 and 1999. I have chaired the Fiscal Policy and Public Relations Committees, besides serving on numerous Ad Hoc committees. I have been actively involved in CSDA, LAFCO Special District Advisory Committee (SDAC), and the Association of California Water Agencies (ACWA).

I have served as Vice-President and President of the local CSDA Chapter. I have been a member of SD LAFCO SDAC since 1994; Vice-Chair 2003 and Chair, 2004-present.

I have served on the ACWA Membership Committee, 1997-present and Region 10 Director, 1994 to present.

These positions have provided an opportunity to develop the necessary knowledge and skill to represent the needs of special districts. I believe this involvement demonstrates my commitment.

Community Service Activities:

- ▶ City of San Marcos Planning Commission, 1979-1986.
- ▶ Traffic/Safety Commissioner, 1999-2003; Vice-Chair 2000-2003.
- ▶ Budget Review Committee, 1981-1984 and 1995-2006; Chairman 1999-2006.
- ▶ Affordable Housing Task Force, 1994-1997; Vice-Chair
- ▶ San Marcos Chamber of Commerce, 1983-present; past Treasurer; Ambassador Life Member since 1986.

I have the experience, expertise, desire and time commitment to serve each of your interests.

Your vote will sustain the direction your present Board of Directors is charting.

STATEMENT OF QUALIFICATIONS
Jim Doud
Director, South Bay Irrigation District and Sweetwater Authority
San Diego County

Jim Doud has represented Region 6 as President of CSDA, San Diego Chapter, from 2005 to present. As President, Jim attends all San Diego Local Agency Formation Commission, Special Advisory Committee meetings to report on the ongoing discussions on the draft LAFCO publication, *Profiles of Special Districts in San Diego County*.

Jim has represented Division 2 of South Bay Irrigation District and Sweetwater Authority since 1995. He has served two terms as President for South Bay Irrigation District and two terms as Chair for Sweetwater Authority, and currently serves and chairs numerous committees.

Jim is an active and voting delegate to the National Water Resources Association (NWRA) and the Western Coalition of Arid States (WESTCAS).

Jim is active in the Association of California Water Agencies (ACWA) serving on the Federal Affairs Subcommittee, and ACWA's Outreach Program.

Jim is active on the Chula Vista Interagency Water Task Force, executed by the Mayor of Chula Vista in 1990, and served as Chair from 2004 to 2006.

Jim is active in the Chula Vista Chamber of Commerce, representing South Bay Irrigation District and Sweetwater Authority.

Jim is a graduate of the Special District Institute in Leadership and Management.

Jim is a retired Senior Engineer, Rohr Industries.

Jim is a member of the Retired National Management Association – Rohr Chapter.

Jim is a Korean and Cold War veteran.

CSDA has had an eventful active year so far in 2006, and we look forward to continuing the tradition of speaking out and acting on behalf of all special districts in 2006! Special districts are the most popular – but unfamiliar – form of government. We must reverse this lack of familiarity.

**ELECT JIM
DOUD**



Jim Doud
President
San Diego County Chapter

P.O. Box 2328
Chula Vista, CA 91912-2328
Phone: (619) 409-6703
Fax: (619) 425-3225
jdoud@sweetwater.org

**SOUTH BAY IRRIGATION DISTRICT
DIRECTOR DIVISION 2
SWEETWATER AUTHORITY**

**CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS,
REGION 6, SEAT A**

JIM DOUD IS COMMITTED TO:

- HONESTY
- INTEGRITY
- CONSISTENCY
- A SENSE OF PURPOSE & RESPONSIBILITY
- LEADERSHIP
- HARD WORK AND PREPARATION
- THE UNDERSTANDING OF THE DISTRICT AND THE ISSUES

Vote

DOUD, Jim

AGENDA ITEM 10



STAFF REPORT

| | | | |
|---------------|---------------------------------|---------------|--------------------------|
| TYPE MEETING: | Regular Board Meeting | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Mark Watton, General Manager | W.O./G.F. NO: | N/A DIV. NO. N/A |
| SUBJECT: | General Manager's Report | | |

GENERAL MANAGER:

- Update on the 30-inch Recycled Water Pipeline, 450-1 Reservoir, and 680-1 Pump Station Projects:
 - As of August 15, 2006, Ortiz Construction has installed 28,500 l.f. of pipeline out of a total of 31,419 l.f.
 - The access road to the reservoir and pump station has been paved.
 - The reservoir floor and shell rings have been welded, and the roof is 90% complete.
 - The walls of the pump station are 90% complete.
- Met with the Jamul Indian Village Chairman, Lee Acebedo, to receive an update on their casino development. The Jamul tribe has submitted a sub-area master plan for water for the casino and it indicates that Otay should be able to serve the facility with existing infrastructure.

ADMINISTRATIVE SERVICES AND FINANCE:

Administrative Services:

- Three new hires started employment in the month of August: HR Technician, Executive Secretary (Engineering Dept.), Customer Service Field Representative I.
- The District hosted its annual Employee Information Meeting and Luncheon in July. Employees provided updates

on projects in their departments and updates on activities from the Otay Activities Committee.

- The District has selected a consultant to conduct a District-wide Compensation Study in the upcoming months. The District requested quotes from four providers and conducted a thorough review of all the consultants, which included a screening of the quotes, interviews and references. Johnson and Associates was selected to conduct the study and will be working with Human Resources, Management, and the Employee Association to conduct a thorough study. Johnson and Associates specializes in human resources management studies. Consultants who will be managing the project have many years of dedicated experience with similar studies.
- The District has made significant progress in training emergency response personnel in the necessary FEMA courses.
- The District staffed a booth at Chula Vista's 10th Annual Lemon Festival on August 13th. Hundreds of people came by to test their water knowledge, learn about the District and its job offerings, and pick up information on the District's water conservation programs.
- Letters were mailed to the District's 1600+ landscape-only customers promoting the "Smart" landscape programs including the "smart" controller incentive program, the \$5,000 per site mini-grant program to replace inefficient sprinkler equipment, the large landscape audit program, and the District's "Cash for Plants" turfgrass replacement program.
- Planning continues for the upcoming Water Conservation Summit on September 29th at the Joan Kroc Center at the University of San Diego. The focus of this first-ever summit will be landscape water conservation and how the region can increase its water conservation efforts to reach its 110,000 acre-feet savings target by 2030.
- Residential Smart Controller Program: The District has a waitlist for the next distribution event tentatively planned for October and staff is working with the Water Authority and its contractor to verify the installation of all 100+ smart controllers distributed to Otay customers to date.

- In the month of August there were 200 purchase orders issued for a total of \$559,506.39.

Information Technology and Strategic Planning:

- The Interactive Voice Response (IVR) system is now operational. Phase 2 will implement the ability to pay bills over the phone using a credit card. We expect to have this feature on line in 60 days (November 1, 2006).
- The computer data center upgrade project is proceeding. Currently, the new racks are installed, the UPS equipment is being installed, and new servers are being configured. Completion is scheduled for late September.
- Staff has completed a review of the year-end FY06 Strategic Plan objectives and performance measures. These items will be coming to the Board next month. We are also planning additional strategic plan workshops in the fall to provide fine tuning of plan objectives and to update performance measures.
- Staff is working with the MASS group a consultant to improve gathering SCADA operational data for management reporting.
- Staff held a week-long workshop with Eden, our primary vendor for customer information and financial software systems. The workshop goal was to discuss ways in which Otay could obtain increased performance from the software products more effectively. In particular, the functions of Parcel Manager, Parcel Refresh, and correcting inaccurate mailing addresses were improvements in the system that were identified.
- Staff has been invited to make a presentation at the upcoming Business Process Management Conference held at the Hotel Del in October. Otay has been requested to present how it is using its strategic plan and performance measures to advance business process improvement at the District. Staff will also be making presentations at the upcoming user conferences for EDEN and GBA, our major software vendors.
- The first fully configured field laptop have been received. Once final testing is complete, these units will be assigned to key operations staff. This is the

first step in enhancing field use of automated systems in the "field" environment.

FINANCE:

- Optional Customer Payment Methods - With the new IVR system successfully in place, staff is now in the process of automating credit card payments using IVR technology. This option will seamlessly allow customers to move into a third party's automated payment system to pay their bill. Because of the greater efficiency and security of large specialized credit card processing firms, it has become industry standard to use these third party vendors. Sweetwater, Helix, Padre and even large utilities such as SDG&E currently offer this option which includes a nominal fee charged by the third party vendor to the customers for the added convenience and security of this payment method. Otay customers choosing this option will pay a nominal fee of \$2.40 for check payments or \$3.60 for credit card payments. Otay's fee will be significantly less than the \$4.95 charged by our neighboring agencies. Each of the local utilities listed above requires that the customer end the call and dial a separate toll free number to process their credit card payment, or check by phone. With Otay's IVR solution, it is much more convenient because our customers will be automatically transferred to the third party vendor. Staff is looking forward to the implementation of this part of the IVR strategic plan objective to replace the cumbersome in-house process. The new system has many benefits and will allow us to better manage the increased costs and workload associated with this process. As this method of payment is implemented and matures, the benefits will include the elimination of one temporary position, redirecting remaining staff to improving customer service processes, reducing the overall call wait time, and mitigating the need to add customer service staff to handle the large increases in these types of calls. In the last 3 years, these calls have increased by 112%, from 800 to 1700. Other services offered for customer convenience include: Web Payments, Postal Annex, Drop Box, ACH Payments (automated checking account deductions), and the old fashioned walk in payments or check by mail.
- OPEB Liability - Staff has received four proposals from actuaries to evaluate and determine the liability of the

other Post Employment Benefits. Staff has evaluated the proposals and is finalizing the selection process. Staff will work with the selected actuary over the next 5 to 7 weeks to finalize the OPEB evaluation. The new accounting requirements, GASB 45, will not take affect for two more years, so there is time to see how these requirements play out for the larger governments who must implement next year. The actuary will also provide costing scenarios for various collective bargaining options. There is a reserve account funded specifically for this purpose and the contract will provide for an update and evaluation of our current situation.

- Financial Statement Audit - The auditors have completed their field work at the District and are now preparing the statements. At this time, the auditors have not identified any issues or management letter comments. The audit process was completed very smoothly, to the credit of the quality preparation by staff. The financial statements should be ready for review by the Finance and Administration Committee for the September meeting. Staff will then prepare the CAFR (Comprehensive Annual Financial Report) and plan to publish the document by the end of October.
- Financial Advisor - In preparation for the pending Bond Sale, staff is hiring a financial advisor to help the District through the bond sale process. On August 10th eleven RFPs were sent out to solicit services. The deadline for the response is September 1st. After the selection process is complete, staff will present the recommended financial advisor to the Board for approval.
- Budget Policy - Staff is currently reviewing numerous budget policies and looking to incorporate those "Best Practices" that best fit the Districts preferred form of operations. There will be numerous meetings to review this with staff prior to the presentation to the Board. Staff plans to present this to the Finance and Administration Committee in early 2007.
- Debt Policy - The debt policy is being revised and will be submitted to GFOA for "Certification". This will then be brought to the December Finance and Administration Committee for review. The changes will add many of the existing practices to the Policy making it more robust and adding transparency to the District's financial matters.

The financial reporting for June 2006 is as follows:

- For the twelve months ended June 30, 2006, there are total revenues of \$53,484,231 and total expenses of \$53,546,089. The expenses exceeded revenues by \$61,858.

The financial reporting for July 2006 is as follows:

- For the twelve months ended July 31, 2006, there are total revenues of \$5,389,797 and total expenses of \$5,530,318. The expenses exceeded revenues by \$39,479.

The financial reporting for investments for July 31, 2006 is as follows:

- The market value of the Portfolio Master Summary and the Investment Portfolio Details as of July 31, 2006 total \$71,688,513.99 with an average yield to maturity of 4.501%. The total earnings year to date are \$277,970.32. The effective duration is .353 of a year.

ENGINEERING, DEVELOPMENT SERVICES AND WATER OPERATIONS:

Engineering:

- Staff received 8 new improvement plans from developers for potable/recycled plan checks.
- The preliminary design report for the 12-inch pipelines in Jamacha Road, Hidden Mesa Road, and Chase Avenue (P2038), Jamul Road (P2356), and Steele Canyon Road (P2387) is completed. The report recommended replacing all 12-inch pipelines with Chase Avenue as the highest priority. It also recommended using PVC as the material type. Jamacha Road will be planned, designed, and constructed with the 36" pipeline project (P2009).
- The 1485-1 Pump Station Replacement project awarded the appraisal services contract to Randall H. Blaesi, Real Estate Appraiser & Valuation Consultant, on July 31,

2006. The geotechnical services consultant contract was awarded to Geotechnics, Inc. on August 10, 2006.

- The City of San Diego and the United States Bureau of Reclamation (USBR) have executed the Title XVI Cooperative Agreement for grant awards for our recycled projects.
- The preliminary design report for the 1296-3 2.0 MG Reservoir is completed. The report recommends building a 2.0 MG welded steel reservoir south of the existing reservoirs on Bear Mountain Way.
- A Board of Directors workshop on the Integrated Water Resources Plan was held on August 7, 2006. The consultant, CDM, and Staff will continue working toward completion of the IWRP, scheduled for completion in March 2007
- The East County Regional Treated Water Improvement Program Agreement requires an agreement between the SDCWA and Otay WD for the Otay Flow Control Facility (FCF) No. 14 capacity increase to 16 MGD. The EXRTWIP Agreement established cost sharing at 50% each. SDCWA has begun preparing the first draft of the FCF No. 14 Agreement.
- Staff sent the required disbursement forms related to the \$4,000,000 Proposition 50 grant to the State Water Resources Control Board. This grant is in association with our recycled water pipeline, pump station, and tank currently under construction.
- 23 meters were sold as of August 10, 2006, generating \$468,538 in revenue. Total meters sold for FY06-07 were 23, which generated \$468,538 for the District.
- The Construction Division received 3 new projects to be constructed by developers and performed 10 pre-construction meetings. In addition, 2 projects were completed and 1 project was released from warranty.
- Approximately 8,000 linear feet of both CIP and developer project pipelines were installed since July, 2006. The Construction Division performed quality assurance for these pipelines.

- The Sweetwater Springs Agency Interconnection project is 95% complete. The contract completion date is December 7, 2006.
- 182 underground facilities were located, 9 hydrostatic pressure tests, 21 wet taps and tie-ins, 70 meter set inspections, and 7 project walk-throughs were performed during the month.
- The following table summarizes purchase and change orders issued during the month of August, 2006, that are within staff signatory authority:

| Date | Action | Amount | Contractor/ Consultant | Project |
|----------|--------|----------|---------------------------|---|
| 07/26/06 | P.O. | \$9,500 | Randall H. Blaesi | 1485-1 Pump Station Replacement Project |
| 08/04/06 | P.O. | \$18,000 | Clarkson Lab & Supply Co. | Bac-T Sampling/Testing |
| 08/21/06 | P.O. | \$9,684 | Geotechnics, Inc. | 1485-1 Pump Station Replacement Project |

Water Operations:

- Water purchased for the month of June was 4,228.6 acre-feet. From the period July 1, 2005 to June 30, 2006 there was 41,426.60 acre-feet of water purchased. This is an 8.9 percent increase from the same period last year.
- Water purchased for the month of July was 4912.1 acre-feet. Beginning FY 06/07 to date, July 1, 2006 to July 31, 2006 there has been 4912.1 acre-feet of water purchased. This is a 5.8 percent increase from the same period last year, July 1, 2005 to July 31, 2005.
- The AMR change-out program is progressing. The District's contractor, Underground Utility, Inc. (UUI), has replaced 3,138 RAMAR/Badger units as of July 31, 2006, leaving 3,873 RAMAR units still in use.
- There were 79 new Automated Meter Reading (AMR) meters installed, 443 meters were replaced with new AMR meters and zero meters were retrofitted to AMR meters for the month of July for a total of 11,840 AMR meters.

Total number of potable water accounts is 47,078.00.

- Recycled water consumption for the month of July is as follows:

Total flow was 620.2 acre-feet or 202,007,872 gallons and the average daily flow was 6,516,383 gallons per day.

Total number of recycled water accounts is 558.

- Wastewater flows for the month of July were as follows:

Total basin flow, gallons per day: 2,164,000.
Total Otay flow, gallons per day: 1,445,000.
Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 1,272,000.
Flow to Metro from Otay Water District, gallons per day: 190,000.

Total number of sewer connections is 6,057.



General Manager

G:\UserData\DistSec\WINWORD\STAFRPTS\GM Report 9-6-06.doc

**OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
FOR TWELVE MONTHS ENDED JUNE 30, 2006**

| | Annual Budget | YTD Actual | YTD Budget | YTD Variance | Var % |
|----------------------------------|--------------------------|-----------------------|-----------------------|-------------------------|---------------|
| REVENUE: | | | | | |
| Water Sales | \$ 27,933,200 | \$ 27,975,777 | \$ 27,933,200 | \$ 42,577 | 0.2% |
| Energy Charges | 1,640,000 | 1,696,492 | 1,640,000 | 56,492 | 3.4% |
| System Charges | 7,993,300 | 8,056,340 | 7,993,300 | 63,040 | 0.8% |
| Penalties | 488,800 | 688,374 | 488,800 | 199,574 | 40.8% |
| MWD & CWA Fixed Charges | 1,766,300 | 1,775,186 | 1,766,300 | 8,886 | 0.5% |
| Total Water Sales | <u>39,821,600</u> | <u>40,192,169</u> | <u>39,821,600</u> | <u>370,569</u> | <u>0.9%</u> |
| Reclamation Sales | 3,559,900 | 3,563,441 | 3,559,900 | 3,541 | 0.1% |
| Sewer Charges | 2,296,400 | 2,296,856 | 2,296,400 | 456 | 0.0% |
| Meter Fees | 416,800 | 270,167 | 416,800 | (146,633) | (35.2%) |
| Capacity Fee Revenues | 1,222,200 | 1,356,611 | 1,222,200 | 134,411 | 11.0% |
| Non-Operating Revenues | 1,163,400 | 1,205,854 | 1,163,400 | 42,453 | 3.6% |
| Tax Revenues | 2,814,600 | 3,388,734 | 2,814,600 | 574,134 | 20.4% |
| State Tax Shift | 1,210,400 | 1,210,400 | 1,210,400 | - | 0.0% |
| Total Revenue | <u>\$ 52,505,300</u> | <u>\$ 53,484,231</u> | <u>\$ 52,505,300</u> | <u>\$ 978,931</u> | <u>1.9%</u> |
| EXPENSES: | | | | | |
| Water Purchases | \$ 20,713,400 | \$ 21,814,854 | \$ 20,713,400 | \$ (1,101,454) | (5.3%) |
| CWA-Infrastructure Access Charge | 772,700 | 844,855 | 772,700 | (72,155) | (9.3%) |
| CWA-Customer Service Charge | 745,400 | 771,760 | 745,400 | (26,360) | (3.5%) |
| CWA-Emergency Storage Charge | 958,500 | 1,047,601 | 958,500 | (89,101) | (9.3%) |
| MWD-Capacity Res Charge | 502,300 | 508,756 | 502,300 | (6,456) | (1.3%) |
| MWD-Readiness to Serve Charge | 414,400 | 460,717 | 414,400 | (46,317) | (11.2%) |
| Subtotal Water Purchases | <u>24,106,700</u> | <u>25,448,543</u> | <u>24,106,700</u> | <u>(1,341,843)</u> | <u>(5.6%)</u> |
| Power Charges | 2,327,100 | 2,113,787 | 2,327,100 | 213,313 | 9.2% |
| Payroll & Related Costs | 13,457,300 | 14,431,296 | 13,457,300 | (973,996) | (7.2%) |
| Material & Maintenance | 4,239,300 | 3,885,976 | 4,239,300 | 353,324 | 8.3% |
| Administrative Expenses | 3,919,300 | 3,393,770 | 3,919,300 | 525,529 | 13.4% |
| Legal | 525,000 | 578,116 | 525,000 | (53,116) | (10.1%) |
| Expansion Reserve | 1,001,300 | 1,001,300 | 1,001,300 | 0 | 0.0% |
| Debt Service | 2,709,300 | 2,693,301 | 2,709,300 | 15,999 | 0.6% |
| Total Expenses | <u>\$ 52,285,300</u> | <u>\$ 53,546,089</u> | <u>\$ 52,285,300</u> | <u>\$ (1,260,790)</u> | <u>(2.4%)</u> |
| Excess Revenue (Expense) | <u>\$ 220,000</u> | <u>\$ (61,858)</u> | <u>\$ 220,000</u> | <u>\$ (281,859)</u> | |

OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
 FOR ONE MONTH ENDED JULY 31, 2006

| | Annual Budget | YTD Actual | YTD Budget | YTD Variance | Var % |
|----------------------------------|----------------------|---------------------|---------------------|-------------------|---------------|
| REVENUE: | | | | | |
| Water Sales | \$ 29,866,000 | \$ 2,987,886 | \$ 2,971,700 | \$ 16,186 | 0.5% |
| Energy Charges | 1,853,000 | 187,773 | 181,900 | 5,873 | 3.2% |
| System Charges | 8,529,300 | 680,119 | 678,300 | 1,819 | 0.3% |
| Penalties | 704,500 | 49,649 | 47,900 | 1,749 | 3.7% |
| MWD & CWA Fixed Charges | 2,178,000 | 158,923 | 158,400 | 523 | 0.3% |
| Total Water Sales | <u>43,130,800</u> | <u>4,064,351</u> | <u>4,038,200</u> | <u>26,150</u> | <u>0.6%</u> |
| Reclamation Sales | 4,485,400 | 490,642 | 489,900 | 742 | 0.2% |
| Sewer Charges | 2,568,100 | 208,089 | 209,200 | (1,111) | (0.5%) |
| Meter Fees | 278,500 | 24,081 | 23,200 | 881 | 3.8% |
| Capacity Fee Revenues | 1,000,200 | 86,214 | 83,400 | 2,814 | 3.4% |
| Annexation Fees | 1,216,900 | 201,075 | 101,400 | 99,675 | 98.3% |
| Non-Operating Revenues | 1,674,100 | 132,144 | 98,700 | 33,444 | 33.9% |
| Tax Revenues | 3,427,400 | 30,963 | 31,700 | (737) | (2.3%) |
| Interest | 1,005,600 | 128,639 | 83,800 | 44,839 | 53.5% |
| General Fund Draw Down | 283,600 | 23,600 | 23,600 | - | 0.0% |
| Total Revenue | <u>\$ 59,070,600</u> | <u>\$ 5,389,797</u> | <u>\$ 5,183,100</u> | <u>\$ 206,696</u> | <u>4.0%</u> |
| EXPENSES: | | | | | |
| Water Purchases | \$ 22,954,900 | \$ 2,572,092 | \$ 2,545,500 | \$ (26,592) | (1.0%) |
| CWA-Infrastructure Access Charge | 1,003,900 | 81,396 | 81,400 | 4 | 0.0% |
| CWA-Customer Service Charge | 846,800 | 67,730 | 67,700 | (30) | (0.0%) |
| CWA-Emergency Storage Charge | 1,230,600 | 98,532 | 98,500 | (32) | (0.0%) |
| MWD-Capacity Res Charge | 514,800 | 42,932 | 42,900 | (32) | (0.1%) |
| MWD-Readiness to Serve Charge | 512,200 | 42,684 | 42,600 | (84) | (0.2%) |
| Subtotal Water Purchases | <u>27,063,200</u> | <u>2,905,366</u> | <u>2,878,600</u> | <u>(26,766)</u> | <u>(0.9%)</u> |
| Power Charges | 2,677,800 | 270,869 | 263,575 | (7,294) | (2.8%) |
| Payroll & Related Costs | 14,606,300 | 1,131,834 | 1,154,020 | 22,186 | 1.9% |
| Material & Maintenance | 4,623,700 | 275,506 | 376,242 | 100,737 | 26.8% |
| Administrative Expenses | 5,559,600 | 388,444 | 453,583 | 65,140 | 14.4% |
| Replacement Reserve | 4,540,000 | 378,300 | 378,300 | - | 0.0% |
| Total Expenses | <u>\$ 59,070,600</u> | <u>\$ 5,350,318</u> | <u>\$ 5,504,321</u> | <u>\$ 154,003</u> | <u>2.8%</u> |
| Excess Revenue (Expense) | <u>\$ -</u> | <u>\$ 39,479</u> | <u>\$ (321,221)</u> | <u>\$ 360,699</u> | |

OTAY
Portfolio Management
Portfolio Summary
July 31, 2006

| Investments | Par Value | Market Value | Book Value | % of Portfolio | Term | Days to Maturity | YTM 360 Equiv. | YTM 365 Equiv. |
|---|----------------------|----------------------|----------------------|-----------------------|-------------|-------------------------|-----------------------|-----------------------|
| Federal Agency Issues- Callable | 54,000,000.00 | 53,751,036.99 | 53,941,786.94 | 76.59 | 541 | 270 | 4.471 | 4.533 |
| Treasury Securities - Coupon | 9,000,000.00 | 8,950,312.50 | 8,977,863.67 | 12.75 | 351 | 166 | 4.460 | 4.522 |
| Certificates of Deposit - Bank | 79,108.00 | 79,108.00 | 79,108.00 | 0.11 | 730 | 539 | 3.880 | 3.934 |
| Local Agency Investment Fund (LAIF) | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | 10.40 | 1 | 1 | 4.783 | 4.849 |
| San Diego County Pool | 99,091.73 | 98,617.16 | 99,091.73 | 0.14 | 1 | 1 | 4.212 | 4.271 |
| | 70,505,643.17 | 70,193,224.80 | 70,425,293.78 | 100.00% | 460 | 229 | 4.501 | 4.563 |
| Investments | | | | | | | | |
| Cash | | | | | | | | |
| Passbook/Checking (not included in yield calculations) | 1,495,289.19 | 1,495,289.19 | 1,495,289.19 | | 1 | 1 | 0.257 | 0.260 |
| Total Cash and Investments | 72,000,932.36 | 71,688,513.99 | 71,920,582.97 | | 460 | 229 | 4.501 | 4.563 |

| Total Earnings | July 31 Month Ending | Fiscal Year To Date |
|---------------------------------|-----------------------------|----------------------------|
| Current Year | 277,970.32 | 277,970.32 |
| Average Daily Balance | 75,210,445.54 | 75,210,445.54 |
| Effective Rate of Return | 4.35% | 4.35% |

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.


 _____ 8-16-06
 Joseph Beachem, Chief Financial Officer

OTAY
Portfolio Management
Portfolio Details - Investments
July 31, 2006

| 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 | | | | | | | | | | | | |
| 3133X6LN4 | 1980 | Federal Home Loan Bank | | 05/10/2004 | 3,000,000.00 | 2,998,125.00 | 3,000,000.00 | 2.650 | | 2.614 | 9 | 08/10/2006 |
| 3133X8KE1 | 1988 | Federal Home Loan Bank | | 09/29/2004 | 3,000,000.00 | 2,970,000.00 | 3,000,000.00 | 3.025 | | 2.982 | 150 | 12/29/2006 |
| 3133X8KC5 | 1989 | Federal Home Loan Bank | | 09/29/2004 | 3,000,000.00 | 2,987,812.50 | 3,000,000.00 | 3.000 | | 2.959 | 58 | 09/28/2006 |
| 3133XARM1 | 1990 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,993,437.50 | 3,000,000.00 | 3.470 | | 3.422 | 38 | 09/08/2006 |
| 3133XASF5 | 1991 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,979,375.00 | 3,000,000.00 | 3.500 | | 3.450 | 129 | 12/08/2006 |
| 3133XARK5 | 1992 | Federal Home Loan Bank | | 03/08/2005 | 3,000,000.00 | 2,978,437.50 | 3,000,000.00 | 3.510 | | 3.460 | 129 | 12/08/2006 |
| 3133XEMS5 | 1998 | Federal Home Loan Bank | | 02/28/2006 | 3,000,000.00 | 2,984,062.50 | 3,000,000.00 | 5.000 | | 4.943 | 484 | 11/28/2007 |
| 3133XEP45 | 1999 | Federal Home Loan Bank | | 03/02/2006 | 3,000,000.00 | 2,989,687.50 | 3,000,000.00 | 5.000 | | 4.932 | 213 | 03/02/2007 |
| 3133XETX7 | 2001 | Federal Home Loan Bank | | 03/14/2006 | 3,000,000.00 | 2,988,750.00 | 3,000,000.00 | 5.125 | | 5.055 | 409 | 09/14/2007 |
| 3133XF2C9 | 2002 | Federal Home Loan Bank | | 04/25/2006 | 3,000,000.00 | 2,994,375.00 | 3,000,000.00 | 5.250 | | 5.175 | 428 | 10/03/2007 |
| 3133XFBX3 | 2003 | Federal Home Loan Bank | | 05/04/2006 | 3,000,000.00 | 2,994,375.00 | 3,000,000.00 | 5.250 | | 5.178 | 276 | 05/04/2007 |
| 3133XFS72 | 2007 | Federal Home Loan Bank | | 06/28/2006 | 3,000,000.00 | 2,995,312.50 | 3,000,000.00 | 5.350 | | 5.277 | 514 | 12/28/2007 |
| 3133XGCU6 | 2008 | Federal Home Loan Bank | | 07/28/2006 | 3,000,000.00 | 2,999,062.50 | 3,000,000.00 | 5.450 | | 5.375 | 181 | 01/29/2007 |
| 3128X4K67 | 2000 | Federal Home Loan Mortgage | | 03/07/2006 | 3,000,000.00 | 2,983,478.85 | 3,000,000.00 | 5.250 | | 5.178 | 584 | 03/07/2008 |
| 3128X4DY4 | 2004 | Federal Home Loan Mortgage | | 05/18/2006 | 3,000,000.00 | 2,961,302.95 | 2,967,081.47 | 4.000 | | 5.129 | 346 | 07/13/2007 |
| 3128X4CE9 | 2005 | Federal Home Loan Mortgage | | 05/18/2006 | 3,000,000.00 | 2,970,716.86 | 2,974,705.47 | 3.625 | | 5.161 | 198 | 02/15/2007 |
| 3128X5CC0 | 2006 | Federal Home Loan Mortgage | | 06/01/2006 | 3,000,000.00 | 2,995,850.83 | 3,000,000.00 | 5.340 | | 5.263 | 330 | 06/27/2007 |
| 31359MG31 | 1997 | Federal National Mortgage Assoc | | 02/24/2006 | 3,000,000.00 | 2,986,875.00 | 3,000,000.00 | 5.000 | | 4.932 | 388 | 08/24/2007 |
| Subtotal and Average | | | 53,938,606.71 | | 54,000,000.00 | 53,751,036.99 | 53,941,786.94 | | | 4.471 | 270 | |
| Treasury Securities - Coupon | | | | | | | | | | | | |
| 912828DJ6 | 1993 | US TREASURY | | 01/26/2006 | 3,000,000.00 | 2,970,000.00 | 2,980,710.81 | 3.125 | | 4.376 | 183 | 01/31/2007 |
| 912828DQ0 | 1994 | US TREASURY | | 01/26/2006 | 3,000,000.00 | 2,972,812.50 | 2,985,985.58 | 3.750 | | 4.431 | 242 | 03/31/2007 |
| 912827Z62 | 1995 | US TREASURY | | 02/02/2006 | 3,000,000.00 | 3,007,500.00 | 3,011,167.28 | 6.500 | | 4.571 | 75 | 10/15/2006 |
| Subtotal and Average | | | 8,977,647.38 | | 9,000,000.00 | 8,950,312.50 | 8,977,863.67 | | | 4.460 | 166 | |
| 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 | 539 | 01/22/2008 |
| Subtotal and Average | | | 79,108.00 | | 79,108.00 | 79,108.00 | 79,108.00 | | | 3.880 | 539 | |
| Local Agency Investment Fund (LAIF) | | | | | | | | | | | | |
| LAIF | 9001 | STATE OF CALIFORNIA | | 07/01/2004 | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | 4.849 | | 4.783 | 1 | |
| Subtotal and Average | | | 11,031,346.66 | | 7,327,443.44 | 7,314,150.15 | 7,327,443.44 | | | 4.783 | 1 | |

Portfolio OTAY
AP

OTAY
Portfolio Management
Portfolio Details - Investments
July 31, 2006

| CUSIP | Investment # | Issuer | Average Balance | Purchase Date | Par Value | Market Value | Book Value | Stated Rate | Moody's | YTM 360 | Days to Maturity | Maturity Date |
|------------------------------|--------------|---------------------|----------------------|---------------|----------------------|----------------------|----------------------|-------------|---------|--------------|------------------|---------------|
| San Diego County Pool | | | | | | | | | | | | |
| SD COUNTY POOL | 9007 | STATE OF CALIFORNIA | | 07/01/2004 | 99,091.73 | 98,617.16 | 99,091.73 | 4.271 | | 4.212 | 1 | |
| Subtotal and Average | | | 99,091.73 | | 99,091.73 | 98,617.16 | 99,091.73 | | | 4.212 | 1 | |
| Total and Average | | | 75,210,445.54 | | 70,505,643.17 | 70,193,224.80 | 70,425,293.78 | | | 4.501 | 229 | |

OTAY
Portfolio Management
Portfolio Details - Cash
July 31, 2006

| 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 BANK | 9002 | STATE OF CALIFORNIA | | 07/01/2004 | 179,955.69 | 179,955.69 | 179,955.69 | 1.400 | | 1.381 | 1 |
| PETTY CASH | 9003 | STATE OF CALIFORNIA | | 07/01/2004 | 2,800.00 | 2,800.00 | 2,800.00 | | | 0.000 | 1 |
| CALIF BANK & TR | 9004 | STATE OF CALIFORNIA | | 07/01/2004 | 1,229,954.29 | 1,229,954.29 | 1,229,954.29 | | | 0.000 | 1 |
| PAYROLL | 9005 | STATE OF CALIFORNIA | | 07/01/2004 | 51,823.75 | 51,823.75 | 51,823.75 | | | 0.000 | 1 |
| UNION IOC | 9008 | STATE OF CALIFORNIA | | 05/01/2006 | 30,755.46 | 30,755.46 | 30,755.46 | 4.460 | | 4.399 | 1 |
| | | Average Balance | 0.00 | | | | | | | | 1 |
| Total Cash and Investments | | | 75,210,445.54 | | 72,000,932.36 | 71,688,513.99 | 71,920,582.97 | | | 4.501 | 229 |

OTAY
Activity Report
Sorted By Issuer
July 1, 2006 - July 31, 2006

| CUSIP | Investment # | Issuer | Percent of Portfolio | Par Value | | Transaction Date | Purchases or Deposits | Par Value | | Ending Balance |
|--|--------------|------------------------|----------------------|----------------------|--------------|------------------|-----------------------|----------------------------|--|----------------------|
| | | | | Beginning Balance | Current Rate | | | Redemptions or Withdrawals | | |
| Issuer: STATE OF CALIFORNIA | | | | | | | | | | |
| Union Bank | | | | | | | | | | |
| UNION BANK | 9002 | STATE OF CALIFORNIA | | | 1.400 | | 3,125,812.41 | 3,000,875.00 | | |
| CALIF BANK & TR | 9004 | STATE OF CALIFORNIA | | | | | 333,870.72 | 0.00 | | |
| PAYROLL | 9005 | STATE OF CALIFORNIA | | | | | 2,924.82 | 0.00 | | |
| UNION IOC | 9008 | STATE OF CALIFORNIA | | | 4.460 | | 117.49 | 55.00 | | |
| Subtotal and Balance | | | | 1,033,493.75 | | | 3,462,725.44 | 3,000,930.00 | | 1,495,289.19 |
| Local Agency Investment Fund (LAIF) | | | | | | | | | | |
| LAIF | 9001 | STATE OF CALIFORNIA | | | 4.849 | | 1,359,923.09 | 6,600,000.00 | | |
| Subtotal and Balance | | | | 12,567,520.35 | | | 1,359,923.09 | 6,600,000.00 | | 7,327,443.44 |
| San Diego County Pool | | | | | | | | | | |
| Subtotal and Balance | | | | 99,091.73 | | | | | | 99,091.73 |
| Issuer Subtotal | | | 12.391% | 13,700,105.83 | | | 4,822,648.53 | 9,600,930.00 | | 8,921,824.36 |
| Issuer: California Bank & Trust | | | | | | | | | | |
| Certificates of Deposit - Bank | | | | | | | | | | |
| Subtotal and Balance | | | | 79,108.00 | | | | | | 79,108.00 |
| Issuer Subtotal | | | 0.110% | 79,108.00 | | | 0.00 | 0.00 | | 79,108.00 |
| Issuer: Federal Home Loan Bank | | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | | |
| 3133X5ZG6 | 1977 | Federal Home Loan Bank | | | 2.510 | 07/28/2006 | 0.00 | 3,000,000.00 | | |
| 3133XGCU6 | 2008 | Federal Home Loan Bank | | | 5.450 | 07/28/2006 | 3,000,000.00 | 0.00 | | |
| Subtotal and Balance | | | | 39,000,000.00 | | | 3,000,000.00 | 3,000,000.00 | | 39,000,000.00 |
| Issuer Subtotal | | | 54.166% | 39,000,000.00 | | | 3,000,000.00 | 3,000,000.00 | | 39,000,000.00 |

Portfolio OTAY

AP

OTAY
Activity Report
July 1, 2006 - July 31, 2006

| CUSIP | Investment # | Issuer | Percent of Portfolio | Par Value Beginning Balance | Current Rate | Transaction Date | Purchases or Deposits | Par Value Redemptions or Withdrawals | Ending Balance |
|--|--------------|--------|----------------------|--------------------------------|--------------|------------------|-----------------------|---|----------------|
| Issuer: Federal Home Loan Mortgage | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | |
| | | | | 12,000,000.00 | | | | | 12,000,000.00 |
| | | | | 12,000,000.00 | | | 0.00 | 0.00 | 12,000,000.00 |
| Issuer: Federal National Mortgage Assoc | | | | | | | | | |
| Federal Agency Issues- Callable | | | | | | | | | |
| | | | | 3,000,000.00 | | | | | 3,000,000.00 |
| | | | | 3,000,000.00 | | | 0.00 | 0.00 | 3,000,000.00 |
| Issuer: US TREASURY | | | | | | | | | |
| Treasury Securities - Coupon | | | | | | | | | |
| | | | | 9,000,000.00 | | | | | 9,000,000.00 |
| | | | | 9,000,000.00 | | | 0.00 | 0.00 | 9,000,000.00 |
| | | | | 76,779,213.83 | | | 7,822,648.53 | 12,600,930.00 | 72,000,932.36 |

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 07/31/2006

| Security ID | Investment # | Fund | Issuer | Investment Class | Book Value | Par Value | Market Value | Current Rate | YTM 365 | Current Yield | Maturity/ Call Date | Effective Duration |
|---------------------|--------------|------|---------------------------------|------------------|----------------------|----------------------|----------------------|--------------|---------|---------------|---------------------|--------------------|
| 3133XETX7 | 2001 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,988,750.00 | 5.125 | 5.125 | 5.480 | 09/14/2007 | 1.053 |
| 3133XFS72 | 2007 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,995,312.50 | 5.350 | 5.350 | 5.671c | 12/28/2006 | 0.408 |
| 3133XASF5 | 1991 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,979,375.00 | 3.500 | 3.498 | 5.509 | 12/08/2006 | 0.339 |
| 3133X6LN4 | 1980 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,998,125.00 | 2.650 | 2.650 | 2.777 | 08/10/2006 | 0.024 |
| 3133XARK5 | 1992 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,978,437.50 | 3.510 | 3.508 | 4.983c | 09/08/2006 | 0.000 |
| 3133XEP45 | 1999 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,989,687.50 | 5.000 | 5.000 | 5.613 | 03/02/2007 | 0.557 |
| 3133XEMS5 | 1998 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,984,062.50 | 5.000 | 5.012 | 6.095c | 08/28/2006 | 0.073 |
| 3128X4DY4 | 2004 | 99 | Federal Home Loan Mortgage | Fair | 2,967,081.47 | 3,000,000.00 | 2,961,302.95 | 4.000 | 5.200 | 6.666c | 01/13/2007 | 0.452 |
| 3133XGCU6 | 2008 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,999,062.50 | 5.450 | 5.450 | 5.516 | 01/29/2007 | 0.481 |
| 3133X8KC5 | 1989 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,987,812.50 | 3.000 | 3.000 | 3.828c | 08/28/2006 | 0.000 |
| 3128X4CE9 | 2005 | 99 | Federal Home Loan Mortgage | Fair | 2,974,705.47 | 3,000,000.00 | 2,970,716.86 | 3.625 | 5.232 | 5.491 | 02/15/2007 | 0.515 |
| 3128X5CC0 | 2006 | 99 | Federal Home Loan Mortgage | Fair | 3,000,000.00 | 3,000,000.00 | 2,995,850.83 | 5.340 | 5.336 | 5.624c | 12/01/2006 | 0.334 |
| 3133X8KE1 | 1988 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,970,000.00 | 3.025 | 3.024 | 5.076c | 09/29/2006 | 0.000 |
| 3128X4K67 | 2000 | 99 | Federal Home Loan Mortgage | Fair | 3,000,000.00 | 3,000,000.00 | 2,983,478.85 | 5.250 | 5.250 | 5.618 | 03/07/2008 | 1.482 |
| 31359MG31 | 1997 | 99 | Federal National Mortgage Assoc | Fair | 3,000,000.00 | 3,000,000.00 | 2,986,875.00 | 5.000 | 5.000 | 5.901c | 08/24/2006 | 0.063 |
| 3133XFBX3 | 2003 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,994,375.00 | 5.250 | 5.250 | 5.636c | 08/04/2006 | 0.000 |
| 3133XARM1 | 1990 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,993,437.50 | 3.470 | 3.470 | 3.916 | 09/08/2006 | 0.104 |
| 3133XF2C9 | 2002 | 99 | Federal Home Loan Bank | Fair | 3,000,000.00 | 3,000,000.00 | 2,994,375.00 | 5.250 | 5.247 | 5.636c | 10/03/2006 | 0.172 |
| 912827Z62 | 1995 | 99 | US TREASURY | Fair | 3,011,167.28 | 3,000,000.00 | 3,007,500.00 | 6.500 | 4.634 | 5.985 | 10/15/2006 | 0.205 |
| 912828DJ6 | 1993 | 99 | US TREASURY | Fair | 2,980,710.81 | 3,000,000.00 | 2,970,000.00 | 3.125 | 4.437 | 5.177 | 01/31/2007 | 0.501 |
| 912828DQ0 | 1994 | 99 | US TREASURY | Fair | 2,985,985.58 | 3,000,000.00 | 2,972,812.50 | 3.750 | 4.492 | 5.158 | 03/31/2007 | 0.638 |
| 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 | 1.427 † |
| Report Total | | | | | 62,998,758.61 | 63,079,108.00 | 62,780,457.49 | | | 5.300 | | 0.353 † |

† = Duration can not be calculated on these investments due to incomplete Market price data.



AGENDA ITEM 10

STAFF REPORT

| | | | |
|-----------------------------|---|---------------|-------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | September 6, 2006 |
| SUBMITTED BY: | Sean Prendergast, Principal Accountant | W.O./G.F. NO: | DIV. NO. |
| APPROVED BY: (Chief) | Joseph Beachem, Chief Financial Officer | | |
| APPROVED BY: (Asst. GM): | German Alvarez, Assistant General Manager | | |
| SUBJECT: | Accounts Payable Demand List | | |

PURPOSE:

Attached is the list of demands for the Board's information.

FISCAL IMPACT:

| SUMMARY | NET DEMANDS |
|---|------------------------|
| CHECKS (2001876-2002403) | \$6,518,567.05 |
| WIRE TO: | |
| JP MORGAN SECURITIES - REMARKETING FEE | \$2,939.42 |
| LANDESBANK - CERTIFICATES OF PARTICIPATION | \$37,385.81 |
| PLAN HANDLERS - MEDICAL CLAIMS | \$336,407.92 |
| SAN DIEGO COUNTY WATER AUTHORITY - CAP FEES | \$1,353,681.00 |
| SAN DIEGO COUNTY WATER AUTHORITY - JUNE | \$2,628,794.40 |
| UNION BANK - ID 81 BOND | \$717,650.02 |
| UNION BANK - PAYROLL TAXES | \$275,987.08 |
| TOTAL CASH DISBURSEMENTS | \$11,871,412.70 |

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

jb

Attachment

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|--|--|--|--|-------------|
| 2001877 | 08/02/06 | 06200 | AARON ZUNIGA | Ref002366082 | 07/28/06 | UB Refund Cst #0000069354 | 23.09 | 23.09 |
| 2001878 | 08/02/06 | 01910 | ABCANA INDUSTRIES | 775891 775984 | 07/12/06 07/12/06 | SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE | 632.82 904.91 | 1,537.73 |
| 2002051 | 08/09/06 | 01910 | ABCANA INDUSTRIES | 776023 776208 776512 776447 776666 776209 | 07/14/06 07/17/06 07/10/06 07/20/06 07/17/06 07/17/06 | SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE | 1,963.70 1,605.44 1,583.27 1,174.53 418.02 411.21 | 7,156.17 |
| 2002129 | 08/16/06 | 01910 | ABCANA INDUSTRIES | 776714 777143 776983 | 07/24/06 07/27/06 07/26/06 | SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE | 1,466.31 1,218.85 954.15 | 3,639.31 |
| 2002221 | 08/23/06 | 01910 | ABCANA INDUSTRIES | 777559 777268 777560 777675 | 08/01/06 07/31/06 08/01/06 08/03/06 | SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE | 1,440.46 608.19 464.14 417.37 | 2,930.16 |
| 2002325 | 08/30/06 | 01910 | ABCANA INDUSTRIES | 778096 777803 777878 777804 777453 | 08/10/06 08/07/06 08/08/06 08/07/06 07/17/06 | SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE SODIUM HYPOCHLORITE | 1,494.63 1,169.60 984.93 672.21 61.84 | 4,383.21 |
| 2002052 | 08/09/06 | 04069 | ABTECH SYSTEMS | M288004IN | 07/18/06 | SERVER POST WARRANTY SUPPORT | 3,780.00 | 3,780.00 |
| 2001879 | 08/02/06 | 02071 | ACCONTEMP | 16323802 | 07/17/06 | TEMPORARY SERVICES - CUSTOMER SERVICE | 846.23 | 846.23 |
| 2001880 | 08/02/06 | 06239 | ADRIAN CLARK | Ref002366121 | 07/28/06 | UB Refund Cst #0000082659 | 8.74 | 8.74 |
| 2001881 | 08/02/06 | 06257 | AHRENS CORPORATION | Ref002366139 | 07/28/06 | UB Refund Cst #0000087645 | 718.37 | 718.37 |
| 2002326 | 08/30/06 | 00132 | AIRGAS WEST | 103152876 | 07/31/06 | BREATHING AIR | 21.08 | 21.08 |
| 2002053 | 08/09/06 | 01128 | ALCEM FENCE COMPANY INC | 18733 18732 | 07/20/06 07/20/06 | GATE REPAIR GATE REPAIR | 820.00 765.00 | 1,585.00 |
| 2001882 | 08/02/06 | 06173 | ALFONSO TOJINO | Ref002366055 | 07/28/06 | UB Refund Cst #0000025012 | 8.19 | 8.19 |
| 2001883 | 08/02/06 | 06203 | ALLAN ALEXANDER | Ref002366085 | 07/28/06 | UB Refund Cst #0000070024 | 17.53 | 17.53 |
| 2002054 | 08/09/06 | 02934 | ALLEN INSTRUMENTS & SUPPLIES | 0059254IN | 07/18/06 | GPS MAPPING EQUIPMENT | 1,566.69 | 1,566.69 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|---|----------------------------------|--|---------------------------|-------------|
| 2002055 | 08/09/06 | 01463 | ALLIED ELECTRONICS INC | 15651201 | 07/18/06 | HOUR METERS | 347.75 | 347.75 |
| 2002222 | 08/23/06 | 03787 | ALLIED TRENCH SHORING SERVICE | 708456 702468 708978 | 08/01/06 07/03/06 08/01/06 | STEEL PLATE RENTALS STEEL PLATE RENTALS STEEL PLATE RENTALS | 511.25 390.00 55.00 | 956.25 |
| 2002130 | 08/16/06 | 02362 | ALLIED WASTE SERVICES | 0509002428914 0509002430516 0509002431754 | 07/25/06 07/25/06 07/25/06 | TRASH REMOVAL SERVICES ASBESTOS DISPOSAL CONTAINER RENTAL TRASH REMOVAL SERVICES | 598.47 173.02 52.74 | 824.23 |
| 2002223 | 08/23/06 | 02966 | AMERICAN INDUSTRIAL SUPPLY INC | 76372 | 08/02/06 | JANITORIAL SUPPLIES | 246.74 | 246.74 |
| 2002056 | 08/09/06 | 06166 | AMERICAN MESSAGING | L1109570GH L1204693GH L1204693GG | 08/01/06 08/01/06 07/01/06 | PAGER SERVICES PAGER SERVICES PAGER SERVICES | 545.19 55.71 55.71 | 656.61 |
| 2002224 | 08/23/06 | 06166 | AMERICAN MESSAGING | L1034315GH | 08/01/06 | PAGER SERVICES | 36.64 | 36.64 |
| 2001884 | 08/02/06 | 02730 | AMERICAN PAYROLL ASSOCIATION | 50888 | 05/31/06 | MEMBERSHIP DUES | 165.00 | 165.00 |
| 2002131 | 08/16/06 | 06152 | AMERICAN PEST CONTROL | 176641 | 07/05/06 | PEST CONTROL SERVICE | 595.00 | 595.00 |
| 2001885 | 08/02/06 | 00107 | AMERICAN WATER WORKS | 1000306920 015171 2000493507 | 03/27/06 05/23/06 05/23/06 | REFERENCE BOOK MEMBERSHIP RENEWAL MEMBERSHIP RENEWAL | 63.00 213.00 150.00 | 426.00 |
| 2002057 | 08/09/06 | 00107 | AMERICAN WATER WORKS | 2000492938 | 05/23/06 | MEMBERSHIP RENEWAL | 25.00 | 25.00 |
| 2002327 | 08/30/06 | 00107 | AMERICAN WATER WORKS | 1000323099 2000498177 | 07/26/06 06/05/06 | MANUALS ANNUAL MEMBERSHIP | 266.00 153.00 | 419.00 |
| 2002328 | 08/30/06 | 06279 | AMIRAH HALL | 015230 | 08/28/06 | REFUND OF OVERPAYMENT | 8,432.51 | 8,432.51 |
| 2001886 | 08/02/06 | 06205 | ANALEA BORJA | Ref002366087 | 07/28/06 | UB Refund Cst #0000071029 | 9.50 | 9.50 |
| 2002329 | 08/30/06 | 00155 | ANDREW A SMITH COMPANY | 18106 | 08/04/06 | APPRAISAL SERVICES | 500.00 | 500.00 |
| 2002132 | 08/16/06 | 06165 | ANITA FIRE HOSE COMPANY, ETC. | 01600 | 07/26/06 | FIRE EXTINGUISHER SERVICE | 762.22 | 762.22 |
| 2002133 | 08/16/06 | 00002 | ANSWER INC | 015160 | 07/22/06 | ANSWERING SERVICE | 1,498.60 | 1,498.60 |
| 2001887 | 08/02/06 | 01509 | ARC ERGONOMICS | 17389 | 07/13/06 | ERGONOMIC KEYBOARD | 199.28 | 199.28 |
| 2001888 | 08/02/06 | 06191 | ARLINE M ARCHER | Ref002366073 | 07/28/06 | UB Refund Cst #0000062202 | 21.92 | 21.92 |
| 2001889 | 08/02/06 | 06188 | ARMANDO PAEZ | Ref002366070 | 07/28/06 | UB Refund Cst #0000054932 | 44.94 | 44.94 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|--------------------------------------|--|--|--------------------------------------|-------------|
| 2002134 | 08/16/06 | 05753 | ARRIETA CONSTRUCTION INC | 2 | 07/27/06 | SWEETWATER SPRINGS INTERCONNECTION | 17,430.90 | 17,430.90 |
| 2001890 | 08/02/06 | 03582 | ASI STERLING SECURITY | 096985 | 06/11/06 | AFTER HOURS SECURITY SVCS | 110.00 | 110.00 |
| 2002058 | 08/09/06 | 03582 | ASI STERLING SECURITY | 97681 | 07/18/06 | AFTER HOURS SECURITY SVCS | 1,624.55 | 1,624.55 |
| 2002225 | 08/23/06 | 05758 | AT&T | 015209 | 08/07/06 | PHONE SERVICE | 33.33 | 33.33 |
| 2002135 | 08/16/06 | 06272 | AT&T/MCI | T5368764 | 08/02/06 | PHONE SERVICE | 499.05 | 499.05 |
| 2002226 | 08/23/06 | 06272 | AT&T/MCI | T5372975 | 08/03/06 | PHONE SERVICE | 7,851.49 | 7,851.49 |
| 2002227 | 08/23/06 | 03407 | ATKINS, SUSAN | 1603414 | 08/18/06 | REIMBURSE SOFTWARE PURCHASE | 188.02 | 188.02 |
| 2002059 | 08/09/06 | 05503 | AUTOSALON | 20993 | 07/19/06 | AUTO DETAILING SERVICES | 1,550.00 | 1,550.00 |
| 2002330 | 08/30/06 | 05503 | AUTOSALON | 21125 | 08/10/06 | DETAIL SERVICE | 975.00 | 975.00 |
| 2002228 | 08/23/06 | 01583 | AZTEC IMAGING | 9D2781 | 08/01/06 | TONERS | 711.15 | 711.15 |
| 2002229 | 08/23/06 | 00145 | BARRETT ENGINEERED PUMPS | 050255 051380 051382 050253 | 05/23/06 08/02/06 08/02/06 05/23/06 | 1/2 HP SHALLOW WELL PUMP REPAIR SERVICE PARTS CREDIT MEMO | 359.89 75.00 74.35 (359.89) | 149.35 |
| 2002060 | 08/09/06 | 01794 | BEACHEM, JOSEPH R | 015191 | 08/07/06 | REIMB CONF TRVL EXPENSES | 68.00 | 68.00 |
| 2002331 | 08/30/06 | 01630 | BEARCOM | 3557256RI | 08/01/06 | SERVICE FOR DISTRICT'S MOBILE RADIOS | 598.00 | 598.00 |
| 2002136 | 08/16/06 | 06270 | BELA FAIN SILBER | RF255009714 | 08/11/06 | CUSTOMER REFUND | 1,738.66 | 1,738.66 |
| 2002230 | 08/23/06 | 03763 | BERGE'S GOVERNOR SERVICE | 6932 | 08/03/06 | PART | 327.51 | 327.51 |
| 2002231 | 08/23/06 | 01940 | BERRYMAN & HENIGAR INC WEST | 61558A 61558B | 07/17/06 07/17/06 | PLANCHECK & INSPECTION SERVICES PLANCHECK & INSPECTION SERVICES | 18,496.83 9,467.85 | 27,964.68 |
| 2002061 | 08/09/06 | 02570 | BEST LIFE & HEALTH INSURANCE | 015194 | 08/01/06 | VOLUNTARY LIFE INSURANCE | 307.15 | 307.15 |
| 2002137 | 08/16/06 | 02787 | BEST RENTALS INC | 30336 30339 | 07/27/06 07/27/06 | CONCRETE CONCRETE | 188.56 150.85 | 339.41 |
| 2002232 | 08/23/06 | 02787 | BEST RENTALS INC | 30373 | 08/02/06 | CONCRETE | 75.43 | 75.43 |
| 2002332 | 08/30/06 | 02787 | BEST RENTALS INC | 30412 | 08/07/06 | CONCRETE | 263.99 | 263.99 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|----------------------------------|--|--|--------------------------------------|-------------|
| 2001891 | 08/02/06 | 04806 | BJ'S RENTALS | 62129 | 07/11/06 | CONCRETE | 94.82 | 94.82 |
| 2002138 | 08/16/06 | 04806 | BJ'S RENTALS | 64475 | 07/25/06 | CONCRETE | 94.82 | 94.82 |
| 2002333 | 08/30/06 | 04806 | BJ'S RENTALS | 66147 66698 | 08/04/06 08/08/06 | CONCRETE CONCRETE | 143.31 140.08 | 283.39 |
| 2001892 | 08/02/06 | 02197 | BLUE CROSS OF CALIFORNIA | 40436 | 08/01/06 | EMPLOYEE ASSISTANCE PROGRAM | 603.63 | 603.63 |
| 2001893 | 08/02/06 | 06253 | BONNIE OLHAUSEN | Ref002366135 | 07/28/06 | UB Refund Cst #0000086448 | 42.92 | 42.92 |
| 2002062 | 08/09/06 | 02342 | BOOT WORLD INC | 1029687IN | 07/16/06 | SAFETY BOOTS | 126.63 | 126.63 |
| 2002139 | 08/16/06 | 02342 | BOOT WORLD INC | 1029751IN | 07/22/06 | SAFETY BOOTS | 2,530.62 | 2,530.62 |
| 2002140 | 08/16/06 | 05529 | BOWEN & ASSOCIATES | 06109 | 07/21/06 | APPRAISAL & CONSULTING SERVICES | 6,500.00 | 6,500.00 |
| 2002141 | 08/16/06 | 00559 | BOYLE ENGINEERING CORPORATION | 034471 32836 | 07/14/06 05/12/06 | PLANCHECK & INSPECTION SERVICES PLANCHECK & INSPECTION SERVICES | 6,566.36 6,539.78 | 13,106.14 |
| 2002142 | 08/16/06 | 03458 | BREITFELDER, LARRY | 70130706 | 07/31/06 | REIMBURSE MILEAGE EXPENSE | 55.18 | 55.18 |
| 2002143 | 08/16/06 | 03679 | BRG CONSULTING INC | 06060311 | 06/30/06 | 1296-3 RESERVOIR | 3,269.75 | 3,269.75 |
| 2002334 | 08/30/06 | 03679 | BRG CONSULTING INC | 06070412 | 07/31/06 | 1296-3 RESERVOIR | 4,848.28 | 4,848.28 |
| 2001894 | 08/02/06 | 01232 | BRODING'S BATTERY WAREHOUSE | 30312 | 07/11/06 | BATTERY | 65.67 | 65.67 |
| 2002063 | 08/09/06 | 01232 | BRODING'S BATTERY WAREHOUSE | 35209 | 07/18/06 | BATTERIES | 65.67 | 65.67 |
| 2002144 | 08/16/06 | 01232 | BRODING'S BATTERY WAREHOUSE | 34580 | 06/27/06 | AUTOMOTIVE BATTERY | 65.67 | 65.67 |
| 2002233 | 08/23/06 | 01232 | BRODING'S BATTERY WAREHOUSE | 35651 35722 35624 35788 | 07/31/06 08/01/06 07/31/06 08/03/06 | AUTOMOBILE BATTERIES AUTOMOTIVE BATTERIES AUTOMOBILE BATTERIES ALTERNATOR | 646.28 323.14 242.28 144.33 | 1,356.03 |
| 2001895 | 08/02/06 | 04836 | BROWN FIELD BUSINESS PARK LP | APN64622128 | 07/21/06 | EASEMENT PURCHASE | 5,825.00 | 5,825.00 |
| 2001896 | 08/02/06 | 06244 | BUCK ENROTH | Ref002366126 | 07/28/06 | UB Refund Cst #0000084578 | 47.76 | 47.76 |
| 2002145 | 08/16/06 | 03721 | BULLET LOGISTICS INC | 07150603350 | 07/15/06 | COURIER SERVICES | 227.70 | 227.70 |
| 2001876 | 07/28/06 | 03005 | BURKE, WILLIAMS & SORENSEN LLP | 116909 116913 | 07/27/06 07/27/06 | LEGAL SERVICES JUNE 2006 LEGAL SERVICES JUNE 2006 | 2,255.19 20,949.33 | 23,204.52 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--|----------------------------------|---|----------------------------|-------------|
| 2002335 | 08/30/06 | 03005 | BURKE, WILLIAMS & SORENSEN LLP | 117192 117191 | 08/23/06 08/23/06 | LEGAL SERVICES JULY 2006 LEGAL SERVICES JULY 2006 | 8,529.80 1,817.85 | 10,347.65 |
| 2002234 | 08/23/06 | 00462 | BUSINESSWEEK | 015220 | 08/01/06 | SUBSCRIPTION RENEWAL | 129.97 | 129.97 |
| 2001897 | 08/02/06 | 06227 | BYCOR GENERAL CONTRACTORS | Ref002366109 | 07/28/06 | UB Refund Cst #0000080194 | 577.80 | 577.80 |
| 2001898 | 08/02/06 | 00223 | C W MCGRATH INC | 20995 | 07/13/06 | CRUSHED ROCK | 306.70 | 306.70 |
| 2002064 | 08/09/06 | 00223 | C W MCGRATH INC | 21034 21061 | 07/17/06 07/19/06 | CRUSHED AGGREGATE & ROCK CRUSHED AGGREGATE & ROCK | 294.76 99.99 | 394.75 |
| 2002146 | 08/16/06 | 00223 | C W MCGRATH INC | 21113 21178 | 07/24/06 07/27/06 | CRUSHED ROCK CRUSHED ROCK | 385.57 72.93 | 458.50 |
| 2002235 | 08/23/06 | 00223 | C W MCGRATH INC | 21199 | 07/28/06 | CRUSHED ROCK | 450.22 | 450.22 |
| 2002336 | 08/30/06 | 00223 | C W MCGRATH INC | 21306 | 08/07/06 | CRUSHED ROCK | 202.05 | 202.05 |
| 2002065 | 08/09/06 | 00698 | CALIF DEP'T OF HEALTH SERVICES | 39522 | 03/27/06 | LICENSE FEE RENEWAL | 1,390.00 | 1,390.00 |
| 2002066 | 08/09/06 | 02920 | CALIFORNIA COMMERCIAL | 56578 | 07/17/06 | ASPHALT | 1,072.38 | 1,072.38 |
| 2002236 | 08/23/06 | 06275 | CALIFORNIA DEBT & INVESTMENT | 015222 | 08/21/06 | SEMINAR REGISTRATIONS | 725.00 | 725.00 |
| 2001899 | 08/02/06 | 04401 | CALIFORNIA ELECTRIC SUPPLY | 1955490805 1955490804 1955490694 | 07/12/06 07/12/06 07/12/06 | SPRING NUTS AND FENDER WASHERS CONDUIT AND FITTINGS CONDUIT | 452.36 805.66 237.48 | 1,495.50 |
| 2002067 | 08/09/06 | 04401 | CALIFORNIA ELECTRIC SUPPLY | 1955490940 1955490942 | 07/14/06 07/14/06 | PULL BOXES PULL BOXES | 188.61 103.83 | 292.44 |
| 2002147 | 08/16/06 | 04401 | CALIFORNIA ELECTRIC SUPPLY | 1955490943 | 07/27/06 | SUPPLIES | 175.43 | 175.43 |
| 2002337 | 08/30/06 | 04401 | CALIFORNIA ELECTRIC SUPPLY | 1955492091 | 08/08/06 | PARTS | 161.67 | 161.67 |
| 2002148 | 08/16/06 | 05211 | CALIFORNIA FOUNDATION OF THE | 015195 | 08/03/06 | DISTRICT MEMBERSHIP | 15,000.00 | 15,000.00 |
| 2002068 | 08/09/06 | 01243 | CALIFORNIA NEVADA SECTION | 015144 | 07/20/06 | CERTIFICATION RENEWAL | 65.00 | 65.00 |
| 2002149 | 08/16/06 | 01243 | CALIFORNIA NEVADA SECTION | 015202 0024942IN | 08/14/06 08/08/06 | CONFERENCE REGISTRATION SEMINAR REGISTRATION | 300.00 90.00 | 390.00 |
| 2002150 | 08/16/06 | 00693 | CALIFORNIA SPECIAL DIST ASSOC | 015198 | 08/10/06 | MEETING RESERVATIONS | 96.00 | 96.00 |
| 2002069 | 08/09/06 | 00245 | CALIFORNIA STAMP CO | 684955 | 07/17/06 | STAMP | 57.74 | 57.74 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|-------------------------------|----------------------------------|--|------------------------------|-------------|
| 2002338 | 08/30/06 | 00192 | CALIFORNIA WATER ENVIRONMENT | 015234 | 08/30/06 | CERTIFICATION RENEWAL | 53.00 | 53.00 |
| 2002070 | 08/09/06 | 02972 | CALIFORNIA WATER ENVIRONMENTAL | 1191 | 08/09/06 | MEMBERSHIP RENEWAL | 100.00 | 100.00 |
| 2002151 | 08/16/06 | 01004 | CALOLYMPIC SAFETY | 003763 | 07/24/06 | EYE-WASH STATION | 315.97 | 315.97 |
| 2002237 | 08/23/06 | 03503 | CAMERON, KEVIN | 15640806 | 08/18/06 | REIMBURSE CONF EXPENSES | 172.85 | 172.85 |
| 2001900 | 08/02/06 | 06247 | CAMILLA COLEMAN | Ref002366129 | 07/28/06 | UB Refund Cst #0000085387 | 47.42 | 47.42 |
| 2001901 | 08/02/06 | 03684 | CANON BUSINESS SOLUTIONS | 3520858 3521539 | 07/07/06 07/08/06 | COPIER SERVICE COPIER SERVICE | 311.47 209.07 | 520.54 |
| 2002339 | 08/30/06 | 03684 | CANON BUSINESS SOLUTIONS | 3543123 3542007 3542670 | 08/09/06 08/06/06 08/09/06 | COPIER MAINTENANCE COPIER MAINTENANCE COPIER MAINTENANCE | 1,316.70 286.47 147.18 | 1,750.35 |
| 2002340 | 08/30/06 | 03572 | CARLTON, DISANTE & | 42211 | 08/23/06 | LEGAL SERVICES JUNE 2006 | 11,299.34 | 11,299.34 |
| 2002238 | 08/23/06 | 02758 | CARMEL BUSINESS SYSTEMS INC | 6295 | 08/01/06 | STORAGE & DESTRUCTION OF DOCUMENTS | 2,773.99 | 2,773.99 |
| 2002239 | 08/23/06 | 06159 | CART-AWAY CONCRETE SYSTEMS INC | 607145 | 08/03/06 | CONCRETE TRAILER | 17,149.10 | 17,149.10 |
| 2002240 | 08/23/06 | 03491 | CASA DE ORO CARWASH | 297 | 08/01/06 | CAR WASH SERVICES | 1,906.99 | 1,906.99 |
| 2002241 | 08/23/06 | 03742 | CB & I CONSTRUCTORS INC | 14622722 | 05/30/06 | RETENTION PAYMENT | 172,424.76 | 172,424.76 |
| 2001902 | 08/02/06 | 06171 | CELSO JAMITO | Ref002366053 | 07/28/06 | UB Refund Cst #0000016784 | 12.88 | 12.88 |
| 2001903 | 08/02/06 | 06259 | CEMENT CUTTING INC | Ref002366141 | 07/28/06 | UB Refund Cst #0000088895 | 526.87 | 526.87 |
| 2001904 | 08/02/06 | 06184 | CENTEX HOMES | Ref002366066 | 07/28/06 | UB Refund Cst #0000052646 | 279.06 | 279.06 |
| 2001905 | 08/02/06 | 06242 | CHRIS WHITE | Ref002366124 | 07/28/06 | UB Refund Cst #0000083789 | 763.08 | 763.08 |
| 2001906 | 08/02/06 | 06217 | CHRISTINE SILVA | Ref002366099 | 07/28/06 | UB Refund Cst #0000075397 | 35.14 | 35.14 |
| 2001907 | 08/02/06 | 06252 | CHULA VISTA SCHOOL DISTRICT | Ref002366134 | 07/28/06 | UB Refund Cst #0000086419 | 772.73 | 772.73 |
| 2002071 | 08/09/06 | 05008 | CINGULAR WIRELESS | 015181 | 07/29/06 | WIRELESS PHONE SERVICE | 11.50 | 11.50 |
| 2002152 | 08/16/06 | 00234 | CITY TREASURER | 446597 | 07/19/06 | METROPOLITAN SEWERAGE SYSTEM | 153,037.00 | 153,037.00 |
| 2002341 | 08/30/06 | 00234 | CITY TREASURER | C448334 | 08/30/06 | WATER DELIVERIES | 18,915.96 | 18,915.96 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|---------|----------|------------------------------|-------------|-------------|
| 2001908 | 08/02/06 | 04119 | CLARKSON LAB & SUPPLY INC | 30092 | 07/10/06 | BACTERIOLOGICAL ANALYSIS | 510.00 | 886.00 |
| | | | | 30090 | 07/10/06 | BACTERIOLOGICAL ANALYSIS | 188.00 | |
| | | | | 30091 | 07/10/06 | BACTERIOLOGICAL ANALYSIS | 188.00 | |
| 2002072 | 08/09/06 | 04119 | CLARKSON LAB & SUPPLY INC | 30213 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 460.00 | 2,140.00 |
| | | | | 30208 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 418.00 | |
| | | | | 30211 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 326.00 | |
| | | | | 30210 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 280.00 | |
| | | | | 30209 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 234.00 | |
| | | | | 30212 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 234.00 | |
| | | | | 30214 | 07/17/06 | BACTERIOLOGICAL ANALYSIS | 188.00 | |
| 2002242 | 08/23/06 | 04119 | CLARKSON LAB & SUPPLY INC | 30429 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 514.00 | 3,306.00 |
| | | | | 30434 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 510.00 | |
| | | | | 30431 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 380.00 | |
| | | | | 30432 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 380.00 | |
| | | | | 30430 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 328.00 | |
| | | | | 30435 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 326.00 | |
| | | | | 30436 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 306.00 | |
| | | | | 30428 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 282.00 | |
| | | | | 30433 | 07/31/06 | BACTERIOLOGICAL ANALYSIS | 280.00 | |
| 2002342 | 08/30/06 | 04119 | CLARKSON LAB & SUPPLY INC | 30494 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 652.00 | 2,080.00 |
| | | | | 30499 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 372.00 | |
| | | | | 30497 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 352.00 | |
| | | | | 30495 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 282.00 | |
| | | | | 30498 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 280.00 | |
| | | | | 30496 | 08/05/06 | BACTERIOLOGICAL ANALYSIS | 142.00 | |
| 2002073 | 08/09/06 | 03334 | COMPUTER MASTERS | 65149 | 07/20/06 | SOFTWARE MAINTENANCE SERVICE | 3,458.78 | 3,458.78 |
| 2002153 | 08/16/06 | 03334 | COMPUTER MASTERS | 65098 | 06/30/06 | SAMSUNG 46" LCD HDTV'S | 12,260.29 | 12,260.29 |
| 2002243 | 08/23/06 | 03774 | CONSTRUCTION RESIDUE RECYCLING | 974077 | 07/31/06 | DUMPING SERVICES | 320.00 | 320.00 |
| 2002154 | 08/16/06 | 03706 | CONSUMERS PIPE & SUPPLY CO | 622578 | 07/27/06 | WAREHOUSE SUPPLIES | 449.60 | 449.60 |
| 2002244 | 08/23/06 | 03706 | CONSUMERS PIPE & SUPPLY CO | 622781 | 07/28/06 | WAREHOUSE SUPPLIES | 156.88 | 156.88 |
| 2001909 | 08/02/06 | 00099 | COUNTY OF SAN DIEGO | 657 | 07/26/06 | SEWER CHARGES | 3,827.61 | 3,972.60 |
| | | | | 661 | 07/26/06 | SEWER CHARGES | 144.99 | |
| 2001910 | 08/02/06 | 00134 | COUNTY OF SAN DIEGO | 2006013 | 07/07/06 | COUNTY ASSESSOR DATA | 1,500.00 | 1,500.00 |
| 2002343 | 08/30/06 | 00184 | COUNTY OF SAN DIEGO | EH6244 | 08/09/06 | RECLAMATION PLAN CHECK | 115.00 | 115.00 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|---------------------|-------------------------------------|----------------------------------|---|-----------------------------|-------------|
| 2002344 | 08/30/06 | 00433 | COUNTY OF SAN DIEGO | 97090349 97089622 | 08/21/06 08/16/06 | PERMIT FEES PERMIT FEES | 278.00 259.00 | 537.00 |
| 2002074 | 08/09/06 | 05125 | CUDLIP, JAMES | 015183 | 08/07/06 | REIMBURSE CONF TRVL EXPENSES | 208.37 | 208.37 |
| 2001911 | 08/02/06 | 01280 | DALEY & HEFT | 27597 | 07/17/06 | LEGAL SERVICES JUNE 2006 | 2,668.49 | 2,668.49 |
| 2002345 | 08/30/06 | 01280 | DALEY & HEFT | 27789 | 08/15/06 | LEGAL SERVICES JULY 2006 | 3,650.24 | 3,650.24 |
| 2002245 | 08/23/06 | 04511 | DANTE CORP | APN64619017 | 08/22/06 | TEMP CONSTRUCTION EASEMENT | 1,000.00 | 1,000.00 |
| 2001912 | 08/02/06 | 00463 | DAPPER TIRE CO | 230455 | 07/12/06 | TIRES | 854.60 | 854.60 |
| 2002246 | 08/23/06 | 00463 | DAPPER TIRE CO | 231191 | 07/31/06 | TIRES | 673.14 | 673.14 |
| 2002247 | 08/23/06 | 03354 | DATAPROSE INC | 36340 36339 | 08/03/06 08/03/06 | POSTAGE FOR CUST. BILLINGS BILLING PRINT SERVICES | 14,526.57 9,041.12 | 23,567.69 |
| 2002248 | 08/23/06 | 04550 | DATATREE | 90034076 | 07/31/06 | MAP PURCHASING SERVICE | 110.00 | 110.00 |
| 2001913 | 08/02/06 | 06233 | DAWN NORDIN | Ref002366115 | 07/28/06 | UB Refund Cst #0000081460 | 27.03 | 27.03 |
| 2001914 | 08/02/06 | 06248 | DC XCAVATION | Ref002366130 | 07/28/06 | UB Refund Cst #0000085389 | 363.79 | 363.79 |
| 2002249 | 08/23/06 | 03606 | DCSE INC | 107544315 | 08/02/06 | ANNUAL MAINTENANCE | 2,004.79 | 2,004.79 |
| 2001915 | 08/02/06 | 06258 | DCX | Ref002366140 | 07/28/06 | UB Refund Cst #0000088282 | 379.18 | 379.18 |
| 2001916 | 08/02/06 | 06186 | DEBRA BROWN | Ref002366068 | 07/28/06 | UB Refund Cst #0000054334 | 23.49 | 23.49 |
| 2002250 | 08/23/06 | 00852 | DEC CONSULTANTS INC | U071890 U071917 | 07/31/06 07/31/06 | 2002-2003 CP PROGRAM 2005-2007 CP PROGRAM | 6,458.72 4,724.26 | 11,182.98 |
| 2002155 | 08/16/06 | 01797 | DELL ENTERPRISES | 180736 | 07/21/06 | SIGN | 15.47 | 15.47 |
| 2002075 | 08/09/06 | 02603 | DELL MARKETING LP | N97912116 N93347708 N95160788 | 07/18/06 07/14/06 07/17/06 | LAPTOP PRINTER KEYBOARD | 1,681.51 322.19 29.76 | 2,033.46 |
| 2002156 | 08/16/06 | 02603 | DELL MARKETING LP | P03053099 | 07/21/06 | FLAT MONITORS | 3,149.47 | 3,149.47 |
| 2002251 | 08/23/06 | 02603 | DELL MARKETING LP | P06378371 20237720 P15013550 | 07/24/06 08/01/06 07/28/06 | COMPUTER HARDWARE COMPUTER PART COMPUTER MODULE | 144.75 94.91 67.85 | 307.51 |
| 2002346 | 08/30/06 | 02603 | DELL MARKETING LP | P27829518 | 08/06/06 | DELL 5100MP DLP PROJECTOR | 2,737.72 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|---------------------------|--------------|----------|-------------------------------|-------------|-------------|
| | | | | P26440684 | 08/04/06 | PROJECTOR LAMPS | 496.30 | |
| | | | | P35588346 | 08/10/06 | GB MODULE, HARD DRIVE | 387.31 | 3,621.33 |
| 2001917 | 08/02/06 | 06228 | DENNIS RAGLIN | Ref002366110 | 07/28/06 | UB Refund Cst #0000080239 | 35.64 | 35.64 |
| 2002039 | 08/09/06 | 04558 | DEPARTMENT OF CHILD | Ben2366394 | 08/08/06 | PAYROLL DEDUCTION | 342.92 | 342.92 |
| 2002209 | 08/23/06 | 04558 | DEPARTMENT OF CHILD | Ben2366901 | 08/22/06 | PAYROLL DEDUCTION | 342.92 | 342.92 |
| 2001918 | 08/02/06 | 03744 | DEPARTMENT OF JUSTICE | 580192 | 06/30/06 | FINGERPRINTING SERVICES | 192.00 | 192.00 |
| 2002157 | 08/16/06 | 03744 | DEPARTMENT OF JUSTICE | 581489 | 07/27/06 | FINGERPRINTING SERVICES | 32.00 | 32.00 |
| 2002347 | 08/30/06 | 03744 | DEPARTMENT OF JUSTICE | 584645 | 08/08/06 | FINGERPRINT ANALYSIS SERVICES | 224.00 | 224.00 |
| 2001919 | 08/02/06 | 06207 | DEREK DENARO | Ref002366089 | 07/28/06 | UB Refund Cst #0000071890 | 39.59 | 39.59 |
| 2001920 | 08/02/06 | 06224 | DESHAWN REILLY | Ref002366106 | 07/28/06 | UB Refund Cst #0000076092 | 15.64 | 15.64 |
| 2002076 | 08/09/06 | 03504 | DIABATE, KOMAN S | 015188 | 08/07/06 | TUITION REIMBURSEMENT | 695.00 | 695.00 |
| 2002252 | 08/23/06 | 03504 | DIABATE, KOMAN S | 15960806 | 08/17/06 | REIMBURSE CONF EXPENSES | 154.85 | 154.85 |
| 2002077 | 08/09/06 | 02965 | DIPIETRO, BRANDON D | 015187 | 08/07/06 | BOOK/SUPPLY REIMBURSEMENT | 36.00 | 36.00 |
| 2002348 | 08/30/06 | 03417 | DIRECTV | 398959946 | 08/05/06 | SATELLITE TV SERVICE | 46.96 | 46.96 |
| 2002158 | 08/16/06 | 02366 | DLT SOLUTIONS INC | S1007118 | 07/21/06 | AUTOCAD SOFTWARE SUPPORT | 10,339.69 | 10,339.69 |
| 2001921 | 08/02/06 | 06218 | DON PERRY REALTY | Ref002366100 | 07/28/06 | UB Refund Cst #0000075485 | 46.24 | 46.24 |
| 2001922 | 08/02/06 | 06168 | DORNOCH RANCH | Ref002366050 | 07/28/06 | UB Refund Cst #000008974 | 21.20 | 21.20 |
| 2002078 | 08/09/06 | 01926 | EAST COUNTY URGENT CARE | 1005980706 | 07/18/06 | HEALTH EXAMS | 82.00 | 82.00 |
| 2002253 | 08/23/06 | 02447 | EDCO DISPOSAL CORPORATION | 015170 | 07/31/06 | RECYCLING SERVICES | 47.19 | 47.19 |
| 2002079 | 08/09/06 | 03261 | EDEN SYSTEMS INC | INV0094820 | 07/19/06 | SUPPORT PLUS AGREEMENT | 13,200.00 | 13,200.00 |
| 2002159 | 08/16/06 | 03261 | EDEN SYSTEMS INC | INV0093676 | 06/25/06 | PROFESSIONAL SERVICES | 4,800.00 | 4,800.00 |
| 2002254 | 08/23/06 | 00230 | EDP PRODUCTS INC | 804496 | 07/31/06 | CARTRIDGE STORAGE/RETRIEVAL | 209.20 | 209.20 |
| 2002160 | 08/16/06 | 01015 | EL DORADO COATINGS INC | 52673 | 07/26/06 | SANDBLASTING | 225.00 | 225.00 |
| 2001923 | 08/02/06 | 06199 | ELENA T FLORES | Ref002366081 | 07/28/06 | UB Refund Cst #0000069193 | 22.13 | 22.13 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------|--|--|--|---|-------------|
| 2002080 | 08/09/06 | 01314 | EMEDCO CO., INC | 55318200 | 07/18/06 | NUMBER CARDS | 110.55 | 110.55 |
| 2002349 | 08/30/06 | 05128 | EMPIRE ELECTRICAL SUPPLY | 10515001I 10503900I | 08/10/06 08/04/06 | MATERIAL FOR DATA CENTER SUPPLY | 422.82 244.24 | 667.06 |
| 2001924 | 08/02/06 | 06195 | ERIC TALAMAYAN | Ref002366077 | 07/28/06 | UB Refund Cst #0000067062 | 53.76 | 53.76 |
| 2002255 | 08/23/06 | 03725 | ESRI, INC | 91362138 | 08/02/06 | PROFESSIONAL GIS DATABASE SUPPORT | 15,812.22 | 15,812.22 |
| 2002161 | 08/16/06 | 02639 | EW TRUCK & EQUIPMENT | 164593 164759 165382 164156 165907 164360 164656 164735 161871 | 06/05/06 06/06/06 07/01/06 05/26/06 07/22/06 05/31/06 06/05/06 06/06/06 04/24/06 | FILTERS FUEL SWITCH FILTERS REPAIR PARTS FILTERS REPAIR PARTS FILTERS FILTER CREDIT MEMO | 117.12 60.70 46.88 44.72 40.22 23.26 16.62 10.74 (353.89) | 6.37 |
| 2002350 | 08/30/06 | 02639 | EW TRUCK & EQUIPMENT | 168953 169323 | 08/04/06 08/10/06 | PARTS PARTS | 76.70 11.64 | 88.34 |
| 2002256 | 08/23/06 | 03757 | FANDEL ENTERPRISES | 1207 | 07/27/06 | TELECOMMUNICATIONS CONSULTING SERVICE | 9,240.00 | 9,240.00 |
| 2001925 | 08/02/06 | 04986 | FARR, STEVEN | 015162 | 07/26/06 | TUITION REIMBURSEMENT | 235.77 | 235.77 |
| 2002257 | 08/23/06 | 00338 | FEDEX FREIGHT WEST INC | 0980361384 | 07/29/06 | FREIGHT SERVICE | 75.53 | 75.53 |
| 2002081 | 08/09/06 | 04947 | FEDEX KINKO'S | 270300000595 270300000471 | 05/30/06 04/11/06 | PRINTING & COPYING SERVICES PRINTING & COPYING SERVICE | 243.24 173.21 | 416.45 |
| 2002082 | 08/09/06 | 03546 | FERGUSON WATERWORKS | 0161818 0161799 0162147 01618201 0161820 | 07/12/06 07/14/06 07/17/06 07/18/06 07/12/06 | INVENTORY INVENTORY WAREHOUSE SUPPLIES INVENTORY INVENTORY | 5,483.88 5,432.16 4,711.58 3,612.92 1,019.66 | 20,260.20 |
| 2002162 | 08/16/06 | 03546 | FERGUSON WATERWORKS | 01358292 | 02/01/06 | WAREHOUSE SUPPLY | 451.62 | 451.62 |
| 2002258 | 08/23/06 | 03546 | FERGUSON WATERWORKS | 0162617 0163257 01621431 | 08/02/06 07/28/06 08/02/06 | INVENTORY INVENTORY GATE CAPS | 5,714.39 1,237.54 674.95 | 7,626.88 |
| 2002351 | 08/30/06 | 03546 | FERGUSON WATERWORKS | 0165977 0164472 | 08/04/06 08/07/06 | INVENTORY WAREHOUSE SUPPLIES | 7,951.95 3,866.22 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|---------------------------|--------------|----------|-----------------------------------|-------------|-------------|
| | | | | 0165979 | 08/04/06 | INVENTORY | 3,612.92 | |
| | | | | 0165978 | 08/04/06 | INVENTORY | 1,784.47 | |
| | | | | 0164697 | 08/07/06 | WAREHOUSE SUPPLIES | 1,075.83 | |
| | | | | 0165990 | 08/04/06 | INVENTORY | 1,047.40 | |
| | | | | 01659781 | 08/08/06 | INVENTORY | 962.33 | |
| | | | | 0164476 | 08/07/06 | WAREHOUSE SUPPLIES | 317.05 | 20,618.17 |
| 2001926 | 08/02/06 | 03546 | FERGUSON WATERWORKS #1083 | 0161816 | 07/12/06 | INVENTORY | 5,172.17 | |
| | | | | 0161823 | 07/12/06 | INVENTORY | 6,017.97 | 11,190.14 |
| 2002259 | 08/23/06 | 02470 | FIRST BANKCARD | 015214 | 08/09/06 | DISTRICT EXPENSES | 157.86 | |
| | | | | 015203 | 08/09/06 | DISTRICT EXPENSES | 124.49 | |
| | | | | 015213 | 08/09/06 | DISTRICT EXPENSES | 117.36 | 399.71 |
| 2002083 | 08/09/06 | 00035 | FISHER SCIENTIFIC | 4248621 | 07/19/06 | LABORATORY SUPPLIES | 2,561.27 | 2,561.27 |
| 2002260 | 08/23/06 | 00035 | FISHER SCIENTIFIC | 4574880 | 08/02/06 | LABORATORY SUPPLIES | 78.06 | 78.06 |
| 2002261 | 08/23/06 | 02591 | FITNESS TECH INC | 3452 | 08/01/06 | MAINTENANCE FOR FITNESS EQUIPMENT | 100.00 | 100.00 |
| 2001927 | 08/02/06 | 03109 | FOLEY & LARDNER | 27061293 | 07/21/06 | LEGAL SERVICES JUNE 2006 | 870.25 | 870.25 |
| 2002262 | 08/23/06 | 03109 | FOLEY & LARDNER | 27069619 | 08/14/06 | LEGAL SERVICES JULY 2006 | 662.50 | |
| | | | | 27054977 | 07/10/06 | LEGAL SERVICES JULY 2006 | 131.66 | 794.16 |
| 2001928 | 08/02/06 | 06216 | FRANCES LOMELY | Ref002366098 | 07/28/06 | UB Refund Cst #0000075117 | 120.69 | 120.69 |
| 2002163 | 08/16/06 | 01327 | FRANK & SON PAVING INC | 0307 | 07/24/06 | PAVING SERVICES | 3,902.70 | 3,902.70 |
| 2001929 | 08/02/06 | 06180 | FRANK LOPEZ | Ref002366062 | 07/28/06 | UB Refund Cst #0000044577 | 20.24 | 20.24 |
| 2002263 | 08/23/06 | 02028 | FT INTERACTIVE DATA CORP | 05700076 | 07/31/06 | DIAL-UP SERVICE FOR INVESTMENTS | 85.00 | 85.00 |
| 2002264 | 08/23/06 | 03094 | FULLCOURT PRESS | 15432 | 07/11/06 | PIPLINE NEWSLETTER | 4,433.69 | 4,433.69 |
| 2002164 | 08/16/06 | 05626 | GAME 7 CONSULTING | 1408 | 07/25/06 | TEMPORARY SERVICE SYSTEMS ANALYST | 3,002.00 | 3,002.00 |
| 2002265 | 08/23/06 | 05626 | GAME 7 CONSULTING | 1420 | 08/22/06 | TEMPORARY SERVICES - IT/GIS | 8,969.75 | |
| | | | | 1411 | 08/01/06 | TEMPORARY SERVICES - IT/GIS | 3,238.00 | 12,207.75 |
| 2002352 | 08/30/06 | 05626 | GAME 7 CONSULTING | 1414 | 08/08/06 | TEMPORARY SERVICES - IT/GIS | 5,834.50 | 5,834.50 |
| 2001930 | 08/02/06 | 03609 | GBA MASTER SERIES INC | 015178 | 08/01/06 | CONFERENCE REGISTRATION | 500.00 | |
| | | | | 015179 | 08/01/06 | CONFERENCE REGISTRATION | 2,000.00 | 2,500.00 |
| 2001931 | 08/02/06 | 06232 | GEORGE DOWNING | Ref002366114 | 07/28/06 | UB Refund Cst #0000081118 | 14.77 | 14.77 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|-------------------------------|--------------|----------|-----------------------------|-------------|-------------|
| 2001932 | 08/02/06 | 06206 | GERALD MENEZES | Ref002366088 | 07/28/06 | UB Refund Cst #0000071808 | 56.09 | 56.09 |
| 2001933 | 08/02/06 | 03537 | GHA TECHNOLOGIES INC | 380400 | 07/10/06 | CARTRIDGES | 818.29 | 818.29 |
| 2002084 | 08/09/06 | 03537 | GHA TECHNOLOGIES INC | 381783 | 07/19/06 | EXTERNAL HARD DISK DRIVE | 382.51 | 382.51 |
| 2002353 | 08/30/06 | 03537 | GHA TECHNOLOGIES INC | 385226 | 08/08/06 | COLOR TONER | 1,546.99 | 1,546.99 |
| 2002165 | 08/16/06 | 06271 | GLENN ABBATE | RF041007436 | 08/11/06 | CUSTOMER REFUND | 152.23 | 152.23 |
| 2001934 | 08/02/06 | 06151 | GPSCITY.COM | 247895 | 07/11/06 | VOICE GUIDANCE GPS | 1,992.90 | 1,992.90 |
| 2002266 | 08/23/06 | 05515 | GREENTREE APPLIED SYSTEMS INC | 015186 | 08/01/06 | ANNUAL TELEPHONE SUPPORT | 900.00 | 900.00 |
| 2002267 | 08/23/06 | 03773 | GTC SYSTEMS INC | 25282 | 07/31/06 | TECHNICAL SUPPORT SERVICE | 2,399.76 | 2,399.76 |
| 2001935 | 08/02/06 | 06250 | GUADALUPE HERNANDEZ | Ref002366132 | 07/28/06 | UB Refund Cst #0000085889 | 126.00 | 126.00 |
| 2002166 | 08/16/06 | 02630 | HAAKER EQUIPMENT COMPANY | C48698 | 07/24/06 | SCREEN | 55.99 | 55.99 |
| 2002085 | 08/09/06 | 00174 | HACH COMPANY | 4031063 | 08/09/06 | TRAINING CLASS REGISTRATION | 1,080.00 | 1,080.00 |
| 2002086 | 08/09/06 | 02629 | HANSON AGGREGATES PACIFIC | 471276 | 07/17/06 | CRUSHED AGGREGATES & ROCK | 339.98 | |
| | | | | 471774 | 07/19/06 | CRUSHED AGGREGATES & ROCK | 284.38 | 624.36 |
| 2002268 | 08/23/06 | 02629 | HANSON AGGREGATES PACIFIC | 474535 | 08/03/06 | CRUSHED AGGREGATES & ROCK | 769.16 | |
| | | | | 474536 | 08/03/06 | CRUSHED AGGREGATES & ROCK | 233.39 | 1,002.55 |
| 2001936 | 08/02/06 | 04217 | HATCH & PARENT | 04217 | 07/21/06 | PROFESSIONAL SERVICES | 3,071.08 | 3,071.08 |
| 2002087 | 08/09/06 | 00150 | HAWTHORNE MACHINERY CO | PS10205806 | 04/28/06 | REPAIR PART | 35.27 | |
| | | | | PS010205807 | 04/28/06 | REPAIR PARTS | 16.57 | 51.84 |
| 2002167 | 08/16/06 | 00169 | HAWTHORNE POWER SYSTEMS | PS100013767 | 06/16/06 | APCD RETRO FIT PARTS | 2,149.75 | |
| | | | | PS100013765 | 06/16/06 | APCD RETRO FIT PARTS | 1,497.42 | |
| | | | | PS100013764 | 06/16/06 | APCD RETRO FIT PARTS | 366.07 | |
| | | | | PS100012640 | 05/30/06 | SERVICE MANUAL | 340.76 | |
| | | | | PS100012637 | 05/30/06 | THERMOSTAT, GAGE | 211.37 | |
| | | | | PS100013762 | 06/16/06 | APCD RETRO FIT PARTS | 210.82 | |
| | | | | PS100012636 | 05/30/06 | WRENCH | 88.79 | |
| | | | | PS100013766 | 06/16/06 | APCD RETRO FIT PARTS | 38.19 | |
| | | | | PS100013763 | 06/16/06 | APCD RETRO FIT PARTS | 10.47 | 4,913.64 |
| 2002354 | 08/30/06 | 00169 | HAWTHORNE POWER SYSTEMS | 1217790 | 07/27/06 | REPAIR SERVICE | 8,667.28 | 8,667.28 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--|--|--|--|-------------|
| 2002168 | 08/16/06 | 04472 | HECTOR I MARES-COSSIO | 16 | 07/01/06 | PROFESSIONAL SERVICES | 3,000.00 | 3,000.00 |
| 2002169 | 08/16/06 | 00062 | HELIX WATER DISTRICT | 178540010806 174639860806 | 08/07/06 08/07/06 | WATER BILL - AVOCADO BLVD WATER BILL - RUSSELL SQ | 29.65 29.65 | 59.30 |
| 2002269 | 08/23/06 | 02096 | HELIX WATER DISTRICT | 015215 | 08/14/06 | LOAN OF WATER TRUCK | 100.00 | 100.00 |
| 2002355 | 08/30/06 | 05969 | HERSEY METERS | 1256089 | 08/10/06 | SOFTWARE & SUPPLIES | 23,714.92 | 23,714.92 |
| 2001937 | 08/02/06 | 06245 | HERZOG CONTRACTING CORPORATION | Ref002366127 | 07/28/06 | UB Refund Cst #0000084780 | 701.91 | 701.91 |
| 2002170 | 08/16/06 | 01799 | HIRSCH & COMPANY | 9327 | 06/10/06 | 30" RECYCLED WATER PIPELINE | 45,629.00 | 45,629.00 |
| 2002356 | 08/30/06 | 01853 | HOFFMEYER CO | 207145401 207145301 207154501 | 08/04/06 08/04/06 08/10/06 | FIRE HOSE FIRE HOSE FIRE HOSE | 915.88 915.88 588.42 | 2,420.18 |
| 2001938 | 08/02/06 | 01109 | HOME DEPOT CREDIT SERVICES | 3196868 34059764 7077146 34059816 5568693 5010488 | 07/07/06 07/12/06 06/23/06 07/12/06 06/25/06 06/25/06 | BUILDING MAINT SUPPLIES BUILDING MAINT SUPPLIES BUILDING MAINT SUPPLIES BUILDING MAINT SUPPLIES BUILDING MAINT SUPPLIES BUILDING MAINT SUPPLIES | 47.08 126.56 174.63 40.52 29.03 70.31 | 488.13 |
| 2002270 | 08/23/06 | 01033 | HOMESTEAD TREE SERVICE | 4934 | 07/31/06 | TREE TRIMMING SERVICE | 1,600.00 | 1,600.00 |
| 2002271 | 08/23/06 | 00066 | HUGHES SUPPLY INC | S124389515001 | 08/01/06 | NO OXIDE GREASE | 518.23 | 518.23 |
| 2002088 | 08/09/06 | 06265 | HUNT, JASON | 015182 | 08/07/06 | CLASS A DRIVER'S LICENSE REIMB | 64.00 | 64.00 |
| 2001939 | 08/02/06 | 03743 | HYDROTEX | 520825 | 07/12/06 | OIL | 1,154.47 | 1,154.47 |
| 2002089 | 08/09/06 | 03615 | I.M.P.A.C. GOVERNMENT SERVICES | 015193 | 07/21/06 | DISTRICT EXPENSES | 2,228.18 | 2,228.18 |
| 2002171 | 08/16/06 | 03615 | I.M.P.A.C. GOVERNMENT SERVICES | 015199 | 07/21/06 | DISTRICT EXPENSES | 2,119.65 | 2,119.65 |
| 2002272 | 08/23/06 | 03615 | I.M.P.A.C. GOVERNMENT SERVICES | 015218 | 07/21/06 | DISTRICT EXPENSES | 123.42 | 123.42 |
| 2002357 | 08/30/06 | 06266 | IDEAL WIPING RAG COMPANY | 037252 | 08/10/06 | RAGS | 237.05 | 237.05 |
| 2002090 | 08/09/06 | 02943 | INDUSTRIAL METAL SUPPLY CO | 583109 | 07/19/06 | MATERIALS | 723.00 | 723.00 |
| 2002172 | 08/16/06 | 02943 | INDUSTRIAL METAL SUPPLY CO | 585460 | 07/21/06 | MATERIALS | 782.03 | 782.03 |
| 2002273 | 08/23/06 | 04220 | INDUSTRIAL SUPPLY DISTRIBUTORS | 027134 | 08/01/06 | JANITORIAL SUPPLIES | 197.88 | 197.88 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|----------------------------------|----------------------------------|--|----------------------------------|-------------|
| 2002173 | 08/16/06 | 00597 | INGERSOLL-RAND EQUIPMENT | 50677754 50650358 50666232 | 07/18/06 07/18/06 04/18/06 | LIGHTSOURCE COMPACTOR CREDIT MEMO | 9,158.75 5,323.84 (458.72) | 14,023.87 |
| 2002174 | 08/16/06 | 01982 | INTEGRATED OFFICE SYSTEMS | 19979 | 07/13/06 | TONER CARTRIDGE | 72.41 | 72.41 |
| 2002274 | 08/23/06 | 02372 | INTERIOR PLANT SERVICE INC | 22011 | 07/31/06 | PLANT LEASE & SERVICE | 181.00 | 181.00 |
| 2002040 | 08/09/06 | 02267 | INTERNAL REVENUE SERVICE | Ben2366388 | 08/08/06 | PAYROLL DEDUCTION | 50.00 | 50.00 |
| 2002041 | 08/09/06 | 04077 | INTERNAL REVENUE SERVICE | Ben2366398 | 08/08/06 | PAYROLL DEDUCTION | 64.00 | 64.00 |
| 2002210 | 08/23/06 | 02267 | INTERNAL REVENUE SERVICE | Ben2366893 | 08/22/06 | PAYROLL DEDUCTION | 50.00 | 50.00 |
| 2002211 | 08/23/06 | 04077 | INTERNAL REVENUE SERVICE | Ben2366905 | 08/22/06 | PAYROLL DEDUCTION | 64.00 | 64.00 |
| 2001940 | 08/02/06 | 03250 | INTERNATIONAL PERSONNEL | 015163 | 07/28/06 | MEMBERSHIP RENEWAL | 40.00 | 40.00 |
| 2002091 | 08/09/06 | 03539 | INTERNATIONAL PUBLIC | 24119192 | 07/28/06 | MEMBERSHIP DUES | 145.00 | 145.00 |
| 2002275 | 08/23/06 | 01591 | IRON MOUNTAIN RECORDS | EZ34531 EZ34530 | 07/31/06 07/31/06 | OFF SITE RECORDS STORAGE OFF SITE RECORDS STORAGE | 256.30 0.60 | 256.90 |
| 2001941 | 08/02/06 | 05836 | JACOBS INC. | W9X9540105 | 06/20/06 | 450-1 RESERVOIR & 680-1 PUMP STATION | 29,116.46 | 29,116.46 |
| 2002092 | 08/09/06 | 05836 | JACOBS INC. | W9X9540106 | 07/18/06 | 450-1 RESERVOIR & 680-1 PUMP STATION | 40,786.13 | 40,786.13 |
| 2001942 | 08/02/06 | 06210 | JAMES CLIFFORD | Ref002366092 | 07/28/06 | UB Refund Cst #0000072973 | 43.17 | 43.17 |
| 2002175 | 08/16/06 | 03077 | JANI KING OF CALIFORNIA INC | SDO07061062 | 07/13/06 | JANITORIAL SERVICE | 525.00 | 525.00 |
| 2002276 | 08/23/06 | 03077 | JANI KING OF CALIFORNIA INC | SDO08060447 SDO08060457 | 08/01/06 08/01/06 | JANITORIAL SERVICES JANITORIAL SERVICES | 3,905.00 990.00 | 4,895.00 |
| 2001943 | 08/02/06 | 03345 | JENKINS, WILLIAM L | 015165 8803641 | 07/26/06 08/01/06 | REIMBURSE SUBSCRIPTION RENEWAL SEMINAR REGISTRATION REIMB | 125.00 597.00 | 722.00 |
| 2001944 | 08/02/06 | 06202 | JENNIFER RIOS | Ref002366084 | 07/28/06 | UB Refund Cst #0000069909 | 6.93 | 6.93 |
| 2002093 | 08/09/06 | 06263 | JERRY LINTNER | 015164 | 07/26/06 | ADVANCEMENT REQUEST | 209.47 | 209.47 |
| 2001945 | 08/02/06 | 06189 | JESSIE AMIS | Ref002366071 | 07/28/06 | UB Refund Cst #0000058175 | 42.10 | 42.10 |
| 2001946 | 08/02/06 | 06175 | JESUS MEZA | Ref002366057 | 07/28/06 | UB Refund Cst #0000028723 | 10.13 | 10.13 |
| 2002358 | 08/30/06 | 00260 | JOHNSTONE SUPPLY - SAN DIEGO | S1346800001 | 08/10/06 | EXHAUST FANS | 799.59 | 799.59 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|-------------------------------|-------------------------------|----------------------------------|---|-------------------------------|-------------|
| 2001947 | 08/02/06 | 06193 | JOSE A MARTINEZ | Ref002366075 | 07/28/06 | UB Refund Cst #0000064655 | 85.40 | 85.40 |
| 2001948 | 08/02/06 | 06243 | JOSE HERNANDEZ | Ref002366125 | 07/28/06 | UB Refund Cst #0000083851 | 43.97 | 43.97 |
| 2001949 | 08/02/06 | 06197 | JOSE RODRIGUEZ | Ref002366079 | 07/28/06 | UB Refund Cst #0000068713 | 12.60 | 12.60 |
| 2002094 | 08/09/06 | 03291 | JP MORGAN CHASE BANK NA | 20060600604 | 07/14/06 | ADMINISTRATION FEE | 3,890.20 | 3,890.20 |
| 2001950 | 08/02/06 | 06183 | JUHEE LEE | Ref002366065 | 07/28/06 | UB Refund Cst #0000051693 | 83.96 | 83.96 |
| 2001951 | 08/02/06 | 00056 | KAMAN INDUSTRIAL TECHNOLOGIES | X444991 | 07/12/06 | MOTOREDUCER PART | 2,041.74 | 2,041.74 |
| 2001952 | 08/02/06 | 06209 | KARLTON TERRELL | Ref002366091 | 07/28/06 | UB Refund Cst #0000072652 | 35.25 | 35.25 |
| 2001953 | 08/02/06 | 06240 | KELLY RANDALL | Ref002366122 | 07/28/06 | UB Refund Cst #0000083241 | 76.51 | 76.51 |
| 2002359 | 08/30/06 | 05126 | KEN DAROIS | 015233 | 08/29/06 | REPLACE CHECK | 1,848.92 | 1,848.92 |
| 2001954 | 08/02/06 | 06213 | KENNETH REED | Ref002366095 | 07/28/06 | UB Refund Cst #0000074533 | 75.32 | 75.32 |
| 2001955 | 08/02/06 | 06198 | KERI CARTER | Ref002366080 | 07/28/06 | UB Refund Cst #0000069138 | 47.39 | 47.39 |
| 2002095 | 08/09/06 | 04670 | KETIV TECHNOLOGIES INC | C00012712 014895 012430 | 07/17/06 01/18/06 12/28/05 | TELEPHONE & EMAIL SUPPORT CREDIT MEMO CREDIT MEMO | 1,195.00 (5.38) (24.23) | 1,165.39 |
| 2001956 | 08/02/06 | 05405 | KIM BAXTER | 015161 | 07/27/06 | CLAIM REIMBURSEMENT | 185.00 | 185.00 |
| 2001957 | 08/02/06 | 05840 | KIRK PAVING INC | 3103 | 06/16/06 | PAVING SERVICES | 27,905.00 | 27,905.00 |
| 2001958 | 08/02/06 | 06260 | KIRK PAVING INC | Ref002366142 | 07/28/06 | UB Refund Cst #0000088913 | 675.53 | 675.53 |
| 2002096 | 08/09/06 | 03007 | KLAAHSEN, RANDY | 015189 | 08/08/06 | TUITION REIMBURSEMENT | 223.26 | 223.26 |
| 2002176 | 08/16/06 | 04996 | KNOX ATTORNEY SERVICE INC | 188359 188358 188360 | 07/21/06 07/21/06 07/21/06 | COURIER SERVICE COURIER SERVICE COURIER SERVICE | 25.00 25.00 25.00 | 75.00 |
| 2002277 | 08/23/06 | 04996 | KNOX ATTORNEY SERVICE INC | 190350 | 08/02/06 | COURIER SERVICE | 25.00 | 25.00 |
| 2002360 | 08/30/06 | 04996 | KNOX ATTORNEY SERVICE INC | 191181 191180 | 08/08/06 08/08/06 | COURIER SERVICE COURIER SERVICE | 25.00 25.00 | 50.00 |
| 2001959 | 08/02/06 | 06172 | KYUNGAE LEE PARK | Ref002366054 | 07/28/06 | UB Refund Cst #0000020376 | 124.13 | 124.13 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--------------|----------|-------------------------------|-------------|-------------|
| 2002097 | 08/09/06 | 01859 | LA PRENSA SAN DIEGO | 20690 | 07/17/06 | JOB POSTING | 53.01 | 53.01 |
| 2002278 | 08/23/06 | 01859 | LA PRENSA SAN DIEGO | 20722 | 08/01/06 | JOB POSTING | 39.33 | 39.33 |
| 2001960 | 08/02/06 | 06225 | LEVI GOIN | Ref002366107 | 07/28/06 | UB Refund Cst #0000080079 | 12.25 | 12.25 |
| 2001961 | 08/02/06 | 06256 | LIBIA ROJERO | Ref002366138 | 07/28/06 | UB Refund Cst #0000087531 | 64.21 | 64.21 |
| 2002279 | 08/23/06 | 06263 | LINTNER, JERRY | 015223 | 08/18/06 | REIMBURSE SEMINAR TRVL EXP | 63.03 | 63.03 |
| 2002098 | 08/09/06 | 03784 | LIVESCAN SAN DIEGO | 06100411 | 07/18/06 | FINGERPRINTING SERVICES | 40.00 | 40.00 |
| 2002280 | 08/23/06 | 03784 | LIVESCAN SAN DIEGO | 06100439 | 08/01/06 | FINGERPRINTING SERVICES | 100.00 | 100.00 |
| 2002281 | 08/23/06 | 05220 | LOGICALIS INTEGRATION SOLUTION | 0107829IN | 07/28/06 | DATA CENTER UPGRADE PROJECT | 280,843.73 | 280,843.73 |
| 2001962 | 08/02/06 | 06231 | LUANN GOULD | Ref002366113 | 07/28/06 | UB Refund Cst #0000080989 | 40.43 | 40.43 |
| 2001963 | 08/02/06 | 06237 | LUIS ALVARADO | Ref002366119 | 07/28/06 | UB Refund Cst #0000082188 | 30.68 | 30.68 |
| 2002282 | 08/23/06 | 01211 | MAJOR IRRIGATION SUPPLY INC | 603065 | 07/31/06 | HAND PUMPS | 1,021.47 | 1,021.47 |
| 2002283 | 08/23/06 | 00628 | MANHATTAN NAT'L LIFE INS CO | 015216 | 08/01/06 | VOLUNTARY LIFE INSURANCE | 505.20 | 505.20 |
| 2002099 | 08/09/06 | 06160 | MANNY RAMIREZ | 5336 | 07/18/06 | PHOTOS | 150.00 | 150.00 |
| 2001964 | 08/02/06 | 06214 | MARCO A ESPINOSA | Ref002366096 | 07/28/06 | UB Refund Cst #0000074873 | 32.08 | 32.08 |
| 2002042 | 08/09/06 | 03277 | MARGARITA MUNIZ | Ben2366392 | 08/08/06 | PAYROLL DEDUCTION | 294.46 | 294.46 |
| 2002212 | 08/23/06 | 03277 | MARGARITA MUNIZ | Ben2366899 | 08/22/06 | PAYROLL DEDUCTION | 294.46 | 294.46 |
| 2001965 | 08/02/06 | 06226 | MARIA DIAZ | Ref002366108 | 07/28/06 | UB Refund Cst #0000080152 | 19.33 | 19.33 |
| 2001966 | 08/02/06 | 06236 | MARIA DOUBRAVA | Ref002366118 | 07/28/06 | UB Refund Cst #0000082169 | 50.17 | 50.17 |
| 2001967 | 08/02/06 | 06221 | MARK BRUSALIS | Ref002366103 | 07/28/06 | UB Refund Cst #0000075771 | 50.21 | 50.21 |
| 2001968 | 08/02/06 | 06182 | MARK ESTES | Ref002366064 | 07/28/06 | UB Refund Cst #0000048974 | 106.34 | 106.34 |
| 2002100 | 08/09/06 | 02902 | MARSTON & MARSTON INC | 1001 | 08/01/06 | PROFESSIONAL SERVICES | 2,568.75 | 2,568.75 |
| 2001969 | 08/02/06 | 06219 | MARY STRAIN | Ref002366101 | 07/28/06 | UB Refund Cst #0000075520 | 33.45 | 33.45 |
| 2002361 | 08/30/06 | 04268 | MASS GROUP INC | 321262 | 06/30/06 | SERVER DATABASE CONSOLIDATION | 18,500.00 | 18,500.00 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--------------|----------|----------------------------------|-------------|-------------|
| 2002284 | 08/23/06 | 05329 | MASTER METER INC | 0110139IN | 06/30/06 | METERS | 1,123.53 | 1,123.53 |
| 2002362 | 08/30/06 | 05329 | MASTER METER INC | 0111820IN | 08/07/06 | INVENTORY | 33,659.51 | 33,659.51 |
| 2002285 | 08/23/06 | 03750 | MATTHEW BENDER & CO INC | 015204 | 07/31/06 | CA PUBLIC LABOR RELATIONS UPDATE | 156.25 | 156.25 |
| 2002177 | 08/16/06 | 01183 | MCMaster-CARR SUPPLY CO | 47872496 | 07/27/06 | PARTS | 615.47 | |
| | | | | 47627451 | 07/24/06 | PARTS | 201.19 | |
| | | | | 47801691 | 07/26/06 | PARTS | 104.71 | 921.37 |
| 2002286 | 08/23/06 | 01183 | MCMaster-CARR SUPPLY CO | 48094157 | 07/31/06 | PARTS | 283.37 | |
| | | | | 48143413 | 08/01/06 | PARTS | 127.93 | 411.30 |
| 2002363 | 08/30/06 | 01183 | MCMaster-CARR SUPPLY CO | 48702005 | 08/10/06 | PARTS | 895.18 | |
| | | | | 48497933 | 08/08/06 | PARTS | 163.06 | |
| | | | | 48522478 | 08/08/06 | PARTS | 137.84 | 1,196.08 |
| 2002178 | 08/16/06 | 03764 | MCPHILLIPS, KEVIN P | 49009 | 08/09/06 | SAFETY BOOTS REIMBURSEMENT | 126.63 | 126.63 |
| 2001970 | 08/02/06 | 06251 | MELISSA GUILLIANI | Ref002366133 | 07/28/06 | UB Refund Cst #0000085902 | 30.45 | 30.45 |
| 2001971 | 08/02/06 | 06187 | MERIDIAN EASTLAKE LP | Ref002366069 | 07/28/06 | UB Refund Cst #0000054928 | 808.15 | 808.15 |
| 2001972 | 08/02/06 | 06169 | MICAH WHITLEY | Ref002366051 | 07/28/06 | UB Refund Cst #0000009198 | 42.29 | 42.29 |
| 2001973 | 08/02/06 | 00887 | MIRAMAR TRUCK CENTER-SAN DIEGO | CM194907 | 07/13/06 | CREDIT MEMO | (195.76) | |
| | | | | 194686 | 07/06/06 | BRAKE PARTS | 37.71 | |
| | | | | 194980 | 07/12/06 | BRAKE PARTS | 146.48 | |
| | | | | 194907 | 07/11/06 | BRAKE PARTS | 195.76 | |
| | | | | 194912 | 07/11/06 | BRAKE PART | 30.84 | 215.03 |
| 2002364 | 08/30/06 | 00887 | MIRAMAR TRUCK CENTER-SAN DIEGO | 194388 | 07/05/06 | REPAIR PARTS | 1,556.15 | |
| | | | | 194338A | 07/05/06 | BRAKE PARTS | 407.77 | |
| | | | | 196430 | 08/08/06 | BRAKE PARTS | 115.51 | |
| | | | | 196358 | 08/07/06 | BRAKE PARTS | 104.12 | |
| | | | | CM194388 | 07/06/06 | CREDIT MEMO | (102.68) | 2,080.87 |
| 2001974 | 08/02/06 | 01363 | MISSION LINEN & UNIFORM | 18020456 | 07/01/06 | UNIFORMS, TOWELS/SUPPLIES | 568.25 | |
| | | | | 18022150 | 07/01/06 | TOWELS/SUPPLIES | 46.61 | |
| | | | | 18019597 | 07/01/06 | MATS, TOWELS/SUPPLIES | 130.52 | |
| | | | | 18020455 | 07/01/06 | TOWELS/SUPPLIES | 46.61 | |
| | | | | 18020457 | 07/01/06 | MATS, TOWELS/SUPPLIES | 130.52 | |
| | | | | 18021300 | 07/01/06 | UNIFORMS, MATS, TOWELS/SUPPLIES | 243.08 | |
| | | | | 18021303 | 07/01/06 | MATS, TOWELS/SUPPLIES | 130.52 | |
| | | | | 18022149 | 07/01/06 | UNIFORMS, MATS, TOWELS/SUPPLIES | 197.52 | |
| | | | | 18022151 | 07/01/06 | UNIFORMS, TOWELS/SUPPLIES | 541.22 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|-------------------------|--------------|----------|-----------------------------------|-------------|-------------|
| | | | | 18022152 | 07/01/06 | MATS, TOWELS/SUPPLIES | 130.52 | |
| | | | | S61848 | 07/01/06 | UNIFORM REPLACEMENT | 14.15 | |
| | | | | S57064 | 07/01/06 | UNIFORM REPLACEMENT | 67.65 | |
| | | | | S57065 | 07/01/06 | UNIFORM REPLACEMENT | 8.00 | |
| | | | | S57066 | 07/01/06 | UNIFORM REPLACEMENT | 125.68 | |
| | | | | 18020454 | 07/01/06 | UNIFORMS, MATS, TOWELS/SUPPLIES | 197.79 | |
| | | | | 18019594 | 07/01/06 | UNIFORMS, MATS, TOWELS/ SUPPLIES | 204.00 | |
| | | | | 18019595 | 07/01/06 | TOWELS/SUPPLIES | 46.61 | |
| | | | | 18021301 | 07/01/06 | TOWELS/SUPPLIES | 46.61 | |
| | | | | 18019596 | 07/01/06 | UNIFORMS, TOWELS/SUPPLIES | 552.44 | |
| | | | | 18021302 | 07/01/06 | UNIFORMS, TOWELS/SUPPLIES | 567.43 | |
| | | | | S57067 | 07/01/06 | UNIFORM REPLACEMENT | 132.00 | 4,127.73 |
| 2002365 | 08/30/06 | 01363 | MISSION LINEN & UNIFORM | 18023851 | 08/01/06 | UNIFORMS, TOWELS & SUPPLIES | 631.80 | |
| | | | | 18026457 | 08/01/06 | UNIFORMS, TOWELS & SUPPLIES | 562.53 | |
| | | | | 18024711 | 08/01/06 | UNIFORMS, TOWELS & SUPPLIES | 557.57 | |
| | | | | 18022995 | 08/01/06 | UNIFORMS, TOWELS & SUPPLIES | 545.63 | |
| | | | | 18025587 | 08/01/06 | UNIFORMS, TOWELS & SUPPLIES | 545.09 | |
| | | | | 18023849 | 08/01/06 | UNIFORMS, MATS, TOWELS & SUPPLIES | 240.08 | |
| | | | | S57369 | 08/01/06 | UNIFORM REPLACEMENT | 233.68 | |
| | | | | 18024709 | 08/01/06 | UNIFORMS, MATS, TOWELS & SUPPLIES | 232.44 | |
| | | | | 18022993 | 08/01/06 | UNIFORMS, MATS, TOWELS & SUPPLIES | 224.53 | |
| | | | | 18026455 | 08/01/06 | UNIFORMS, MATS, TOWELS & SUPPLIES | 199.15 | |
| | | | | 18025585 | 08/01/06 | UNIFORMS, MATS, TOWELS & SUPPLIES | 198.06 | |
| | | | | 18022996 | 08/01/06 | MATS, TOWELS & SUPPLIES | 130.52 | |
| | | | | 18023852 | 08/01/06 | MATS, TOWELS & SUPPLIES | 130.52 | |
| | | | | 18024712 | 08/01/06 | MATS, TOWELS & SUPPLIES | 130.52 | |
| | | | | 18025588 | 08/01/06 | MATS, TOWELS & SUPPLIES | 130.52 | |
| | | | | 18026458 | 08/01/06 | MATS, TOWELS & SUPPLIES | 130.52 | |
| | | | | S57396 | 08/01/06 | UNIFORM REPLACEMENT | 121.64 | |
| | | | | 18022994 | 08/01/06 | TOWELS & SUPPLIES | 78.26 | |
| | | | | 18023850 | 08/01/06 | TOWELS & SUPPLIES | 78.26 | |
| | | | | S57636 | 08/01/06 | UNIFORM REPLACEMENT | 60.75 | |
| | | | | S40538 | 08/01/06 | UNIFORM REPLACEMENT | 49.86 | |
| | | | | 18024710 | 08/01/06 | TOWELS & SUPPLIES | 46.61 | |
| | | | | 18025586 | 08/01/06 | TOWELS & SUPPLIES | 46.61 | |
| | | | | 18026456 | 08/01/06 | TOWELS & SUPPLIES | 46.61 | |
| | | | | S61251 | 08/01/06 | UNIFORM REPLACEMENT | 39.71 | |
| | | | | S57395 | 08/01/06 | UNIFORM REPLACEMENT | 24.30 | |
| | | | | S57359 | 08/01/06 | UNIFORM REPLACEMENT | 19.50 | |
| | | | | S57616 | 08/01/06 | UNIFORM REPLACEMENT | 10.00 | |
| | | | | S40539 | 08/01/06 | UNIFORM REPLACEMENT | 4.16 | 5,449.43 |
| 2001975 | 08/02/06 | 06222 | MITCH MOSHTAGHI | Ref002366104 | 07/28/06 | UB Refund Cst #0000075801 | 620.20 | 620.20 |
| 2002101 | 08/09/06 | 03393 | MOBILE MINI LLC - CA | 90415152 | 07/17/06 | 40' STORAGE RENTAL SERVICE | 164.90 | 164.90 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------|--------------|----------|--|-------------|-------------|
| 2002179 | 08/16/06 | 03393 | MOBILE MINI LLC - CA | 90412021 | 07/23/06 | STORAGE RENTAL SERVICE | 170.88 | |
| | | | | 90416485 | 07/21/06 | RENTAL STORAGE | 170.88 | 341.76 |
| 2002366 | 08/30/06 | 03393 | MOBILE MINI LLC - CA | 90420424 | 08/10/06 | 40' STORAGE RENTAL | 164.90 | 164.90 |
| 2002287 | 08/23/06 | 03401 | MODULAR MERCHANTS INC | 1657 | 08/03/06 | WORKSTATION SET-UP | 492.50 | 492.50 |
| 2001976 | 08/02/06 | 06234 | MONICA JANCO | Ref002366116 | 07/28/06 | UB Refund Cst #0000081531 | 28.18 | 28.18 |
| 2001977 | 08/02/06 | 06235 | MONICA MOORE | Ref002366117 | 07/28/06 | UB Refund Cst #0000081670 | 33.80 | 33.80 |
| 2001978 | 08/02/06 | 03172 | MOONEY, JONES AND STOKES | 00033990 | 06/16/06 | SAN MIGUEL HABITAT & MITIGATION PROJECTS | 3,033.64 | 3,033.64 |
| 2002180 | 08/16/06 | 03172 | MOONEY, JONES AND STOKES | 0034550 | 07/20/06 | REVEGETATION MONITORING 1002-4 RESV | 405.15 | 405.15 |
| 2002288 | 08/23/06 | 03172 | MOONEY, JONES AND STOKES | 0034707 | 07/21/06 | SAN MIGUEL HABITAT | 3,481.10 | 3,481.10 |
| 2002367 | 08/30/06 | 03172 | MOONEY, JONES AND STOKES | 0034546 | 07/20/06 | LA PRESA PIPELINE WETLAND PERMITTING | 2,212.53 | |
| | | | | 0034545 | 07/20/06 | FORCE MAIN AIR REPLACEMENT | 795.00 | 3,007.53 |
| 2002181 | 08/16/06 | 03623 | MWH AMERICAS INC | 990185 | 07/02/06 | 450-1 RESERVOIR & 680-1 PUMP STATION | 4,569.85 | 4,569.85 |
| 2002368 | 08/30/06 | 03623 | MWH AMERICAS INC | 1048965 | 07/30/06 | 450-1 RESERVOIR & 680-1 PUMP STATION | 4,293.44 | 4,293.44 |
| 2001979 | 08/02/06 | 02293 | MWH SOFT INC | 000928 | 07/10/06 | SUBSCRIPTION PROGRAM RENEWAL | 3,600.00 | 3,600.00 |
| 2002182 | 08/16/06 | 04676 | NAPA AUTO PARTS | 037509 | 07/17/06 | REPAIR PARTS | 687.45 | |
| | | | | 037511 | 07/17/06 | REPAIR PARTS | 440.70 | |
| | | | | 036135 | 07/05/06 | REPAIR PARTS | 68.94 | |
| | | | | 037902 | 07/20/06 | REPAIR PARTS | 48.14 | |
| | | | | 036906 | 07/12/06 | REPAIR PARTS | 40.93 | |
| | | | | 038220 | 07/24/06 | REPAIR PARTS | 39.37 | |
| | | | | 038222 | 07/24/06 | REPAIR PARTS | 39.37 | |
| | | | | 036653 | 07/10/06 | REPAIR PARTS | 37.32 | |
| | | | | 037124 | 07/13/06 | REPAIR PARTS | 37.02 | |
| | | | | 038561 | 07/26/06 | REPAIR PARTS | 36.24 | |
| | | | | 037063 | 07/13/06 | REPAIR PARTS | 33.98 | |
| | | | | 037718 | 07/19/06 | REPAIR PARTS | 32.30 | |
| | | | | 036223 | 07/06/06 | REPAIR PARTS | 23.69 | |
| | | | | 036141 | 07/05/06 | REPAIR PARTS | 22.29 | |
| | | | | 038093 | 07/21/06 | REPAIR PARTS | 19.55 | |
| | | | | 037191 | 07/14/06 | REPAIR PARTS | 16.65 | |
| | | | | 037553 | 07/18/06 | REPAIR PARTS | 12.91 | |
| | | | | 036621 | 07/10/06 | REPAIR PARTS | 11.44 | |
| | | | | 037401 | 07/17/06 | REPAIR PARTS | 10.76 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|---|---------|----------|--------------------|-------------|-------------|
| | | | | 038071 | 07/21/06 | REPAIR PARTS | 10.76 | |
| | | | | 036791 | 07/11/06 | REPAIR PARTS | 9.83 | |
| | | | | 038540 | 07/26/06 | REPAIR PARTS | 8.62 | |
| | | | | 036646 | 07/10/06 | REPAIR PARTS | 7.75 | |
| | | | | 037536 | 07/18/06 | REPAIR PARTS | 7.29 | |
| | | | | 037463 | 07/17/06 | REPAIR PARTS | 6.47 | |
| | | | | 037017 | 07/13/06 | REPAIR PARTS | 6.34 | |
| | | | | 038314 | 07/24/06 | REPAIR PARTS | 5.73 | |
| | | | | 038217 | 07/24/06 | REPAIR PARTS | 5.22 | |
| | | | | 039959 | 08/07/06 | REPAIR PARTS | 2.50 | |
| | | | | 038349 | 07/25/06 | REPAIR PARTS | 1.79 | 1,731.35 |
| 2002289 | 08/23/06 | 04676 | NAPA AUTO PARTS | 039540 | 08/02/06 | REPAIR PARTS | 94.79 | |
| | | | | 039357 | 08/01/06 | REPAIR PARTS | 49.42 | |
| | | | | 039676 | 08/03/06 | REPAIR PARTS | 40.93 | |
| | | | | 039677 | 08/03/06 | REPAIR PARTS | 25.60 | |
| | | | | 039681 | 08/03/06 | REPAIR PARTS | 21.51 | |
| | | | | 038816 | 07/28/06 | REPAIR PARTS | 19.03 | |
| | | | | 039648 | 08/03/06 | REPAIR PARTS | 16.03 | |
| | | | | 038814 | 07/28/06 | REPAIR PARTS | 12.71 | |
| | | | | 039192 | 07/31/06 | CREDIT MEMO | (7.29) | |
| | | | | 039189 | 07/31/06 | CREDIT MEMO | (19.03) | |
| | | | | 039190 | 07/31/06 | CREDIT MEMO | (22.29) | |
| | | | | 039188 | 07/31/06 | CREDIT MEMO | (36.24) | |
| | | | | 039191 | 07/31/06 | CREDIT MEMO | (70.06) | 125.11 |
| 2002369 | 08/30/06 | 04676 | NAPA AUTO PARTS | 040634 | 08/10/06 | REPAIR PARTS | 98.75 | |
| | | | | 040175 | 08/08/06 | REPAIR PART | 90.32 | |
| | | | | 040635 | 08/10/06 | REPAIR PART | 88.34 | |
| | | | | 039754 | 08/04/06 | REPAIR PARTS | 83.76 | |
| | | | | 040603 | 08/10/06 | REPAIR PART | 67.20 | |
| | | | | 040151 | 08/08/06 | REPAIR PART | 59.64 | |
| | | | | 040286 | 08/08/06 | REPAIR PART | 45.14 | |
| | | | | 040287 | 08/08/06 | REPAIR PART | 45.14 | |
| | | | | 040078 | 08/07/06 | REPAIR PART | 38.52 | |
| | | | | 040436 | 08/09/06 | REPAIR PART | 34.90 | |
| | | | | 039705 | 08/04/06 | REPAIR PARTS | 14.63 | |
| | | | | 040400 | 08/09/06 | REPAIR PART | 14.10 | |
| | | | | 040360 | 08/09/06 | REPAIR PARTS | 11.74 | |
| | | | | 040319 | 08/08/06 | REPAIR PARTS | 6.47 | |
| | | | | 040352 | 08/09/06 | REPAIR PARTS | 4.15 | |
| | | | | 040020 | 08/07/06 | REPAIR PARTS | 3.22 | 706.02 |
| 2002043 | 08/09/06 | 03523 | NATIONAL DEFERRED COMPENSATION Ben2366384 | | 08/08/06 | DEFERRED COMP PLAN | 10,967.43 | 10,967.43 |
| 2002213 | 08/23/06 | 03523 | NATIONAL DEFERRED COMPENSATION Ben2366891 | | 08/22/06 | DEFERRED COMP PLAN | 11,007.42 | 11,007.42 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|---------------|----------|---------------------------|-------------|-------------|
| 2001980 | 08/02/06 | 00739 | NATIONAL LEAK TEST CENTER | 33413 | 11/16/05 | LEAK TEST SERVICES | 50.00 | 50.00 |
| 2002102 | 08/09/06 | 03733 | NEC UNIFIED SOLUTIONS INC | VAG10211624 | 05/09/06 | LABOR FOR PHONES SVCS | 1,938.00 | 1,938.00 |
| 2002183 | 08/16/06 | 03733 | NEC UNIFIED SOLUTIONS INC | VSH10220787 | 07/25/06 | LABOR FOR PHONES SVCS | 437.50 | 437.50 |
| 2002290 | 08/23/06 | 03733 | NEC UNIFIED SOLUTIONS INC | VSH10221171 | 07/29/06 | LABOR FOR PHONES SVCS | 169.50 | 169.50 |
| 2002291 | 08/23/06 | 05502 | NEC UNIFIED SOLUTIONS INC | PRJ22421 | 08/02/06 | TELECOM UPGRADE AND IVR | 11,666.67 | 11,666.67 |
| 2002103 | 08/09/06 | 03487 | NETWORK INSIGHT | NISD200601866 | 07/19/06 | CISCO SMARTNET | 7,707.07 | 7,707.07 |
| 2002292 | 08/23/06 | 03487 | NETWORK INSIGHT | NISD200601877 | 08/01/06 | STAFF SUPPORT | 4,840.00 | 4,840.00 |
| 2002370 | 08/30/06 | 03467 | NIAGARA CONSERVATION CORP | INV1001407 | 08/04/06 | DYE TABLETS | 403.74 | 403.74 |
| 2001981 | 08/02/06 | 06223 | NICOLA WALKER | Ref002366105 | 07/28/06 | UB Refund Cst #0000076004 | 52.33 | 52.33 |
| 2001982 | 08/02/06 | 03517 | NOBEL SYSTEMS | 9271 | 05/31/06 | GIS CONSULTING SVCS | 1,000.00 | 1,000.00 |
| 2001983 | 08/02/06 | 06229 | NOE MAURICIO SALAS GONZALEZ | Ref002366111 | 07/28/06 | UB Refund Cst #0000080639 | 38.68 | 38.68 |
| 2002293 | 08/23/06 | 02669 | NORTHERN TOOL & EQUIPMENT CO | 14466006 | 08/03/06 | TOOLS | 2,144.31 | 2,144.31 |
| 2002371 | 08/30/06 | 02669 | NORTHERN TOOL & EQUIPMENT CO | 14488174 | 08/07/06 | TOOLS | 2,053.88 | 2,053.88 |
| 2001984 | 08/02/06 | 00510 | OFFICE DEPOT INC | 344254200001 | 07/12/06 | OFFICE SUPPLIES | 273.06 | |
| | | | | 344041577002 | 07/12/06 | OFFICE SUPPLIES | 11.57 | |
| | | | | 343908836001 | 07/12/06 | OFFICE SUPPLIES | 12.59 | 297.22 |
| 2002104 | 08/09/06 | 00510 | OFFICE DEPOT INC | 344041577001 | 07/19/06 | OFFICE SUPPLIES | 932.50 | |
| | | | | 344751024001 | 07/19/06 | OFFICE SUPPLIES | 105.42 | |
| | | | | 344442003001 | 07/12/06 | OFFICE SUPPLIES | 94.07 | |
| | | | | 344751024002 | 07/19/06 | OFFICE SUPPLIES | 26.36 | |
| | | | | 344752696001 | 07/19/06 | OFFICE SUPPLIES | 16.25 | |
| | | | | 344795817001 | 07/19/06 | OFFICE SUPPLIES | 7.55 | 1,182.15 |
| 2002184 | 08/16/06 | 00510 | OFFICE DEPOT INC | 344584088001 | 07/26/06 | OFFICE SUPPLIES | 98.65 | |
| | | | | 345658850001 | 07/26/06 | OFFICE SUPPLIES | 90.11 | |
| | | | | 344445398001 | 07/26/06 | OFFICE SUPPLIES | 79.36 | |
| | | | | 346038243001 | 07/26/06 | OFFICE SUPPLIES | 61.08 | |
| | | | | 345388243001 | 07/26/06 | OFFICE SUPPLY | 53.86 | |
| | | | | 345238765001 | 07/26/06 | OFFICE SUPPLIES | 28.98 | |
| | | | | 344585021001 | 07/26/06 | OFFICE SUPPLIES | 18.41 | 430.45 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|-----------------------------|--------------|----------|--|-------------|-------------|
| 2002294 | 08/23/06 | 00510 | OFFICE DEPOT INC | 347234204001 | 08/02/06 | OFFICE SUPPLIES | 239.37 | |
| | | | | 347048663001 | 08/02/06 | OFFICE SUPPLIES | 170.58 | |
| | | | | 346247239001 | 08/02/06 | OFFICE SUPPLIES | 82.39 | |
| | | | | 347047116001 | 08/02/06 | OFFICE SUPPLY | 9.69 | |
| | | | | 347302088001 | 08/02/06 | CREDIT MEMO | (9.69) | |
| 2002372 | 08/30/06 | 00510 | OFFICE DEPOT INC | 347418965001 | 08/09/06 | OFFICE SUPPLIES | 178.11 | |
| | | | | 347288063001 | 08/09/06 | OFFICE SUPPLIES | 143.24 | |
| | | | | 347414737001 | 08/09/06 | OFFICE SUPPLIES | 82.87 | |
| | | | | 347485221001 | 08/09/06 | OFFICE SUPPLIES | 26.16 | |
| | | | | 347302089001 | 08/09/06 | OFFICE SUPPLY | 9.69 | |
| | | | | 348114158001 | 08/09/06 | OFFICE SUPPLIES | 7.55 | |
| 2001985 | 08/02/06 | 01837 | OFFICE TEAM | 16300562 | 07/25/06 | TEMPORARY SERVICES DEV. SVC. CHIEF | 959.68 | 959.68 |
| 2002105 | 08/09/06 | 01837 | OFFICE TEAM | 16350441 | 07/24/06 | TEMPORARY SERVICES ENG. | 1,154.62 | |
| | | | | 16368123 | 07/24/06 | TEMPORARY SERVICES METER SHOP | 750.82 | |
| | | | | 16300561 | 07/17/06 | TEMPORARY SERVICES METER SHOP | 605.50 | |
| 2002295 | 08/23/06 | 01837 | OFFICE TEAM | 16453372 | 08/07/06 | TEMPORARY SERVICES - ENGG DEPT | 1,094.64 | |
| | | | | 16503760 | 08/14/06 | TEMPORARY SERVICES - ENGG DEPT | 914.70 | |
| | | | | 16401757 | 07/31/06 | TEMPORARY SERVICES - METER DEPT | 750.82 | |
| | | | | 16417596 | 07/31/06 | TEMPORARY SERVICES - ENGG DEPT | 539.82 | |
| 2002373 | 08/30/06 | 01837 | OFFICE TEAM | 16519439 | 08/14/06 | TEMPORARY SERVICES - METER DEPT | 678.16 | 678.16 |
| 2001986 | 08/02/06 | 03149 | ON SITE LASER | 37580 | 07/12/06 | REPAIR SERVICE | 365.31 | 365.31 |
| 2002296 | 08/23/06 | 03149 | ON SITE LASER | 37649 | 07/24/06 | REPAIR SERVICE | 125.03 | 125.03 |
| 2002374 | 08/30/06 | 03149 | ON SITE LASER | 37746 | 08/10/06 | REPAIR SERVICE | 69.00 | 69.00 |
| 2001987 | 08/02/06 | 02721 | ORTIZ CORPORATION | 14 | 07/12/06 | 30" PIPELINE & 450-1 RESERVOIR | 812,675.75 | 812,675.75 |
| 2002297 | 08/23/06 | 02721 | ORTIZ CORPORATION | 1 | 07/28/06 | 30" PIPELINE PROJECT | 452,534.85 | 452,534.85 |
| 2002375 | 08/30/06 | 02721 | ORTIZ CORPORATION | 15 | 08/09/06 | 30" RECYCLED PIPELINE& 450-1 RESERVOIR | 628,402.96 | 628,402.96 |
| 2002044 | 08/09/06 | 03101 | OTAY WATER DISTRICT | Ben2366386 | 08/08/06 | PAYROLL DEDUCTION - ASSN DUES | 826.00 | 826.00 |
| 2002214 | 08/23/06 | 03101 | OTAY WATER DISTRICT | Ben2366885 | 08/22/06 | PAYROLL DEDUCTION - ASSN DUES | 826.00 | 826.00 |
| 2001988 | 08/02/06 | 06179 | PAC COAST COMMUNITIES | Ref002366061 | 07/28/06 | UB Refund Cst #0000042575 | 729.24 | 729.24 |
| 2002106 | 08/09/06 | 04463 | PACIFIC GREEN LANDSCAPE INC | 0040161IN | 07/15/06 | LANDSCAPING SERVICES | 7,850.00 | 7,850.00 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------|--------------|----------|----------------------------|-------------|-------------|
| 2002185 | 08/16/06 | 03017 | PACIFIC SAFETY COUNCIL | 62778 | 07/25/06 | SAFETY TRAINING | 95.00 | 95.00 |
| 2001989 | 08/02/06 | 06176 | PAMELA CONNER | Ref002366058 | 07/28/06 | UB Refund Cst #0000031008 | 16.33 | 16.33 |
| 2001990 | 08/02/06 | 06211 | PATTY ROSALES | Ref002366093 | 07/28/06 | UB Refund Cst #0000073446 | 78.70 | 78.70 |
| 2002298 | 08/23/06 | 05497 | PAYPAL INC | 2236680 | 07/31/06 | ON-LINE PAYMENT SERVICES | 295.30 | 295.30 |
| 2002299 | 08/23/06 | 00227 | PELL MELL SUPPLY | 43089000 | 08/02/06 | WAREHOUSE SUPPLIES | 581.38 | 581.38 |
| 2002107 | 08/09/06 | 03790 | PENHALL COMPANY | 2949 | 07/20/06 | FLAT SAW CUTTING SERVICES | 787.50 | 1,000.00 |
| | | | | 2950 | 07/20/06 | FLAT SAW CUTTING SERVICES | 212.50 | |
| 2002186 | 08/16/06 | 03790 | PENHALL COMPANY | 3024 | 07/27/06 | FLAT SAW CUTTING SERVICES | 592.50 | 1,093.75 |
| | | | | 2890 | 07/12/06 | FLAT SAW CUTTING SERVICES | 316.25 | |
| | | | | 2951 | 07/20/06 | FLAT SAW CUTTING SERVICES | 185.00 | |
| 2002300 | 08/23/06 | 03790 | PENHALL COMPANY | 3054 | 07/28/06 | FLAT SAW CUTTING SERVICES | 410.00 | 595.00 |
| | | | | 3161 | 07/28/06 | FLAT SAW CUTTING SERVICES | 185.00 | |
| 2002376 | 08/30/06 | 03790 | PENHALL COMPANY | 3228 | 08/09/06 | FLAT SAW CUTTING SERVICES | 278.75 | 648.75 |
| | | | | 3227 | 08/09/06 | FLAT SAW CUTTING SERVICES | 185.00 | |
| | | | | 3187 | 08/08/06 | FLAT SAW CUTTING SERVICES | 185.00 | |
| 2002187 | 08/16/06 | 00593 | PEPPER OIL COMPANY INC | 598530 | 07/18/06 | UNLEADED FUEL | 15,771.94 | 42,367.82 |
| | | | | 598867 | 08/07/06 | DIESEL FUEL | 15,293.67 | |
| | | | | 598631 | 07/25/06 | DIESEL FUEL | 5,756.86 | |
| | | | | 598569 | 07/21/06 | DIESEL FUEL | 5,545.35 | |
| 2002377 | 08/30/06 | 00593 | PEPPER OIL COMPANY INC | 598777 | 08/01/06 | FUEL | 5,601.28 | 5,601.28 |
| 2002378 | 08/30/06 | 03180 | PERFORMANCE METER INC | 0011205IN | 08/09/06 | TEMP CONSTRUCTION METERS | 3,636.57 | 3,636.57 |
| 2002045 | 08/09/06 | 00137 | PETTY CASH CUSTODIAN | 015192 | 08/08/06 | PETTY CASH - REIMBURSEMENT | 1,175.47 | 1,175.47 |
| 2002301 | 08/23/06 | 00137 | PETTY CASH CUSTODIAN | 015224 | 08/22/06 | PETTY CASH REIMBURSEMENT | 1,089.56 | 1,089.56 |
| 2002302 | 08/23/06 | 01744 | PHILLIPS, MICHAEL B | 015225 | 08/22/06 | REIMBURSEMENT | 90.00 | 90.00 |
| 2002303 | 08/23/06 | 02786 | PIONEER AMERICAS LLC | 5538736154 | 07/19/06 | CHLORINE | 1,923.91 | 1,923.91 |
| 2002379 | 08/30/06 | 02786 | PIONEER AMERICAS LLC | 5538741107 | 08/09/06 | CHLORINE | 1,923.91 | 1,923.91 |
| 2001991 | 08/02/06 | 03253 | PIPEHORN | 34347B | 07/07/06 | EQUIPMENT | 308.00 | 308.00 |
| 2001992 | 08/02/06 | 05499 | PRAXAIR DISTRIBUTION INC | 632004 | 07/07/06 | WELDING SUPPLIES | 196.51 | 196.51 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|-----------------------------|---------------------------------|----------------------|---------------------------------------|------------------|-------------|
| 2002108 | 08/09/06 | 05499 | PRAXAIR DISTRIBUTION INC | 717375 | 07/20/06 | WELDING SUPPLIES & EQUIPMENT | 365.50 | 365.50 |
| 2002188 | 08/16/06 | 05499 | PRAXAIR DISTRIBUTION INC | 786299 | 07/26/06 | WELDING SUPPLY | 10,763.15 | 10,763.15 |
| 2002380 | 08/30/06 | 05499 | PRAXAIR DISTRIBUTION INC | 632043 881561 | 08/06/06 08/07/06 | WELDING SUPPLIES WELDING SUPPLIES | 192.02 171.41 | 363.43 |
| 2001993 | 08/02/06 | 00078 | PUBLIC EMPLOYEES RETIREMENT | Ben2365906 | 07/25/06 | PERS CONTRIBUTION | 111,189.15 | 111,189.15 |
| 2002189 | 08/16/06 | 00078 | PUBLIC EMPLOYEES RETIREMENT | Ben2366380 | 08/08/06 | PERS CONTRIBUTION | 111,181.57 | 111,181.57 |
| 2002381 | 08/30/06 | 00078 | PUBLIC EMPLOYEES RETIREMENT | Ben2366887 | 08/22/06 | PERS CONTRIBUTION | 111,483.85 | 111,483.85 |
| 2001994 | 08/02/06 | 01342 | R J SAFETY SUPPLY CO INC | 22635000 22504800 | 07/12/06 06/06/06 | WAREHOUSE SUPPLIES SAFETY SUPPLIES | 383.81 242.79 | 626.60 |
| 2002109 | 08/09/06 | 01342 | R J SAFETY SUPPLY CO INC | 22635001 | 07/19/06 | WAREHOUSE SUPPLIES | 115.24 | 115.24 |
| 2001995 | 08/02/06 | 06254 | RANCHO COASTAL LLC | Ref002366136 | 07/28/06 | UB Refund Cst #0000086538 | 850.00 | 850.00 |
| 2002190 | 08/16/06 | 00766 | RANROY PRINTING COMPANY | 085405 | 07/21/06 | PRINTING SERVICE | 665.90 | 665.90 |
| 2001996 | 08/02/06 | 06238 | RAQUEL HERNANDEZ | Ref002366120 | 07/28/06 | UB Refund Cst #0000082267 | 49.80 | 49.80 |
| 2002191 | 08/16/06 | 03669 | RCL & ASSOCIATES INC | 00006803 | 07/26/06 | SOOTFILTER & MONITOR | 18,303.72 | 18,303.72 |
| 2002110 | 08/09/06 | 00021 | RCP BLOCK & BRICK INC | 4304998 | 07/06/06 | CONCRETE | 759.64 | 759.64 |
| 2002192 | 08/16/06 | 00021 | RCP BLOCK & BRICK INC | 4305805 | 07/27/06 | CONCRETE | 835.60 | 835.60 |
| 2002304 | 08/23/06 | 00021 | RCP BLOCK & BRICK INC | 4306110 | 08/03/06 | CONCRETE | 683.67 | 683.67 |
| 2002111 | 08/09/06 | 01916 | RED WING SHOE STORE | 82900000004881 8290000000488 | 07/17/06 07/17/06 | SAFETY BOOTS SAFETY BOOTS | 150.00 150.00 | 300.00 |
| 2002193 | 08/16/06 | 01916 | RED WING SHOE STORE | 8290000000509 | 08/11/06 | SAFETY BOOTS | 138.01 | 138.01 |
| 2001997 | 08/02/06 | 06181 | RICK LANDESMAN | Ref002366063 | 07/28/06 | UB Refund Cst #0000045737 | 24.81 | 24.81 |
| 2001998 | 08/02/06 | 06177 | RITA C CURRY | Ref002366059 | 07/28/06 | UB Refund Cst #0000038208 | 42.22 | 42.22 |
| 2002382 | 08/30/06 | 04542 | ROBAK, MARK | 70140706 | 07/31/06 | REIMBURSE MILEAGE EXPENSE | 46.28 | 46.28 |
| 2001999 | 08/02/06 | 06201 | ROBBI WEISMAN | Ref002366083 | 07/28/06 | UB Refund Cst #0000069546 | 43.79 | 43.79 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--------------|----------|---------------------------------------|-------------|-------------|
| 2002000 | 08/02/06 | 01471 | ROBBINS AUTO GLASS | wo38958 | 07/13/06 | WINDSHIELD REPAIRED | 241.51 | 241.51 |
| 2002001 | 08/02/06 | 06174 | ROBERT F PHELPS | Ref002366056 | 07/28/06 | UB Refund Cst #0000026537 | 38.03 | 38.03 |
| 2002002 | 08/02/06 | 06204 | ROBERT JOHNSON | Ref002366086 | 07/28/06 | UB Refund Cst #0000070688 | 47.64 | 47.64 |
| 2002003 | 08/02/06 | 02948 | ROCKHURST UNIVERSITY | 400725165001 | 07/27/06 | SEMINAR REGISTRATION | 119.40 | 119.40 |
| 2002112 | 08/09/06 | 02948 | ROCKHURST UNIVERSITY | 400726072001 | 07/31/06 | SEMINAR REGISTRATIONS | 214.80 | |
| | | | | 400726081001 | 07/31/06 | SEMINAR REGISTRATIONS | 214.80 | |
| | | | | 400726089001 | 07/31/06 | SEMINAR REGISTRATIONS | 136.80 | 566.40 |
| 2002004 | 08/02/06 | 06185 | ROMEO BAQUIRAN | Ref002366067 | 07/28/06 | UB Refund Cst #0000054310 | 11.35 | 11.35 |
| 2002005 | 08/02/06 | 06178 | ROMEO DEGUZMAN | Ref002366060 | 07/28/06 | UB Refund Cst #0000042233 | 46.01 | 46.01 |
| 2002006 | 08/02/06 | 06249 | RUDOLPH & SLETTEN | Ref002366131 | 07/28/06 | UB Refund Cst #0000085644 | 718.61 | 718.61 |
| 2002194 | 08/16/06 | 00217 | RW LITTLE CO INC | 78428 | 07/21/06 | POWDER COATING SERVICES | 225.00 | |
| | | | | 78518 | 07/26/06 | POWDER COATING SERVICES | 200.00 | 425.00 |
| 2002305 | 08/23/06 | 00217 | RW LITTLE CO INC | 78283 | 07/12/06 | SAND BLAST AND POWDER COAT | 200.00 | 200.00 |
| 2002007 | 08/02/06 | 05130 | SAFARI MICRO INC | 148863 | 07/12/06 | ANNUAL SUBSCRIPTION MICROSOFT TECHNET | 418.35 | 418.35 |
| 2002113 | 08/09/06 | 03803 | SAN DIEGO CLIPPING SERVICE INC | 439060702 | 07/02/06 | NEWSPAPER CLIPPING SERVICE | 97.00 | 97.00 |
| 2002306 | 08/23/06 | 03803 | SAN DIEGO CLIPPING SERVICE INC | 439060801 | 08/01/06 | NEWSPAPER CLIPPING SERVICE | 91.00 | 91.00 |
| 2002008 | 08/02/06 | 00247 | SAN DIEGO DAILY TRANSCRIPT | 015177 | 08/02/06 | SD COUNTY ATTORNEY DIRECTORY | 24.40 | 24.40 |
| 2002383 | 08/30/06 | 00247 | SAN DIEGO DAILY TRANSCRIPT | 20172 | 08/23/06 | PROFESSIONAL CONSULTANT SVC AD | 275.20 | |
| | | | | 20397 | 08/25/06 | CONCRETE PAVING SERVICE BID | 116.00 | 391.20 |
| 2002009 | 08/02/06 | 00257 | SAN DIEGO GALVANIZING INC | 87134 | 07/10/06 | METAL | 137.70 | 137.70 |
| 2002010 | 08/02/06 | 00121 | SAN DIEGO GAS & ELECTRIC | 015169 | 07/25/06 | UTILITY EXPENSES | 112,409.26 | 112,409.26 |
| 2002114 | 08/09/06 | 00121 | SAN DIEGO GAS & ELECTRIC | 015184 | 07/31/06 | UTILITY EXPENSES | 141,335.60 | 141,335.60 |
| 2002307 | 08/23/06 | 00121 | SAN DIEGO GAS & ELECTRIC | 015217 | 08/01/06 | UTILITY EXPENSES | 18,357.57 | |
| | | | | 015221 | 08/17/06 | UTILITY EXPENSES | 3,414.14 | 21,771.71 |
| 2002384 | 08/30/06 | 00121 | SAN DIEGO GAS & ELECTRIC | 015231 | 08/24/06 | UTILITY EXPENSES | 96,392.00 | |
| | | | | 015232 | 08/23/06 | UTILITY EXPENSES | 16,263.79 | |
| | | | | 015236 | 08/30/06 | UTILITY EXPENSES | 4,820.86 | 117,476.65 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|--------------|----------|---------------------------|-------------|-------------|
| 2002115 | 08/09/06 | 03809 | SAN DIEGO NEIGHBORHOOD NEWS | 01518674001 | 07/14/06 | JOB POSTING | 109.20 | 109.20 |
| 2002011 | 08/02/06 | 04345 | SAN DIEGO PRECAST CONCRETE INC | 0116753IN | 07/12/06 | INVENTORY STOCK | 6,596.56 | 6,596.56 |
| 2002012 | 08/02/06 | 03273 | SAN DIEGO READER | 145 | 07/12/06 | JOB POSTING | 86.85 | 86.85 |
| 2002385 | 08/30/06 | 06280 | SANCHEZ, OMAR | 692471020 | 08/21/06 | REIMBURSEMENT | 9.71 | 9.71 |
| 2002013 | 08/02/06 | 06208 | SANDRA CAVAN | Ref002366090 | 07/28/06 | UB Refund Cst #0000072355 | 61.30 | 61.30 |
| 2002116 | 08/09/06 | 03514 | SANTOS, MARCIANO | 015190 | 08/08/06 | TUITION REIMBURSEMENT | 284.00 | 284.00 |
| 2002386 | 08/30/06 | 03534 | SBC LONG DISTANCE | 809377995 | 08/04/06 | LONG DISTANCE EXPENSES | 104.32 | 104.32 |
| 2002014 | 08/02/06 | 06215 | SHARON DAVIDSON | Ref002366097 | 07/28/06 | UB Refund Cst #0000074891 | 46.46 | 46.46 |
| 2002117 | 08/09/06 | 01651 | SHARP REES-STEALY MEDICAL CTRS | 178B | 07/15/06 | HEALTH EXAM | 576.00 | |
| | | | | 178I | 07/15/06 | HEALTH EXAM | 292.00 | |
| | | | | 178 | 07/15/06 | HEALTH EXAM | 292.00 | |
| | | | | 178G | 07/15/06 | HEALTH EXAM | 247.00 | |
| | | | | 178H | 07/15/06 | HEALTH EXAM | 247.00 | |
| | | | | 178A | 07/15/06 | HEALTH EXAM | 198.00 | |
| | | | | 178C | 07/15/06 | HEALTH EXAM | 88.00 | |
| | | | | 178D | 07/15/06 | HEALTH EXAM | 88.00 | |
| | | | | 178E | 07/15/06 | HEALTH EXAM | 88.00 | |
| | | | | 178F | 07/15/06 | HEALTH EXAM | 88.00 | |
| | | | | 178J | 07/15/06 | HEALTH EXAM | 88.00 | 2,292.00 |
| 2002046 | 08/09/06 | 05331 | SHARYL A RUBALCAVA | Ben2366390 | 08/08/06 | PAYROLL DEDUCTION | 237.69 | 237.69 |
| 2002215 | 08/23/06 | 05331 | SHARYL A RUBALCAVA | Ben2366897 | 08/22/06 | PAYROLL DEDUCTION | 237.69 | 237.69 |
| 2002047 | 08/09/06 | 02718 | SHERIDA RICHARDSON | Ben2366396 | 08/08/06 | PAYROLL DEDUCTION | 139.84 | 139.84 |
| 2002216 | 08/23/06 | 02718 | SHERIDA RICHARDSON | Ben2366903 | 08/22/06 | PAYROLL DEDUCTION | 139.84 | 139.84 |
| 2002195 | 08/16/06 | 05983 | SIEMENS WATER | 1857854 | 07/26/06 | DEIONIZED PROCESSING TANK | 83.26 | 83.26 |
| 2002308 | 08/23/06 | 05983 | SIEMENS WATER | 1861496 | 07/28/06 | PARTS | 1,763.94 | 1,763.94 |
| 2002015 | 08/02/06 | 05627 | SIGNA DIGITAL SOLUTIONS INC | AR45612 | 12/05/06 | COPIER SERVICE | 95.82 | 95.82 |
| 2002118 | 08/09/06 | 05627 | SIGNA DIGITAL SOLUTIONS INC | ARS02981 | 07/18/06 | COPIER SERVICE | 454.88 | |
| | | | | ARS02958 | 07/17/06 | COPIER SERVICE | 101.00 | |
| | | | | ARS02961 | 07/17/06 | COPIER SERVICE | 101.00 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|--------------------------------|-----------|----------|-------------------------------|-------------|-------------|
| | | | | ARS02982 | 07/18/06 | COPIER SERVICE | 100.00 | |
| | | | | ARS02959 | 07/17/06 | COPIER SERVICE | 24.00 | 780.88 |
| 2002196 | 08/16/06 | 05627 | SIGNA DIGITAL SOLUTIONS INC | AR45611 | 12/05/06 | COPIER MAINTENANCE | 24.00 | 24.00 |
| 2002309 | 08/23/06 | 05627 | SIGNA DIGITAL SOLUTIONS INC | ARS03257 | 08/02/06 | COPIER MAINT SERVICE | 454.88 | |
| | | | | ARS03238 | 08/01/06 | COPIER MAINT SERVICE | 101.00 | |
| | | | | ARS03227 | 08/01/06 | COPIER MAINT SERVICE | 101.00 | |
| | | | | ARS03228 | 08/01/06 | COPIER MAINT SERVICE | 100.00 | |
| | | | | ARS03258 | 08/02/06 | COPIER SERVICE | 24.00 | 780.88 |
| 2002119 | 08/09/06 | 00258 | SLOAN ELECTRIC CO | 0050262 | 07/17/06 | MOBILE POLYREX EM GREASE | 164.76 | 164.76 |
| 2002310 | 08/23/06 | 00258 | SLOAN ELECTRIC CO | 0050347 | 07/31/06 | ELECTRICAL TESTING SERVICES | 600.00 | 600.00 |
| 2002387 | 08/30/06 | 00258 | SLOAN ELECTRIC CO | 0050387 | 08/04/06 | REPAIR PARTS | 990.22 | 990.22 |
| 2002016 | 08/02/06 | 03103 | SOUTHCOAST HEATING & | C29827 | 07/11/06 | AIR CONDITIONING MAINTENANCE | 857.00 | 857.00 |
| 2002017 | 08/02/06 | 03760 | SPANKY'S PORTABLE SERVICES INC | 524115 | 06/21/06 | PORTABLE TOILET RENTAL | 55.12 | 55.12 |
| 2002120 | 08/09/06 | 03760 | SPANKY'S PORTABLE SERVICES INC | 529785 | 07/20/06 | PORTABLE TOILET RENTAL | 84.13 | |
| | | | | 529622 | 07/19/06 | PORTABLE TOILET RENTAL | 55.64 | 139.77 |
| 2002197 | 08/16/06 | 03760 | SPANKY'S PORTABLE SERVICES INC | 527425 | 07/10/06 | PORTABLE TOILET RENTAL | 134.03 | |
| | | | | 527234 | 07/07/06 | PORTABLE TOILET RENTAL | 68.62 | |
| | | | | 527233 | 07/07/06 | PORTABLE TOILET RENTAL | 67.02 | |
| | | | | 527235 | 07/07/06 | PORTABLE TOILET RENTAL | 67.02 | |
| | | | | 527236 | 07/07/06 | PORTABLE TOILET RENTAL | 67.02 | 403.71 |
| 2002388 | 08/30/06 | 03760 | SPANKY'S PORTABLE SERVICES INC | 532511 | 08/04/06 | PORTABLE TOILET RENTAL | 68.62 | |
| | | | | 532510 | 08/04/06 | PORTABLE TOILET RENTAL | 67.02 | |
| | | | | 532513 | 08/04/06 | PORTABLE TOILET RENTAL | 67.02 | |
| | | | | 532512 | 08/04/06 | PORTABLE TOILET RENTAL | 67.02 | |
| | | | | 532693 | 08/07/06 | PORTABLE TOILET RENTAL | 67.02 | 336.70 |
| 2002018 | 08/02/06 | 03516 | SPECIAL DISTRICT RISK | 0016180IN | 07/01/06 | WORKER'S COMP PREMIUM 1ST QTR | 71,527.00 | |
| | | | | 015176 | 07/20/06 | PROPERTY & LIABILITY PREMIUM | 386,545.98 | 458,072.98 |
| 2002389 | 08/30/06 | 03600 | SPRINT | 015207 | 08/14/06 | WIRELESS CARDS SERVICE | 393.52 | 393.52 |
| 2002198 | 08/16/06 | 02354 | STANDARD ELECTRONICS | 8174 | 07/24/06 | SECURITY SYSTEM SERVICE | 212.50 | 212.50 |
| 2002311 | 08/23/06 | 02354 | STANDARD ELECTRONICS | 8187 | 07/31/06 | FOBS/CARDS | 1,293.00 | 1,293.00 |
| 2002390 | 08/30/06 | 02354 | STANDARD ELECTRONICS | 8229 | 08/04/06 | UPGRADE FOR SECURITY SYSTEM | 8,100.00 | |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|--------------|----------|--|--------------|--------------|
| | | | | 06528 | 03/17/06 | RETENTION PAYMENT | 4,702.75 | 12,802.75 |
| 2002048 | 08/09/06 | 02261 | STATE STREET BANK & TRUST CO | Ben2366382 | 08/08/06 | DEFERRED COMP PLAN | 2,864.23 | 2,864.23 |
| 2002217 | 08/23/06 | 02261 | STATE STREET BANK & TRUST CO | Ben2366889 | 08/22/06 | DEFERRED COMP PLAN | 2,664.23 | 2,664.23 |
| 2002019 | 08/02/06 | 06220 | STEVEN DUNDEE | Ref002366102 | 07/28/06 | UB Refund Cst #0000075542 | 8.44 | 8.44 |
| 2002199 | 08/16/06 | 00408 | SWEETWATER AUTHORITY | 015200 | 08/07/06 | TEMPO WTR SVC, ANIMAL SHELTER RELOCATI | 982.56 | 982.56 |
| 2002391 | 08/30/06 | 00408 | SWEETWATER AUTHORITY | 015229 | 08/22/06 | TEMPORARY WATER SERVICE | 451.23 | 451.23 |
| 2002312 | 08/23/06 | 01834 | T C CONSTRUCTION INC | 17248 | 07/31/06 | 450-1 RW RESERVOIR & 680-1 RW P. STATION | 1,511,035.56 | 1,511,035.56 |
| 2002020 | 08/02/06 | 06246 | TACHAYETTA JACKSON | Ref002366128 | 07/28/06 | UB Refund Cst #0000085061 | 6.54 | 6.54 |
| 2002021 | 08/02/06 | 02799 | TARULLI TIRE INC - SAN DIEGO | 20026361 | 07/13/06 | TIRE REPAIR SERVICES | 109.79 | |
| | | | | 20026324 | 07/10/06 | TIRE REPAIR SERVICES | 20.47 | 130.26 |
| 2002122 | 08/09/06 | 02799 | TARULLI TIRE INC - SAN DIEGO | 20026372 | 07/18/06 | TIRES | 167.63 | |
| | | | | 20026391 | 07/17/06 | TIRE REPAIR SERVICES | 62.00 | |
| | | | | 20026380 | 07/14/06 | TIRE REPAIR SERVICES | 44.00 | |
| | | | | 20026374 | 07/14/06 | TIRE REPAIR SERVICES | 32.00 | 305.63 |
| 2002314 | 08/23/06 | 02799 | TARULLI TIRE INC - SAN DIEGO | 20026530 | 07/28/06 | TIRE REPAIR SERVICES | 449.83 | |
| | | | | 20026529 | 07/28/06 | TIRE REPAIR SERVICES | 339.35 | |
| | | | | 20026587 | 08/02/06 | TIRE REPAIR SERVICES | 31.09 | |
| | | | | 20026550 | 07/31/06 | TIRE REPAIR SERVICES | 20.47 | 840.74 |
| 2002392 | 08/30/06 | 02799 | TARULLI TIRE INC - SAN DIEGO | 20025809 | 05/20/06 | TIRE REPAIR SERVICE | 251.06 | |
| | | | | 20026643 | 08/08/06 | TIRE REPAIR SERVICES | 206.23 | |
| | | | | 20025773 | 05/19/06 | TIRE REPAIR SERVICE | 157.84 | |
| | | | | 20026629 | 08/07/06 | TIRE REPAIR SERVICES | 74.03 | |
| | | | | 20026634 | 08/07/06 | TIRE REPAIR SERVICES | 20.31 | 709.47 |
| 2002022 | 08/02/06 | 06255 | TASHA QUINTERO | Ref002366137 | 07/28/06 | UB Refund Cst #0000086944 | 39.70 | 39.70 |
| 2002023 | 08/02/06 | 06192 | TC CONSTRUCTION CO | Ref002366074 | 07/28/06 | UB Refund Cst #0000062386 | 737.72 | 737.72 |
| 2002315 | 08/23/06 | 03770 | TEAMAN, RAMIREZ & SMITH INC | 206232581 | 08/03/06 | ACWA WORKERS COMP | 4,500.00 | 4,500.00 |
| 2002393 | 08/30/06 | 02376 | TECHKNOWSION INC | 1871 | 08/08/06 | SCADA INTEGRATION SERVICES | 1,700.00 | |
| | | | | 1869 | 08/08/06 | SCADA INTERGRATION SERVICES | 1,095.00 | |
| | | | | 1870 | 08/08/06 | MODEMS | 280.15 | 3,075.15 |
| 2002200 | 08/16/06 | 03374 | TEK-COLLECT INCORPORATED | 29423 | 05/22/06 | COLLECTION SERVICES | 7,000.00 | 7,000.00 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|-----------------|----------|-------------------------------------|-------------|-------------|
| 2002024 | 08/02/06 | 06241 | TERRALYNN CLAY | Ref002366123 | 07/28/06 | UB Refund Cst #0000083690 | 54.52 | 54.52 |
| 2002201 | 08/16/06 | 02498 | THOMPSON, CHAD | 277131 | 07/30/06 | SAFETY BOOTS REIMBURSEMENT | 129.75 | 129.75 |
| 2002121 | 08/09/06 | 04977 | T-MOBILE | 427208593060406 | 06/04/06 | CELL PHONE & BLACKBERRIES SERVICE | 168.73 | 314.34 |
| | | | | 427208593070506 | 07/04/06 | CELL PHONE & BLACKBERRIES SERVICE | 145.61 | |
| 2002313 | 08/23/06 | 04977 | T-MOBILE | 015210 | 08/04/06 | CELL PHONE & BLACKBERRIES SERVICE | 163.48 | 163.48 |
| 2002025 | 08/02/06 | 06230 | TONY MCCUNE | Ref002366112 | 07/28/06 | UB Refund Cst #0000080821 | 451.63 | 451.63 |
| 2002026 | 08/02/06 | 06190 | TRIMARK PACIFIC | Ref002366072 | 07/28/06 | UB Refund Cst #0000058646 | 944.46 | 944.46 |
| 2002123 | 08/09/06 | 05989 | TRIMBLE NAVIGATION LTD | 370236 | 07/18/06 | GPS MAPPING EQUIPMENT | 37,755.61 | 37,755.61 |
| 2002027 | 08/02/06 | 06194 | TUAN LE | Ref002366076 | 07/28/06 | UB Refund Cst #0000065585 | 86.26 | 86.26 |
| 2002028 | 08/02/06 | 06264 | TYLER TECHNOLOGIES | 015175 | 08/02/06 | CONFERENCE REGISTRATION | 520.00 | 520.00 |
| 2002316 | 08/23/06 | 00427 | UNDERGROUND SERVICE ALERT OF | 720060468 | 08/01/06 | UNDERGROUND TRENCH SERVICE ALERTS | 339.20 | 339.20 |
| 2002394 | 08/30/06 | 00340 | UNION BANK OF CALIFORNIA | 3 | 07/25/06 | 1993 REVENUE REFUNDING CERTIFICATE | 1,730.34 | 1,730.34 |
| 2002029 | 08/02/06 | 00075 | UNION TRIBUNE PUBLISHING CO | C60403389 | 04/30/06 | BID PUBLICATIONS | 452.60 | 3,232.36 |
| | | | | C060603346 | 06/30/06 | JOB POSTINGS | 2,779.76 | |
| 2002124 | 08/09/06 | 00075 | UNION TRIBUNE PUBLISHING CO | C060603347 | 06/30/06 | CONTINUATION OF AVAILABILITY NOTICE | 3,490.60 | 3,490.60 |
| 2002317 | 08/23/06 | 00075 | UNION TRIBUNE PUBLISHING CO | C060703306 | 07/31/06 | JOB POSTING | 2,220.10 | 2,220.10 |
| 2002125 | 08/09/06 | 02613 | UNITED RENTALS NORTHWEST INC | 57677148001 | 07/11/06 | CONCRETE | 99.13 | 99.13 |
| 2002318 | 08/23/06 | 02613 | UNITED RENTALS NORTHWEST INC | 58197766001 | 07/31/06 | LUMINAIR LIGHT ASSEMBLY | 6,326.25 | 6,326.25 |
| 2002049 | 08/09/06 | 05417 | UNITED STATES DEPARTMENT | Ben2366400 | 08/08/06 | PAYROLL DEDUCTION | 100.00 | 100.00 |
| 2002218 | 08/23/06 | 05417 | UNITED STATES DEPARTMENT | Ben2366907 | 08/22/06 | PAYROLL DEDUCTION | 100.00 | 100.00 |
| 2002030 | 08/02/06 | 00853 | UNIVAR USA INC | SD618098 | 07/12/06 | AMMONIA | 243.20 | 3,752.96 |
| | | | | SD618097 | 07/12/06 | AMMONIA | 1,735.36 | |
| | | | | SD618096 | 07/12/06 | AMMONIA | 1,254.99 | |
| | | | | SD618095 | 07/12/06 | AMMONIA | 519.41 | |
| 2002219 | 08/23/06 | 03212 | UNUM LIFE INSURANCE | Ben2366883 | 08/22/06 | LONG TERM DISABILITY | 6,016.46 | 6,016.46 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|------------------------------|--|--|--|---|-------------|
| 2002202 | 08/16/06 | 03711 | US FILTER/DAVIS PROCESS | 7816924 | 06/27/06 | BIOXIDE | 1,047.33 | 1,047.33 |
| 2002203 | 08/16/06 | 06268 | USC-FCCCHR | 015196 | 08/10/06 | MEMBERSHIP APPLICATION | 500.00 | 500.00 |
| 2002395 | 08/30/06 | 03190 | VALCO INSTRUMENTS CO INC | VICI504505 VICI504792 | 08/07/06 08/09/06 | PARTS ROTOR | 2,215.59 457.09 | 2,672.68 |
| 2002050 | 08/09/06 | 01095 | VANTAGEPOINT TRANSFER AGENTS | Ben2366378 | 08/08/06 | DEFERRED COMP PLAN | 15,119.39 | 15,119.39 |
| 2002220 | 08/23/06 | 01095 | VANTAGEPOINT TRANSFER AGENTS | Ben2366895 | 08/22/06 | DEFERRED COMP PLAN | 6,520.97 | 6,520.97 |
| 2002031 | 08/02/06 | 06212 | VERONICA DE SARACHO | Ref002366094 | 07/28/06 | UB Refund Cst #0000074371 | 6.48 | 6.48 |
| 2002319 | 08/23/06 | 01994 | VORTEX | 13231 | 08/02/06 | USED OIL FILTERS | 100.00 | 100.00 |
| 2002396 | 08/30/06 | 03335 | VORTEX INDUSTRIES INC | 112761071 | 08/07/06 | REPAIR SERVICE | 214.98 | 214.98 |
| 2002032 | 08/02/06 | 06167 | W L BAUGHMAN | Ref002366049 | 07/28/06 | UB Refund Cst #0000001288 | 187.98 | 187.98 |
| 2002033 | 08/02/06 | 00101 | W W GRAINGER INC | 9142077602 9140246876 9142570523 9141836818 9141460650 | 07/13/06 07/11/06 07/13/06 07/13/06 07/12/06 | PAINT WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES | 83.53 647.90 435.24 103.86 545.87 | 1,816.40 |
| 2002126 | 08/09/06 | 00101 | W W GRAINGER INC | 9147954151 9145844735 9146798591 9144278372 9146911004 | 07/20/06 07/18/06 07/19/06 07/17/06 07/19/06 | ANCHORS WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES CONDUIT FITTINGS WAREHOUSE SUPPLIES | 632.36 279.12 69.61 44.34 38.60 | 1,064.03 |
| 2002204 | 08/16/06 | 00101 | W W GRAINGER INC | 9152288628 9148187058 9150294289 9152374113 9150316017 9148187041 | 07/26/06 07/21/06 07/24/06 07/26/06 07/24/06 07/21/06 | WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES | 778.91 247.35 243.72 110.49 100.37 84.39 | 1,565.23 |
| 2002320 | 08/23/06 | 00101 | W W GRAINGER INC | 9156212921 9157372484 9156837354 | 08/01/06 08/02/06 08/02/06 | WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES | 834.09 738.71 80.42 | 1,653.22 |
| 2002397 | 08/30/06 | 00101 | W W GRAINGER INC | 9159293159 9162042254 | 08/04/06 08/08/06 | WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES | 301.59 287.16 | 588.75 |
| 2002321 | 08/23/06 | 06278 | WASHINGTON MARKET | 015226 | 08/23/06 | REPLACE PAYROLL CHECK | 984.87 | 984.87 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|---------|----------|--------|---------------------------|-------------------------------------|----------------------------------|--|------------------------------|-------------|
| 2002322 | 08/23/06 | 02700 | WATER CONSERVATION GARDEN | 010607 | 07/19/06 | OPERATING COSTS | 75,000.00 | 75,000.00 |
| 2002398 | 08/30/06 | 02700 | WATER CONSERVATION GARDEN | 010607 | 07/19/06 | OPERATING COSTS | 18,750.00 | 18,750.00 |
| 2002399 | 08/30/06 | 03506 | WAVE IMAGING CORPORATION | 05OWDE0919 06OWDE0331 | 10/19/05 03/31/06 | NETWORK CONFIGURATION NETWORK CONFIGURATION | 4,375.00 2,800.00 | 7,175.00 |
| 2002205 | 08/16/06 | 00014 | WAXIE SANITARY SUPPLY | 69563362 | 07/19/06 | JANITORIAL SUPPLIES | 2,125.45 | 2,125.45 |
| 2002034 | 08/02/06 | 01343 | WE GOT YA PEST CONTROL | 36165 35948 | 07/10/06 07/05/06 | BEE REMOVAL BEE REMOVAL | 115.00 115.00 | 230.00 |
| 2002206 | 08/16/06 | 01343 | WE GOT YA PEST CONTROL | 36577 36575 | 07/25/06 07/26/06 | PEST CONTROL SERVICE BEE REMOVAL | 250.00 115.00 | 365.00 |
| 2002400 | 08/30/06 | 01343 | WE GOT YA PEST CONTROL | 36206 34476 | 07/19/06 05/05/06 | BEE REMOVAL BEE REMOVAL | 115.00 115.00 | 230.00 |
| 2002127 | 08/09/06 | 00190 | WEST PAYMENT CENTER | 811789333 | 07/20/06 | LEGAL LIBRARY UPDATES | 267.26 | 267.26 |
| 2002401 | 08/30/06 | 00190 | WEST PAYMENT CENTER | 1000461957 | 08/20/06 | LEGAL LIBRARY UPDATES | 550.09 | 550.09 |
| 2002207 | 08/16/06 | 00125 | WESTERN PUMP | 2002830IN 0052630IN 0053064IN | 06/20/06 06/30/06 07/27/06 | SERVICE CALL FUEL PUMPS APCD TESTING LEAK SENSOR | 622.00 400.00 150.85 | 1,172.85 |
| 2002323 | 08/23/06 | 00125 | WESTERN PUMP | 0052725IN 2003380 2003356 | 07/12/06 07/31/06 07/31/06 | REPAIR SERVICE APCD TESTING APCD TESTING | 7,536.88 400.00 150.00 | 8,086.88 |
| 2002402 | 08/30/06 | 00125 | WESTERN PUMP | 0052532IN 0052566IN 2003496 | 06/29/06 06/30/06 08/10/06 | FUEL SERVICE FUEL SERVICE LABOR SERVICE | 120.50 99.25 93.75 | 313.50 |
| 2002324 | 08/23/06 | 03692 | WESTIN ENGINEERING INC | 10 | 07/17/06 | SCADA DOCUMENTATION PROJECT | 13,011.25 | 13,011.25 |
| 2002035 | 08/02/06 | 06170 | WILLIAM JORDAN | Ref002366052 | 07/28/06 | UB Refund Cst #0000013405 | 53.47 | 53.47 |
| 2002036 | 08/02/06 | 02725 | WILLIAMS SCOTSMAN | 64008554 | 07/12/06 | 28' TRAILER RENTAL | 287.53 | 287.53 |
| 2002128 | 08/09/06 | 02725 | WILLIAMS SCOTSMAN | 64161735 | 07/18/06 | MOBILE OFFICE RENTAL | 310.52 | 310.52 |
| 2002403 | 08/30/06 | 02725 | WILLIAMS SCOTSMAN | 64960465 | 08/08/06 | MOBILE OFFICE RENTAL | 310.52 | 310.52 |
| 2002037 | 08/02/06 | 03283 | WILSON BOHANNAN COMPANY | 0006619IN | 07/10/06 | SOLID BRASS PADLOCKS | 10,500.99 | 10,500.99 |

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2001876 THROUGH 2002403
RUN DATES 7/28/2006 TO 8/30/2006

| Check # | Date | Vendor | Vendor name | Invoice | Inv Date | Description | Amount Paid | Check Total |
|--------------------|----------|--------|------------------------|--------------|----------|---------------------------|---------------------|---------------------|
| 2002208 | 08/16/06 | 03468 | WILSON, PETTY, KOSMO & | 18927 | 07/31/06 | LEGAL SERVICES JULY 2006 | 151.00 | |
| | | | | 18833 | 06/30/06 | LEGAL SERVICES JUNE 2006 | 123.10 | 274.10 |
| 2002038 | 08/02/06 | 06196 | YEO CHANG YOON | Ref002366078 | 07/28/06 | UB Refund Cst #0000068314 | 86.63 | 86.63 |
| GRAND TOTAL | | | | | | | 6,518,567.05 | 6,518,567.05 |

POPULATION AND HOUSING ESTIMATES (2006)
Otay Water District



The following population and housing unit data are based on parcel-level housing counts from the San Diego County Assessor's Office, the U.S. Census Bureau, and SANDAG's Regional Information System.

POPULATION (2006)

| | Jan. 1, 2006 |
|---------------------------|----------------|
| Total Population | 189,623 |
| Household Population | 182,018 |
| Group Quarters Population | 7,605 |

HOUSING (2006)

| | Jan. 1, 2006 |
|----------------------|---------------|
| Housing Units | 60,021 |
| Single Family | 40,799 |
| Multiple Family | 17,994 |
| Mobile Home & Other | 1,228 |

It is not possible to reliably estimate detailed demographic characteristics for this area. The following information provides the characteristics of a larger geographic area that includes the study area. While not a precise representation of the study area, it does provide an indication of its general demographic and economic characteristics.

HOUSING TENURE (2006)

| | Jan. 1, 2006 |
|-------------------------------|---------------|
| Occupied Housing Units | 57,871 |
| Single Family | 69% |
| Multiple Family | 29% |
| Mobile Home & Other | 2% |
| Vacancy Rate | 3.6% |
| Persons per Household | 3.15 |

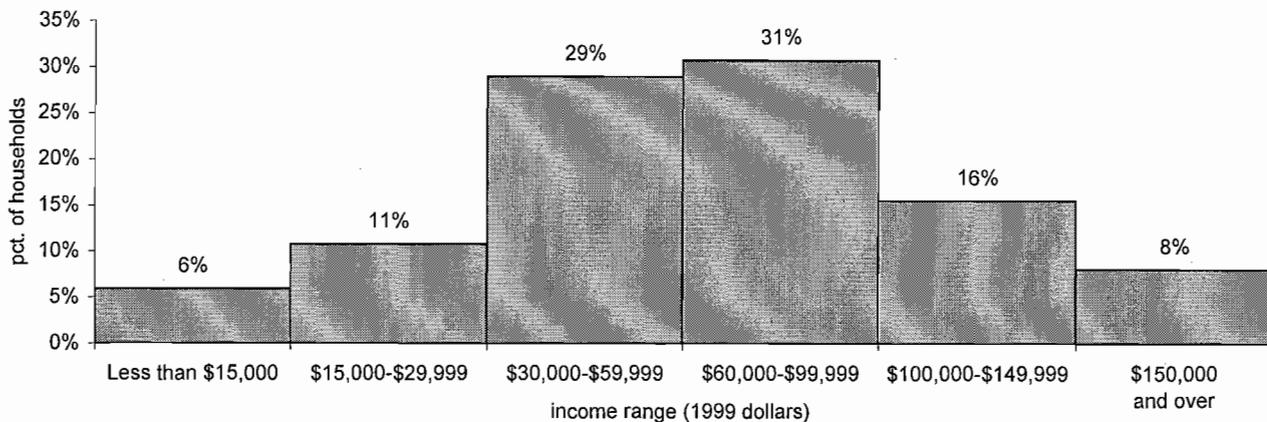
GENDER AND AGE (2006)

| | Male | Female |
|------------------|------|--------|
| 0 to 17 | 14% | 13% |
| 18 to 34 | 12% | 11% |
| 35 to 64 | 20% | 20% |
| 65 and older | 4% | 5% |
| Total Population | 51% | 49% |

RACE AND ETHNICITY (2006)

| | Percent |
|--------------------------|---------|
| Hispanic | 35% |
| Non-Hispanic | 65% |
| White | 41% |
| Black | 7% |
| American Indian | 0% |
| Asian & Pacific Islander | 13% |
| Other | 4% |

HOUSEHOLD INCOME DISTRIBUTION (real 1999 dollars, adjusted for inflation)



Median Household Income

| | |
|---|----------|
| Adjusted for inflation (1999 \$) | \$64,444 |
| Not adjusted for inflation (current \$) | \$82,271 |

NOTE: The information on this profile may not match other published data.